

**Greenwashing** - is the unjustified appropriation of environmental virtue by a company, an industry, a government, a politician or even a nongovernment organization to create a pro-environmental image, sell a product or a policy, or to try and rehabilitate their standing with the public and decision makers after being embroiled in controversy.

# Greystar changed its name, Please welcome Eco Oro

## About Eco Oro

*Eco Oro Minerals Corporation is a Vancouver-based Canadian mining company dedicated to the exploration, development and the exploitation of precious metal resources. At the present time, its main project is the Angostura gold and silver deposit in the northeastern region of Colombia [1].*

## Greenwashing

*After scandalous withdrawal of its initial proposal to develop an open-pit mine, Canadian Greystar Resources decided to ameliorate its standing by creating a pro-environmental image.*

*The company changed its name to Eco Oro, it made statements that their new mining approach is environmentally conscious and it would engage in preservation and conservation of Páramo ecosystem.*

In March 2011, initial proposal by Greystar Resources to develop an open pit mine has encountered lots of resistance. Environmentalists stressed the danger of this project. The large use of water during the mining process, would reduce the groundwater supply and as a consequence would lead to the diminishing availability of water for the residents and reduced capacity for cattle-raising and farming [2].

The problem is that the mine is located in an ecologically fragile area known as the Santurban Páramo, where the water is filtrated, and many rivers have their origins, delivering water to 21 municipalities, including 800,000 residents of the city of Bucaramanga. If Greystar received their environmental permit, they would continue this mining project, destroying ecosystem and contaminating soil and water.

During the public hearing, scheduled by the Ministry of the Environment, Housing and Territorial Development (MAVDT) on March 4 2011 with respect to the proposed project by Greystar to develop an open pit gold and silver mine, Senator Jorge Enrique Robledo expressed his opposition to the project. He highlighted the danger that the use of explosives and cyanide presents to the páramo, and he said that he favored the law against mining in the páramos of Colombia. By Colombian law, areas above 3,000m are considered páramos, and mining in this area is prohibited. This mining project is illegal, as it is planned to be implemented in the altitudes 3,500- 5,000 meters above sea. Senator also indicated that the area residents and the Colombian government would receive a very small value of royalties, which is only 3.5%.

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Other opponents of the project noted that the World Bank and J.P.Morgan are Greystar allies that had invested in this project and they plan to receive great profits from exploitation of Colombian resources [2].



## Greenwashing

Greystar has encountered strong opposition to the development of the mining project and they were forced to withdraw their environmental permit request.



After scandalous attempt to launch open pit mine, anti-Greystar graffiti were painted on the walls in Bucaramanga. The company realized that its name required some cosmetic make-over. Thus, in August 2011, Greystar was renamed to Eco Oro. Obviously, the company works hard to establish environmentally friendly image with the new eco-friendly name. Moreover, after being involved in controversy with open pit proposal, the company is trying to rehabilitate its standing with the public and Colombian government by proposing underground mining as an eco-friendly alternative.

Now, masked with much more attractive name, the company is sending a message that it changed for good. Eco Oro might sound more eco-friendly but it cannot change the fact that the exploitation of natural resources on a large scale is not environmentally friendly at all. Even if the company cultivates some Frailejones plants, as it depicted in its new Corporate Presentation, it cannot reverse environmental damage that it will cause by mining activities [3].

However, Eco Oro is very optimistic about its new project despite the fact that the Energy and Mines Ministry said that it disapproved an underground mine because it would compromise the protected watershed. According to Eco Oro, new underground project would protect páramo and Andean forest ecosystems. Eco Oro is seeking to persuade environmental critics that they are well intentioned and have changed their approach for good environmentally responsible mining.

In its new corporate presentation, Eco Oro is presenting new underground mine in a comparative way with an open pit, highlighting environmental benefits of the new approach. The company is presenting itself as environmentally conscious, as it is in the right path, choosing lesser of two evils – underground mine. Eco Oro also made a commitment to develop and utilize best environmental practices, including restoration of lost habitats with species association and nursery propagation of native flora. The company promises to make investments in preservation and conservation of fragile páramo ecosystem. However, it is nonsense to make environmental assertions and green claims such as “we will protect páramos”. When the nature of the mining implies water

contamination and permanent damage to the land, flora and fauna, how can the company claim that it is protecting the environment? Or how is it going to reverse the damage of irreversible nature? This is nothing more than pure greenwashing strategy. These absurd promises give a good reason to be very skeptical of the truth of any of those claims.

## Current Development

Eco Oro awarded contracts to four international engineering companies to perform feasibility studies for underground project on its wholly owned, multi-million ounce Angostura gold-silver deposit in northeastern Colombia. A positive prefeasibility study predicted annual production of 300,000 Au equivalent ounces [3].

In the past, protestors and environmentalists successfully blocked the implementation of open pit mine by Greystar. Will Eco Oro make its way to the underground mine with its new eco-friendly appearance? Now Eco Oro is completing the feasibility evaluation of the underground mine and is hoping that the new name and improved image will deliver the environmental permit this time. We hope that Colombian Ministry of Environment will make proper assessment of environmental impact of new Angostura project, and will not get distracted by the new eco-friendly image of the same old Greystar Resources.



## Sources

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