

With its acquisition of the Canadian European Goldfields in 2012 and the Australian Glory Resources in 2013, Eldorado Gold now owns all gold-mining projects in Greece. The corporation operates in Greece, in a context of a severe debt crisis and ensuing subjection to a shock therapy by its European creditors and the IMF since 2010. Although the Greek economy would badly need the money, their operations don't contribute to the resolution of Greece's problems.

According to a recent report by the Dutch NGO SOMO (Centre for Research on Multinational Corporations; some relevant links [here](#) and [here](#)), Eldorado Gold has a well-developed tax avoidance structure using 12 Dutch mailbox companies and various subsidiaries in Barbados as well as the British Virgin and Cayman Islands.

Naomi Klein has also written about this mining project [1] in her recent book *This Changes Everything: Capitalism vs the Climate*: "In the Skouries forest near Ierissos, the Canadian mining company Eldorado Gold is planning to clear-cut a large swath of old-growth forest and reengineer the local water system in order to build a massive open-pit gold and copper mine, along with a processing plant, and a large underground mine. Despite its remote location, the fate of the Skouries forest is a matter of intense preoccupation for the entire country. It is debated in the national parliament and on evening talk shows. For Greece's huge progressive movement, it is something of a cause célèbre: urban activists in Thessaloniki and Athens organise mass demonstrations and travel to the woods for action days and fundraising concerts".

No Mention of Cyanide

The project has serious risks. In a recent report by the Hellenic Mining Watch, strong evidence is given about the inadequacy of the environmental impact assessment study submitted by Eldorado Gold, which has led to misguided decision of environmental permission by the Ministry of Environment in 2011. HMW's main argument is that the method of "flash smelting", which is proposed for use by the metallurgy unit (currently under construction on site of an old-growth forest), is inadequate to process condensates rich in arsenic. This can lead to the abandoning of this method and to the application of the most common cyanide leaching method. The former Minister of Environment, G. Papakonstantinou, entirely overlooked this aspect, giving the green light for this controversial investment. However, the use of cyanide is not mentioned in the EIA and if used it would be a clear breach of the signed agreement with the government.

The EIA reportedly has several other flaws, like the severe underestimation of the impacts of Eldorado Gold's activity on the Wildlife Refuge of Skouries (K129), Tilio-Acerion habitat (Habitats Directive code 9180) and the Natura 2000 site of Mt Stratonikon (GR1270005).

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A Long History of Struggles

For many decades governments and activists have been thinking differently of this issue. Since the 1980s, every government has wanted to encourage gold mining at Olympias and Skouries, but the local people and the ecological movement resisted. The state-owned METBA was followed by the Canadian TVX, which was stopped by the Council of State, because the method of cyanide leaching that it was planning to use, was considered to be environmentally unacceptable.

In December 2003, the assets of Cassandra Mines in Halkidiki that were previously owned by TVX were transferred to the Greek State for 11 million euros. On the same day, they were sold to HELLAS GOLD S.A. for the same price without prior economic assessment of the assets and without an open competition. This transaction has been found by the European Commission to be in violation of EU competition rules and Greece was ordered to reclaim 15.3 million euros from Hellas Gold. This sum has still not been reclaimed. In July 2011, the Greek State approved the Environmental Impact Assessment after a shockingly ostensible public consultation. This triggered a wide movement of resistance, including local residents, environmentalists, leftist protesters, and even anarchists.

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The turning point came on Oct. 21 when about 2,500 protesters, most of them locals, but also activists from other parts of Northern Greece where there are plans for gold-mining projects, fought a pitched battle with more than 200 police along the forest road leading to Eldorado's Skouries gold-and-copper deposit, the centrepiece of its Greek strategy. 14 people were arrested. On the night of Feb. 16, about 40 masked men invaded a Skouries work site in the forest, set fire to machinery and vehicles, and doused three security guards with fuel, threatening to burn them alive. Eldorado put the damage of the firebomb attack at \$1 million.

Criminalising Protesters

Although local groups and ecological organisations condemned the use of violence, this didn't stop the supporters of the project from criminalising the protesters. Two men were arrested and another 18 were put under investigation. Many more arrests were to follow, but no conviction. The perpetrators remain unknown. Police forces imposed a regime of

occupation in Ierissos, conducting continuous house searches, interrogations, arrests to take DNA and detentions (more on this here).

Today, more than 300 residents of the area are facing criminal charges related to their efforts to preserve the mountain, the environment and the health of their communities. In early April 2015, local residents protesting on site of the Skouries mine clashed with employees of Eldorado Gold who had called a last minute counter-demonstration. One might expect the counter protest to have been forbidden by police, but unfortunately it was allowed to go ahead uncontested. When the miners did arrive, from behind the lines of riot police, and in plain sight, they threw stones at the protesters. Riot police resorted to tear gas in attempts to subdue the clashes. SYRIZA MP, Katerina Inglezi, condemned the actions of the police, "What happened is unprecedented! (...) The police attacked the residents along with Eldorado Gold's miners. (...) This unacceptable situation doesn't only concern the inhabitants of Halkidiki and the movement against mining. It exposes the government itself. Who controls the police? The government or Eldorado Gold? The people here are disappointed".

Will Syriza Help?

Syriza is now in government, since January, thus the protesters have found an ally in tackling business interests and reversing decisions made by former governments. Syriza, had pledged that, if elected, it will cancel the mine as one of its first acts in power. The Deputy Minister for Environment is Yiannis Tsironis, a member of the Ecologists Greens (the Greek Green Party), which supported Syriza in the last elections. But even though an ecologically responsible force is in power now, the issue of Skouries is a "hot potato", since the government of George Papandreou's PASOK bound very well together all the legal permissions necessary for the corporation to proceed, without major worries about the environment.

The government of ND that followed continued on the same lines. As Klein also reported in her book, ex-PM Antonis Samaras "announced that the Eldorado mine will go ahead at all costs, such is the importance of protecting foreign investment in the country."

Tsironis, the Green deputy-MP initiated a re-evaluation procedure about the logging and building permissions of Eldorado Gold. However, the main decision will have to be about the adequacy of the EIA study. It should be taken by the Minister, Panagiotis Lafazanis, and be supported by the whole government. And it should be a "yes or no" decision, leading to the cancellation or the continuation of the "investment".

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A Balkan and European Problem

Apart from the evolution of the talks about Greece's debt in the EuroGroup, the developments about Skouries are also of great significance in Greece, and very relevant for the development of the Balkans and the whole of Europe. Countries like Bulgaria, Romania and Turkey have several problems with gold mining projects, most of which are using or plan to use the cyanide leaching method. Even in countries like Finland, gold, copper or nickel mining corporations are presenting serious problems when it comes to sticking to the regulations, and awful accidents like the one at Talvivaara show the need for a stricter regulation of the industry, especially concerning the management of toxic wastes in tailing ponds.

And as the case of Eldorado Gold has shown, these serious threats need people who are ready to protest against harmful developments, as well as allies in progressive political forces, otherwise an issue like this would be quickly off the agenda.

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