



Agarak Copper Molybdenum Combine



Country: **Armenia**



Website



BHRRC company page

Summary

There are a number of noted human rights allegations related to Agarak Copper Molybdenum Combine, including:

➔ Environmental Pollution and Health Impacts:

In 2011, residents alerted media and authorities that the operation of the combine caused a fifteen-fold increase in background radiation. Boiling waste from the combine has allegedly been dumped into the Araks river for years, which has had negative health impacts for the residents who use the water. Additionally, researchers found that the soil has varying levels of toxic metals contamination.

➔ Labour Rights and Occupational Health and Safety:

Workers at the mine say that conditions are unsafe and rockslides have occurred. Six accidents occurred at Agarak CMC from January to May 2019, resulting various levels of injury. Striking workers also claimed they were not paid overtime or hazard pay which is in violation of the employment contract.

➔ Property Rights and Lawsuit from Residents:

Community members say explosions from the mine have caused cracks in homes, and some buildings are allegedly at risk of collapse. Additionally, tailings and wastewater from Agarak CMC have allegedly contaminated orchards of Kartchevan residents, making the lands and crops unusable. Despite this, villagers in Kartchevan said they had never received compensation or support from the company, and no projects had been implemented at the village to mitigate environmental problems. During 2020, Kartchevan residents sued Agarak CMC for the above damages.

Agarak Copper Molybdenum Combine does not have publicly available information about its human rights policies or environmental and social standards. The company did not respond to our questionnaire of its human rights policies and commitments.

Human Rights Commitments

- ⊖ **Does not have its own website**
- ⊖ Human rights policies and commitments **are not available** on the parent company's website
- ⊖ **Did not respond** to our questionnaire of its human rights policies and commitments

Human Rights Impacts

- ⚠ Health and safety
- ⚠ Environmental and water rights
- ⚠ Right to livelihood and adequate standard of living
- ⚠ Labour rights and wages
- ⚠ Access to information
- ⚠ Community, cultural and property rights

Company Information

Agarak Copper Molybdenum Combine is owned by GeoProMining, the parent company of [GeoProMining Gold](#). The company operates an open-pit mine and a processing plant.

According to official documents, GeoProMining sells all of its copper and molybdenum concentrate to Industrial Minerals SA. The company also has 'substantial indebtedness' to VTB. VTB Bank is tied to Russian political interests and currently owns [Teghout CJSC](#).

COMPANY OWNERSHIP



Human Rights Allegations

Environmental Pollution and Health Impacts

Residents and activists have repeatedly raised the alarm about pollution and contamination caused by Agarak CMC. During 2011, residents alerted media and authorities that the operation of the combine caused a fifteen-fold increase of background radiation.[☞] Boiling waste from the combine has allegedly been dumped into the Araks river for years, which has had negative health impacts for the residents who use the water.^{☞ ☞}

During 2013, the company said it had introduced an up-to-date water circulation system.[☞] Nevertheless, a year later, Armenian environmental authorities recorded several problems at Agarak CMC, including wastewater in the river.[☞] During 2016, it appeared that the water circulation system was not working; the Armenia Center for Environmental Impact Monitoring noted high levels of pollution in the river, with many elements exceeding the maximum permissible concentration. For instance, the amount of vanadium exceeded the maximum permissible concentration by 10.2 - 11.3 times.[☞]

Tailings overflowed into the riverbed of the Kartchevan river and flowed into the orchards of Kartchevan residents. Residents claim this makes their land unusable and crops unsafe to eat. The water, allegedly, left a thick layer of residue filled with toxic heavy metals. Residents wrote a letter to the general director of the company, but nearly two weeks later, it was still unaddressed.[☞] Administrative proceedings were launched to address the spill.[☞]

Yet more pollution was found during 2020. Instead of going to a tailings dump, wastewater was allegedly discharged along the Kartchevan river to the Araks river.[☞] The company said that it had been cleaning the plant, and the discharge contained only mud, soil and dust—not toxic substances.[☞]

An environmental impact assessment emphasised that the company must eliminate tailings leaks into the Kartchevan and Araks rivers. According to the expert opinion, 'It is necessary to carry out the water use in accordance with [Armenian] legislation, not to hinder the drinking-domestic irrigation water supply of Agarak and Kartchevan settlements by the company's activities'.[☞] Activists pointed out that, due to pollution, the river had long been classified as poor quality, and residents could no longer use it for irrigation.[☞]

Additionally, researchers at Yerevan State University have found that soil adjacent to the mine and the three tailings dumps in Agarak have varying levels of toxic metals contamination, including copper, lead, molybdenum and cadmium.[↗] Such contamination poses significant health problems; heavy metals poisoning has been associated with conditions such as organ damage and failure, cancer and lung disease.[↗]

According to a public report, the company should have paid 168 million AMD (\$319,600 USD) to the Environmental Protection Fund by 2016; in reality, the company paid only 3.8 million AMD (\$7,300 USD).[↗]

During 2020, residents sued the company over environmental damages (see below).

Labour Rights and Occupational Health and Safety

Workers at the mine say that conditions are unsafe, and they have held strikes as protest. Miners allegedly told the company that rock falls made working hazardous, but Agarak CMC did not respond to complaints. One miner said, 'There are places in the mine that are life-threatening, where experts have come and confirmed that they are hazardous, but we have worked till now. Terrible rockslides occurred on the day in question and we turned to Alec Kozlovsky because he is our immediate boss. We were on our break. We told him what was happening. He replied either you want to work, or you don't. These are our conditions'.[↗]

Six accidents occurred at Agarak CMC from January to May 2019, resulting in various levels of injury. Consequently, the Health and Employment Inspection Body launched administrative proceedings.[↗] A fine was imposed, but little other information was released. The Health and Labour Inspectorate simply said an order was issued 'to eliminate the violations identified'.[↗]

'It should be noted that there have been no special studies on human rights and safety', Ecolur told us. 'Agarak is a city of targeted industry, where the main employer is the Agarak Copper-Molybdenum Combine. Local residents associate their livelihoods with the plant and do not look for alternative ways. As in other similar situations, people do not like to communicate with journalists, with strangers, believing that subsequently there may be sanctions against them, mainly related to work'.

Striking workers also claimed they were not paid overtime or hazard pay which is in violation of the employment contract. After one employee was terminated, he took the company to court; an investigation revealed that the company had violated labour rights for years and had not provided payments for highly hazardous work. He claimed that if he had never been dismissed and received a copy of his contract, he would have continued to work hundreds of hours per month without proper compensation.[↗]

Russian security staff check the employees while entering and leaving the plant as well as during work.[↗]

Employees said the company was targeting strikers and demanding explanations for their absence from work. They also claimed management said the strike was illegal and workers would be taken to court for compensation.[↗] Arrangements were later made between the company, the workers and the local community leaders. Agarak CMC agreed to reduce the number of Russian security staff, and wages were also discussed.[↗]

Operations at Agarak CMC were suspended due to violations of health and safety rules related to the Covid-19 pandemic.[↗]

Property Rights and Lawsuit from Residents

Community members say explosions from the mine have caused cracks in homes, and some buildings are allegedly at risk of collapse.[↗] Additionally, as mentioned above, tailings and wastewater from Agarak CMC have allegedly contaminated orchards of Kartchevan residents, making the lands and crops unusable.[↗] Villagers have complained about dust pollution and other environmental problems.

Despite this, villagers in Kartchevan said they had never received compensation or support from the company, and no projects had been implemented at the village to mitigate environmental problems. Socioeconomic programs were only carried out in Agarak town and not at any other impacted communities. The funding was supposedly provided for implementation of 'health programs', but the residents said the only noted benefit was that kindergarten facilities received extra food.[↗]

During 2020, Kartchevan residents sued Agarak CMC for the above damages. Villagers whose orchards were flooded by the wastewaters sought out independent testing and found heavy metals in their soil that greatly exceeding the maximum permissible concentration, with amounts three to twenty-one times higher than the safe limit.[↗]

Human Rights Commitments

Agarak Copper Molybdenum Combine does not have its own website; instead, information is hosted on the parent company website. GeoProMining does not have publicly available information about its human rights policies or environmental and social standards.

The company did not respond to our questionnaire of its human rights policies and commitments.