

# Translating Values into Action: Guiding Principles for Improved Community Engagement

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## Research aims:

This research project entailed:

- engaging with mining industry, government and NGO representatives to study their approaches to listening to communities and their responses to what they hear
- formulating suggestions to enact the guiding principles in order to facilitate the development of a mutual understanding of company-community interests
- presenting a summary of a previous report on community perspectives to the individuals and groups interviewed for that report
- creating two short films to be used in teaching about the impact of mining on communities

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Short films/pedagogical tools:

<https://vimeo.com/122399156> & <https://vimeo.com/122321445>

Companion reports on IM4DC website:

'Mining and Community Engagement in Peru: Communities Telling Their Stories to Inform Future Practice'

'Mining and Communities: a Simulation Game as an Educational Tool for the International Mining for Development Centre'

<http://im4dc.org/action-research-reports/>

# IM4DC Action Research Report



# Summary of Action Research Activity

## **Translating values into action: guiding principles for improved community engagement**

This report builds on a previous project\* which presented the perspectives of a selection of community members at two mine sites about their experience of social conflict with the Peruvian state and with mining companies. The experiences of these men and women are varied but have given rise to a common belief that neither the government nor the companies hold any respect for the values, beliefs and needs of community members. The results of the first project were presented as a set of guidelines which laid out the key areas for improvement needed to create equitable negotiations in the future. The current project aimed to deepen the context of these guidelines by gaining feedback about the guidelines from the same communities as well as exploring how companies and Governments who have positive relations with communities, appear to have applied them, or from the perspective of the communities, could do so in the future.

The objective of this report is to provide some meaningful direction about what needs to change in the values and behavior of companies, governments, communities and non-government organisations (NGOs) to develop more equitable approaches to community engagement in the future; it aims to “develop translation and mediation tools for helping make visible the difference of interests, access, power, needs, desire and philosophical perspective” of those people at the center of mining economies.

Along with the results of interviews and identification of key change areas, recommendations on how strategies could be implemented and a set of Guiding Principles are provided.

Two short films have been made by filmmaker Eric Feinblatt, intended for use as pedagogical tools in teaching and learning for engineering students, government personnel and mining companies.

\* The companion report ‘Mining and Community Engagement in Peru: Communities Telling Their Stories to Inform Future Practice’ is available on the IM4DC website or from the authors.



THE UNIVERSITY OF  
**WESTERN  
AUSTRALIA**

## **IM4DC REPORT**

Translating Values into Action: guiding principles for improved community engagement

April 2015

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## CONTENTS

<b>PART I</b> .....	3
<b>1. PROJECT DESCRIPTION</b> .....	3
<b>1.1 Aims and Outcomes</b> .....	3
<b>1.2 Acknowledgements</b> .....	4
<b>2. INTERVIEW PROFILES AND INTERVIEW CODES</b> .....	4
<b>2.1 Mining Companies</b> .....	4
Company 1 .....	5
Company 2 .....	5
Company 3 .....	5
Company 4 .....	5
Company 5 .....	6
Company 6 .....	6
Company 7 .....	6
<b>2.2 Academics &amp; Consultants</b> .....	6
<b>2.3 Government Representatives</b> .....	7
<b>2.4 Community Based Organisations</b> .....	8
<b>2.5 Farmers</b> .....	8
<b>2.6 Non-Government Organizations</b> .....	8
<b>3. COMPARATIVE VIEWS: THE STATE, COMPANIES, COMMUNITES AND NGOS</b> .....	9
<b>3.1 How the state is perceived</b> .....	9
3.1.1 Absence of institutional representation, of regulation .....	9
3.1.2 Absence of protection .....	11
3.1.3 The state does not value the attachment to land.....	12
3.1.4 The state colludes with companies.....	13
3.1.5 Environmental Impact Assessments should be shorter and written in an idiom easy for local people to understand .....	13
3.1.6 The Oficina Nacional de Dialogo Y Sostenibilidad is a sign of improvement .....	14
<b>3.2 How mining companies are perceived</b> .....	16
3.2.1 A bad history in Peru .....	16
3.2.2 Arrogance: a legacy of the past.....	18
3.2.3 Distrust of companies.....	19

3.2.4 Companies don't provide enough information about mining beforehand .....	20
<b>3.3 How communities are perceived .....</b>	<b>21</b>
3.3.1 They are not respected .....	22
3.3.2 They are poor .....	24
3.3.3 They have a close relationship to the land .....	26
3.3.4 They are survivors.....	27
3.3.5 Learning to resist, learning to negotiate.....	27
<b>3.5 How NGOs are perceived .....</b>	<b>29</b>
<b>4. LIVED EXPERIENCES OF COMMUNITY MEMBERS .....</b>	<b>30</b>
<b>5. WHAT NEEDS TO CHANGE .....</b>	<b>31</b>
<b>5.1 Company culture.....</b>	<b>31</b>
5.1.1 Invest time not money .....	32
5.1.2 Senior people must meet communities face to face. ....	33
5.1.3 Shared values within a company.....	34
<b>5.2 Company policy.....</b>	<b>34</b>
5.2.1 Communication about the impact of mining.....	34
5.2.2 Community monitoring of environmental impact.....	35
5.2.3 Social imperatives should outweigh financial imperatives. ....	36
5.2.3 Stop mining .....	37
<b>5.3 There should be independent mediation .....</b>	<b>38</b>
<b>5.4 State policies and values .....</b>	<b>38</b>
5.4.1 The state must be involved from the beginning .....	38
5.4.2 The state must protect its citizens .....	39
<b>5.5 Communities would like to be educated about mining.....</b>	<b>39</b>
5.5.1 Education in schools .....	39
5.5.2 Environmental monitoring programs .....	39
<b>6. GUIDING PRINCIPLES .....</b>	<b>40</b>
<b>7. DELIVERABLES .....</b>	<b>42</b>
<b>7.1 Identification of key change areas and practical steps to implement these .....</b>	<b>42</b>
<b>7.2 Short films/Pedagogical tools .....</b>	<b>42</b>

# PART I

## 1. PROJECT DESCRIPTION

### 1.1 Aims and Outcomes

This report builds on a previous project<sup>1</sup> entitled ‘Mining and Community Engagement in Peru: Communities Telling Their Stories to Inform Future Practice’ which presented the perspectives of a selection of community members at two mine sites about their experience of social conflict with the Peruvian state and with mining companies. These detailed narratives revealed deep hostility towards the state and the mining companies based upon treatment by police and by company officials. The experiences of these men and women are varied but have given rise to a common belief that neither the government nor the companies hold any respect for the values, beliefs and needs of community members.

There may be community members at those mine sites who do not share those views, and it is also evident that each company has a different social history with the communities that live within or alongside areas affected by mining. However, there is enough evidence from research in the same region and from other sites of social conflict in Peru to acknowledge that negative perceptions of mining companies and government bodies are common, are based on similar issues, and that the depth of these feelings are evident in the strength of opposition to mining in many parts of Peru. The results of the first project were presented as a set of guidelines which laid out the key areas for improvement needed to create equitable negotiations in the future. This project aimed to deepen the context of these guidelines by exploring how companies and Governments who have positive relations with communities, appear to have applied them, or from the perspective of the communities, could do so in the future.

This research project entailed

1. Engaging with mining industry representatives who work or have worked in Peru, and with local Government representatives and NGOs, to study their approaches and strategies to *listen* to communities and their response to what they *hear*; and engaging with academics and consultants to determine their views on the relationship between companies, government and the state.
2. Formulating suggestions to enact the guiding principles in order to facilitate the development of a mutual understanding of company-community interests.
3. Presenting an executive summary of the previous report (in Spanish) to individuals and groups interviewed for that report
4. creating two short films to be used as a pedagogical tool in teaching and learning about the impact of mining on communities

It is not the aim of the report to provide a management tool for either government or companies but to provide some meaningful direction about what needs to change in the values and behavior of companies, governments, communities and NGOs to develop more equitable approaches to

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<sup>1</sup> The report from that project is available here:

<http://im4dc.org/wp-content/uploads/2013/09/Armstrong-Baillie-Peru-FR-Completed-Report.pdf>

community engagement in the future: it aims to “develop translation and mediation tools for helping make visible the difference of interests, access, power, needs, desire and philosophical perspective” of those people at the center of mining economies.<sup>2</sup>

## 1.2 Acknowledgements

We gratefully acknowledge the assistance of Austrade Peru, Sharon Flynn, and Mr Grant Mooney in facilitating access to mining company personnel in Lima; and we also acknowledge the invaluable help provided by Ms Glevys Rondon in setting up meetings with community groups and NGO personnel in Peru. IM4DC alumna also generously made their time available to us in Lima.

## 2. INTERVIEW PROFILES AND INTERVIEW CODES

### 2.1 Mining Companies

Eight mining company representatives who worked in the area of community engagement were interviewed in Lima. Four of these companies operated in the same region in the northern Andes; two operated in other parts of the Andes; and the remaining two worked for the same company operating in southern lowland Peru.

The purpose of the interviews was to ascertain

- The level of social conflict, if any, which existed at their mine sites
- The kinds of explanations put forward for the existence/lack of social conflict in Peru generally, and on their mine sites in particular
- Company perceptions of the government’s role in managing mining and managing social conflict
- The practical steps which different companies take towards engaging communities and resolving conflicts that arise

The following section sets out a summary profile of each mining company along with the codes for individual/s interviewed from each company.

Companies 1, 2 and 3 operate in the same region. Company 1 has experienced minor conflict (in the form of initial opposition to company takeover); Company 2 has not experienced conflict while Company 3 has experienced extensive conflict. Company 4 is a major mining company, still in the exploratory phase in an area to the north; it also experienced initial conflict but has been involved in community engagement for 7 years whilst exploring the lease, and there have been no major conflicts during that time; if the project goes ahead, it will be a major project.

Company 5 is in exploration in the southern lowlands of Peru while Companies 6 and 7 operate in the southern part of the Andes.

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<sup>2</sup> Fischer, M. (2003). *Emergent Forms of Life and the Anthropological Voice*. Durham, NC: Duke University Press, p. 3

### Company 1

This is an established mid-tier company operating a copper/gold deposit. There is one open pit, and one copper-gold plant at elevations ranging from approximately 3,600 to 4,000 metres above sea level. Stage: extraction. The mine site is 1.5 km from a small town of approximately 2000 people; this town, together with 4 rural communities, are designated as being impacted by the mine. This area has a long history of mining, unlike Company 3; there is a history of interest in, and wanting to benefit from, mining activity.

C1 commenced operations 10 years ago at a time when there was significant opposition to mining at another nearby mine site. The town and the rural communities were not initially accepting of Company 1: a presidential election was taking place together with increased social activism against mining across Peru. In 2004 “the communities say ‘we don’t want new mining because the old mining that worked here was very bad’ ... and for this reason when our company arrive in 2004 the communities say ‘first the new mining need to make remediation for the whole environmental liability’”. This remediation is being carried out in partnership with the national government. In August 2013, the sixth amendment to the Environmental Impact Assessment (EIA) concerning extensions to the pit, a new quarry and one topsoil dump, was approved. The projected closure date is 2023.

Interview codes:

C1a: Vice President, Corporate Affairs

C1b: Manager of Sustainable Development

C1c: Manager of Community Relations on mine site

### Company 2

Mid-tier Chinese joint-venture company. Ore deposit: copper/gold, predominantly copper. Extraction has commenced although EIS approvals are in submission to mine other leases on the site. Projected life of mine: 22 years.

Interview code: C2 (Senior Vice-President, General Manager).

### Company 3

Major mining company with sites around the world; history of escalating social conflict, including a state of emergency in the main town. Plans to expand into an adjacent region has met with opposition from local communities in the area.

Interview code: C3 (newly appointed Director of External Affairs – 4 months in position)

### Company 4

Major mining company in exploration phase for 7 years, situated to the north of Companies 1-3 in the northern Andes (altitude 2455 m). It is the third mining company to operate the lease even though extraction has not yet commenced.

The project began as a state-owned operation, then was owned by a mid-tier Canadian company. Community feelings towards the Canadian company were extremely hostile at this point. A transnational major began re-negotiations before selling to Company 4. There are 44



communities which would be impacted by the proposed project. Land is owned individually, unlike communities impacted by Companies 1-3; the company is leasing land from 31 families to carry out exploration. Some families have opted to resettle to the coast. It will be the first mining project in the area.

Interview code: C4 (newly appointed Director of Corporate and Social Affairs – in position 6 months)

#### Company 5

Junior Exploration Company. Extraction has not commenced. Low population density in southern Peru in semi-arid conditions. Initial hostility when Company 5 took over the project.

Interview codes:

C5a: CEO

C5b: Manager of Community Relations

Both have worked together previously on a mine site marked by extensive social conflict.

#### Company 6

Junior Exploration Company operating a gold deposit in the southern Andes (2,785m). The company faced intense community hostility after buying the lease from a major mining company in 2006. This is the only Company in Peru to have formed an Agreement with the community in which the community are shareholders in the company. The Environmental and Social Impact Assessment (ESIA) was approved in September 2013. The Construction Permit, the final significant permit required to build the mine, was granted in June 2014.

Interview codes:

6a: CEO

6b: former Head of Community Relations

#### Company 7

Company 7 is large mid-tier joint venture mining company. It completed the acquisition of this large scale copper project from a major finance company in mid 2014. The development of the mine site required extensive resettlement, involving 500 families (approx. 2000 people). Consultation, under the previous owners, started in 2009, an Agreement was reached in 2010. The process of resettlement started about a month before these interviews took place. They maintained the CE model which had been developed by the previous company and maintained the same staff. The resettlement was carried out by a private consultancy company. Before 2009 the community didn't want the project.

Interview code: C7 (Director of Operations, with previous experience in Australia, India and the Philippines)

## 2.2 Academics & Consultants

Four academics, three of whom worked as consultants to mining companies, were interviewed in Lima. The purpose of the interview was to ascertain

- their overall view of mining and community engagement in Peru;
- their particular experience of mining and community engagement; and
- their explanations for the rise in social conflict in mine sites

The Interview codes are as follows:

- A1: has a PhD in Anthropology and is a private consultant specializing in mediation of social conflict on mine sites (e.g. the Tintaya Roundtable). He has a small team working for him.
- A2: is an Anthropologist with a Master of Social Management; he has 12 years' experience as a consultant to major mining companies working in Peru. He operates his own consultancy agency.
- A3: has a PhD in Anthropology, works at a University in Lima and also for an NGO development consultancy group.
- A4: has a PhD in Anthropology, teaches in a University in Lima, has done research on mining and labour in central Peru

### **2.3 Government Representatives**

Four government representatives were interviewed including 2 from the Ministry of Energy and Mines, and 2 from the National Office for Dialogue and Sustainability (NODS). The NODS was created only two years ago. Its goal is to prevent, and resolve, social conflict on mine sites. According to G3 (see below) they have dealt with more than a hundred cases and they employ up to fifty commissioners.

The purpose of these interviews was to

- ascertain their role in the regulation of mining and/or the resolution of social conflict
- their personal views on the effectiveness of their role and the obstacles and challenges which they face

The interview codes are as follows:

- G1: former member of Social Management Committee, Ministry of Energy and Mines. The Ombudsman's Report was an important source for this committee, a guide to existing and emerging social conflicts.
- G2: Office of Environmental Regulation, Ministry of Energy and Mines
- G3: Commissioner for the National Office of Dialogue and Sustainability
- G4: Commissioner for the National Office of Dialogue and Sustainability – NODS

## 2.4 Community Based Organisations

Interviews were conducted with 6 representatives of women's organization in the Cajamarca district; with 4 representatives of an activist organization that wishes mining to cease; and with 3 individuals representing different community organizations who are also critical of mining.

The interview codes are as follows:

- W1, W2, W3, W4, W5, W6: representatives of community based women's organization against mining and in defense of human rights. The group is local but has some international contacts through activists in the UK, France and Italy.
- M1, M3, M5, M7: representatives of community based organization which also runs a radio program to inform local people about the social protest against a particular mine in the region
- M4: young mother representing community based organization of young people in small rural town
- M6: blogger, student activist
- M7: representative of local organization whose aim is to provide legal advice to people affected by mining, and document breaches of human rights violations and environmental degradation

## 2.5 Farmers

Five farmers were interviewed from the Cusco district and one from the Cajamarca region.

- F1: farmer, Cusco district. She lived next to the tailings dam of the mine site.
- F2 & F3: husband and wife farmers, Cusco district whose son was injured in a protest against the mine
- F4: farmer, Cusco district
- F5: farmer, Celendin district

## 2.6 Non-Government Organizations

- N1: lawyer, NGO
- N2: lawyer, NGO

## 3. COMPARATIVE VIEWS: THE STATE, COMPANIES, COMMUNITIES AND NGOS

### 3.1 How the state is perceived

In the previous report it was very clear that community members – including farmers, urban residents, and local members of community based organizations – felt that the state was working to protect the interests of mining companies even when those companies had caused environmental damage or had not engaged with communities in an open and democratic way. One of the other outcomes of that report was that it was not clear what local people meant when they talked about ‘the state’: negative feelings about the state were most often specifically associated with police actions at social protests and attitudes of prosecutors who failed to take their claims of unfair treatment seriously, and generally with feeling that the state had not protected them.

In this section we compare the different perceptions of the ‘state’ from each of the group of interviewees listed above, while attempting to disentangle which state institution is being discussed.

#### 3.1.1 Absence of institutional representation, of regulation

A persistent theme in interviews with companies, community based groups, and government itself is the absence of government in the remote regions of Peru. However ‘absence’ means different things to each group:

For companies, absence reflects a lack of capacity to govern at the regional level, and a lack of capacity to deliver development programs to local people even when monies are available to do so, particularly from the canon.

*C2: Governments in developing countries are invariably absent from the more remote areas and indeed even in the areas where you do find government present it is so often staffed with people who are unprepared, perhaps even unwilling, to take the steps that are necessary to take advantage of the development that the investment will bring. But without that involvement of government, it's a project that will not be sustainable. It will not be fully accepted either by the agency that has the ultimate responsibility for operating it, or the next mayor of the town who is anxious to discredit all of the work of his predecessor”.*

*C3: And the other thing that you see is there is very little presence. The government has no presence basically where we operate. So most of the areas where we operate are very remote, have very low indicators in terms of poverty, nutrition, education and so forth ... We need more presence of the government and not just for the sake of the mining industry, or for any other industry, but for the sake of being more inclusive.*

*A1: The capacity of the local level to manage public funds is very, very limited. This is not good for the people. The communities want the government to protect them. They want now for the companies to step away, and say the government*

*needs to respond. Now the government is trying to feel how to come to that. It is complicated. There are too many bodies and each one thinks differently and the co-ordination between them is very weak.*

A few company people blamed corruption at the regional level for the rise of social conflict:

*Company 3: no wonder they are frustrated. Regional governments in Cajamarca, Ancash, Tumbes, Piura are managed by corrupt regional governments.*

*Company 4: When you ask the people who are in the regional government, the ones who have complained about mining, when you ask “what have you done”, “what have you done for the people”. Nothing. They haven’t done anything. Beyond protesting. Fine, you can do your protest, you can be against the mining operations in Peru but what have you done for them with all the money, all the resources that came into Cajamarca? Absolutely nothing. So you have the worst poverty indicators in the country, the worst extreme poverty indicators of Peru in Cajamarca. With millions and millions of dollars and you have leaders such as Santos, and you ask the question – is this really protecting the environment the answer for the people of Cajamarca, the rural communities who have no nutrition, no education. Those things you ask yourself is the really way forward.*

*A2: The government transferred money to the regions without any preparation for the management of these funds. The lack of capacity of the local government to manage these funds increase the risk connected to social conflict because people didn’t see the benefit of the money. Even the rules about how to spend the money are strange. Local people who are expected to invest the money in infrastructure don’t have the capacity to hire people with technical knowledge. That situation is strange. Even in this case about how to invest in a proper project, the state just put some regulations and don’t give proper courses for capacity building.*

A representative of one of the large companies believes that the government wants the benefit of mining revenue but is unwilling to fulfill its regulatory obligations in return. It is worth noting that, in Peru, large scale mining is monitored by the national government but smaller projects are managed by regional authorities.

*C4: the company gets there, the company starts engaging with the community, they start engaging with the local authorities and it’s not until two years or one and a half years that I start my permitting process to explore, that the government starts auditing me every three months and they don’t come. When do they come? At the next stage when I need an EIA approval for my exploration activities when I need to start workshops with the communities, they have to be present. And what they do sometimes, they delegate this to the regional authorities.*

*C4: Who audits the large scale mining in Peru? It's not the regional government, it's the national government, the central government. And the problem is that they are not by my side, and they are losing credibility and they are losing the leadership that they should have around the mining sector ... Auditing. You know, taking care of the environment, making sure that mining companies are mitigating properly any kind of impact that they are producing. If things are right and they are performing well, well you need to tell that and communicate that properly. If mining companies are doing things wrong, ok the same way. Explain what is going on, what's happening. Have these meetings with the communities every three months and update the communities around the mining, with what is going on in the mining sector, what's going on with mining in the district... So don't wait until a mining company gets there and announces that there is a discovery or announces some activity for the government to go "oh, let's go!"*

### 3.1.2 Absence of protection

Community based organizations and farmers, on the other hand, feel the absence of protection in the face of excessive police brutality during protests.

*W2: the most painful thing, for example, is that in this march that we took part, the nastiest thing was that they poured out our food, kicking the pans, I also think that the state should sanction, the same way they judge us as people, why don't they do the same with those authorities right?*

*W2: considering everything, carried on with the states of emergencies, and the people have realized now, because of so much injustice... now for us there are no laws, there is no one to protect us, everything is an abuse*

*W3: we feel like we are orphans, because there is no one that we can complain to, they don't listen to us, for them we don't exist*

*W3: because the one who should be condemned, is not condemned but on the contrary, our laws are upside down, from the central government, we feel weak in that aspect, there is not support, there is no justice for the poor, that is what we say*

*W4: they are abusing us, they don't think that we are human beings and that we have been left marginalized, scared of the state which put in a state of Emergency*

*F5: there is no authority here in Cajamarca, in Celendin that really exercises justice like it should be, they use the law like they want to, according to how they act, according to the decisions that they make, and they don't use the law, the rules like they should do, for justice for those who need it the most, for the poor who are demanding their rights...*

NGOs, which seem to fulfill the role of the state in regional areas (in terms of legal advice, information about mining) feel that it should be possible for the state to be both regulator of mining and protector of the people:

*N2: the state should have a intermediary perspective, a perspective, let's say, a perspective that looks to protect the community, that looks to lend services, and when, and the companies should have a determined role, one that is to adjust itself to the conditions given to them, by the state and by the community, but the reality in Peru, what is currently happening, is that because there is a current urgent need to have strong investment, from these companies, the state has opened up, are being as flexible as they can be with the guidelines and norms, and the companies are taking advantage of that*

Most academics and two government employees also agreed that the state had failed in its role to protect rural and Indigenous populations. One of them said “*The communities, frankly, don't trust the government. The government didn't do good work just before*” but qualified this by stating that government was now attempting to rectify that situation by having established the National Office for Dialogue and Sustainability, and by having the Ombudsman<sup>3</sup> record the level of social conflict at mine sites around Peru.

### 3.1.3 The state does not value the attachment to land

Linked in with the feeling of not being ‘seen’ by the state, is the feeling that the state does not recognize, or give equal value to, the culture of local people

*W3: if we look at the countries here, Ecuador, Colombia, Venezuela, and Chile, they have the same problems as we do, the state doesn't understand the importance that our territories have to us the people, the state doesn't understand the importance that those mountains have to us, because for us they are important, right? and that is something the state also, doesn't value and neither does the company, they come here and say that the mountain is not worth anything, but for me the mountain is important, and with my mountain I do my land, I do my rituals for my cultivations, and the state doesn't understand that,*

*W3: we are talking about mining and the government always talk about a responsible mining, and that we can live from gold, but that is false, I think that the best development is to have water, the best source of development, otherwise we wouldn't be able to be drinking this tea at this moment, for me mining is not compatible with agriculture, nor with water, for me the best development of a town, is the water and I think that, and I think that we will be able to resist, right?*

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<sup>3</sup> The *Defensoria del Pueblo* was constitutionally formed in 1992; the first *Defensor* was appointed in 1996. The Ombudsman's, as it is known in English, is an autonomous national body.

### 3.1.4 The state colludes with companies

There is general agreement that, due to the history of mining in Peru, local people have little basis on which to trust either the state or the company. But while companies now see the state as not fulfilling its duties as regulator or developer in regional areas, some communities see active collusion with companies who have breached environmental regulations and human rights:

*W6: the state doesn't see the people, as Peruvian people, but they govern for the transnational's, in favour of them and not in favour of our country, it is a problem that when we protest, the state itself sends the police and sends them to throw gas bombs, and so many abuses towards people, I don't know, maybe we have hope that some day we will have a government that governs us for us, it is for us, that sees the people, for our Peru, for our country*

*M7: maybe we would have to first activate a system to firstly guarantee that there is independence on behalf of the state, and for the state to become a guarantor of the people and so that would allow, for example, that the state takes on the role of overseer of the mining companies, and also the role to guarantee respect of the human rights of its people, that is currently not happening because the state is almost forced to be the co-partner of these companies, it is a partner of the companies and the state sees itself, well I think also that this is because of the economic dynamics that we currently have and the system that we have, in this neo-liberal system, unfortunately it has given way for these issues, because of themes of corporate governance,*

Only one of the company representatives, a Peruvian sociologist, commented on the power dynamics of the state-company relationship:

*C5b: conflicts show that companies has more power than the villagers because the companies are supported by the government because they are the source of taxes and source of investment (and corruption), so the government try to make the projects work. So there is a kind of inequality in the power structure because the villagers don't have enough support from the government to be in equal condition to translate all the issues to the mining companies. Once we have this inequality on the power relations, mining companies doesn't feel that - they don't have to be, to have to make any negotiations because they will demand to the government to employ the force to restate the situation and avoid the issues because they are the source of the taxes and investments and they require from the government that they attack the communities to keep the things ongoing.*

### 3.1.5 Environmental Impact Assessments should be shorter and written in an idiom easy for local people to understand

Many community members claimed, in the previous report that it was difficult to understand EIAs, and there was not enough time for consultation. The Ministry of Energy and Mines (MEM) has made what it believes are progressive changes to gaining community endorsement for an Environmental Impact Assessments. Public hearings for EIAs were only heard in Lima



until 2003; after this modification they could be heard in regional towns. Furthermore, EIAs are now available on the internet. Despite these changes, power imbalances remain. Fabiana Li has recorded instances of only partial community representation in town hall meetings in Cajamarca<sup>4</sup>, for example; furthermore not everyone has access to the internet and even when town people have access to the internet, the language and length of the EIAs have remained the same.

*W5: we don't have access and the information is so complex, it's so big, that no one is reading the one thousand four hundred pages which on top of that has technical terms, and with regards to the social licence of which Lourdes talked about, right? the community according to the law, they have a right to be consulted, but that is if the country fulfilled the laws,*

The EIA to which this woman is referring comprised a “530-page “Technical Component” and a 130-page “Social Component,” as well as numerous appendices with additional maps, figures, survey results, interview guides, and other data”.<sup>5</sup>

### 3.1.6 The Oficina Nacional de Dialogo Y Sostenibilidad is a sign of improvement

New institutional channels have been created to resolve social conflict. These include the *mesas de diálogo* (dialogue roundtables) and *mesas de desarrollo* (development roundtables) established by regional authorities and by the *Oficina Nacional de Diálogo y Sostenibilidad* (National Office of Dialogue and Sustainability or ONDS). None of the company representatives mentioned the ONDS or said that they had made use of the Development Roundtables. Nonetheless they, and some academics, acknowledged that the government had made improvements in addressing social conflict.

*C4: there is goodwill and things have changed and improved a little bit, I have to be honest about that.*

*A1: To be honest, they have been changing the framework, now they are trying to build a system where they have let's say a theoretical framework to explain why the need to be there in order to create a process of dialogue. But in my opinion that has been paying off, and working – that is I am not talking about how good or bad each process is. But they have been able to reduce the violence in some cases and to keep the possibility of a project open. The strategy from the government, which is something which the people demand, is that the government needs to be responding.*

The obstacles facing the ONDS are, however, significant. The Development Roundtables requires representatives from all relevant ministries and this is difficult to achieve (physically) let

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<sup>4</sup> Li. F. (2009). Documenting Accountability: Environmental Impact Assessment in a Peruvian Mining Project. *PoLAR*, 32(2): 218–236.

<sup>5</sup> Li 2009, p. 222.

alone reach a consensus. The Commissioners from the ONDS have to liaise primarily with the Ministry of the Interior, but a Development Roundtable requires representatives from the government departments that deal with water, agriculture, health, development etc. In the two years since the office was created, it has dealt with over a 100 cases.

*G4: each Minister has their centralized office – and their speciality is really technical. For example we have the national water authority. Or the office for the evaluation of the environment (OEFA). And these institutions have done really good work evaluating and monitoring the activities of mining or oil projects. Generally when we get information, then we need to meet with these institutions. We need to understand all the elements of the controversy and then we program a meeting with the company or the community. In my case, in some cases that I have, the first step is to get information, the second step is get a meeting with the national institutions of the government or maybe regional gov or local gov depending on the characteristics of the conflict. Then we have to program a meeting with the community. One thing is the technical information but another aspect of the conflict is the perception of the community and it is really important for us to get that perception, and to understand what they think about the project. This is the process.*

The two Commissioners whom we interviewed also acknowledged that the communities do not trust the government but felt that improvements were being made:

*G4: This table is working to build trust with the Indigenous people. It's like a window for the community. The communities, frankly, don't trust the government. The government didn't do good work before and this government (Ollanta Humala's government) has responded to the questions of these communities.*

An NGO representative also commented on the difficult of getting representatives of all 18 ministries to a Dialogue Roundtable:

*N2: (speaking about the Amazon) All the indigenous gathered, they are still gathering, and they have been requesting a Dialogue Table for about two years now, only this year it was established, yes it was this year, then the indigenous leaders said that they wanted to hold the dialogue in their communities, and well their communities are far, really far, to get there you have to go in a boat on the river for ten hours, so then the PCM intelligently said that that was ok, that they will have dialogues in their communities, so then the leaders organized various dialogue spaces, erm, but well, they proposed that they meet in an area of Iquitos, a city in the jungle, and so all of the communities went with their groups but the state didn't show up,*

The community based organizations and farmers, on the other hand, did not mention the ONDS at all, either in the first or second round of interviews. This could be because they are not interested in a 'dialogue table' but want the mining in their area to cease altogether. Furthermore

a lot of rural people may be unaware of the ONDS because it is only recently formed and does not have a strong regional presence.

One academic also felt that some movement had been made to strengthen the presence of the government in the regions but cited similar obstacles to improvements in other government sectors, i.e. working against centrist tendencies and also getting ministries to co-operate with each other.

*A1: The capacity of the local level to manage public funds is very, very limited. This is not good for the people. The communities want the government to protect them. They want now for the companies to step away, and say the government needs to respond. Now the government is trying to feel how to come to that. It is complicated. There are too many bodies and each one thinks differently and the co-ordination between them is very weak.*

An employee of the Ministry of Mines did not feel that Roundtables were the ultimate or final solution but were a way of avoiding violence and mediating conflict.

## **3.2 How mining companies are perceived**

### **3.2.1 A bad history in Peru**

There is general consensus that mining in Peru has a negative history; this is not unusual in a global perspective where most mining companies, until the late 1990s – which coincided with the rise in environmentalism, in Indigenous activism, and the famous court case against BHPBilliton by the Yonggom people of Papua New Guinea – paid little attention to the environmental and social impact of mining.

One academic who takes an interest in the historical development of mining in Peru charts a course from the days of ‘old mining’:

*A3: In the 50s it was national kind of companies. But also you have a middle sized companies, Peruvian important ones like Buenaventura, Hoschids. In these times there was a kind of a culture about how to relate with, how to deal with the social issues. And that culture was part of our society, completely biased. So the idea was that the people from mining were oligarchs and the rest were Indians, Indigenous people who have no value at all. These companies came and tried to negotiate with the local communities in very asymmetrical ways with the idea that “well you want something, I give you some money or some job for one or two and yes please” (snaps fingers) “go out from the land”. “If you don’t want that, I’m gonna kill you, that’s all”. It’s my right. Like a conqueror you know.*

The period of nationalized mining was no better, in his opinion. He believes that when the government nationalized large sections of the mining industry, the explicit social contract was: “I am going to, you know, contaminate everything but I am going to give you all jobs and services”. This, he says, was partly successful because mine workers became politicized and the

problem then was not about contamination but about fair remuneration for work, and a better system of government. The move to liberalization, and the growth of foreign companies who then espoused “corporate social responsibility” seemed to promise a better deal for communities.

*A3: Because they reproduce this old culture, bad culture, everybody - people, community, media - they started to see a contradiction because you have all of these companies saying “we’re following international standards, following whatever, but on the land we behave as usual”. So there started to be conflicts, huge conflicts, it was very bad because at the beginning when these companies first came, they started to say to the communities “oh you know we have different standards, we have changed, this is the new mining” but at the end of the day it was the same as usual. I remember the communities had a lot of hope “oh the new mining it’s coming and we’re going to have electricity and we’re going to have services and we’re going to be all happy and safe because ...”. They no longer say that in any place in Peru but this was the mood. After this first encounter, now everybody say “I don’t want the mine” because the promise of ‘new mining’ was betrayed.*

These views are shared by company people. Here is a lengthy quote from the CEO of an exploration company in the southern Andes which encapsulates the same views;

*C6a: Peru was the richest gold country in South America accessible for Europe and the Spanish. So a lot of slavery started in Peru and the Peruvian population was forced to work up in the mines. Definitely with time, the country started civilizing itself somehow but nevertheless the Inca families, or our Indians, managed to keep on with their traditional activities which was mining, agriculture, ok. By the time when modernization came in, the Indian families kept on with their activities and strong families, strong Peruvian family with capital started involving themselves in mining business. In due course, taking advantage of the position of the Peruvian people, they abuse the situation regarding the non-respect to salaries, the non-respect to humans and the impossibility to give them better opportunities, forced them to work for the eight to ten oligarchy families of Peru. So somehow slavery and colonialism had the same meaning at the end of the day.*

*With foreign capital, in the beginning the story – and I am talking 20, 25 years ago – in the beginning, the story was nice. There were not much community conflicts. The conflicts really started when the development of mining started booming. People with not enough cultural education between (about) human relations were taking care of projects. Somehow a lot of promises were given to people, to Peruvian people, who owned the superficial territories that had communities, and these promises were never complied. A lot of – some of these mining companies, especially talking about Peruvian mining companies started threatening very much the surface areas, started contaminating, started misusing the waters, and basically extending their capital interests without leaving any benefit to the communities.*

It is also significant that all the academics and company interviewees agreed that one of the downfalls of the so called “new mining” in the 1990s was to delegate the management of community relations to Peruvian partner companies whose staff were from Lima, were generally wealthy and who had little regard for rural people in the Andes.

*A3: And that means that some of these medium sized miners from Peru they make alliance with these huge mining companies, in a minority role. Like you have a share, say 10%, %50 whatever with the international company. But at the beginning the people from Peru, the miners from Peru say “I know how to deal with my own people so I am going to be in charge of the social issues”. So for the first time in the 90s it was the minority partner from Peru who took responsibility for social issues and you wonder what happened?! What did they reproduce? The old strategies.*

### 3.2.2 Arrogance: a legacy of the past

The previous report gave many examples of why community people perceived the behaviour of company officials as arrogant. Here are similar views put forward by company people, as well as NGOs.

*C2: As I said earlier on, sometimes the Peruvians are the bigger problem. And Peru is an interesting example in that over such a short time it has expanded rapidly not just economically but in terms of education. But what hasn't necessarily changed have been the unspoken class system that has existed here in Peru since the Spanish I am sure. And you get engineers and geologists who may have come up out of the community but who then believe they are one step, if not more, above the farmers. And they act it. And that just makes me mad. They are so arrogant. They are so arrogant.*

*C3: There was a lot of arrogance and lack of knowledge from our industry.*

*C6b: Lima, traditionally, hasn't cared or respected, or really understood or taken the time to. Lima has its wealth, has its wealthy people, its hierarchies and they're arrogant. And the terrorism situation that happened, the suffering that took place out in the Andes in the jungle, it was despicable. But it wasn't until the Sendero Luminoso started to put bombs in Lima, in Miraflores, that anything happened, that anyone paid any attention and that's a little bit the problem.*

The last quote about attitudes towards rural people in the Andes is particularly significant. As a consequence of the conflict between Shining Path (*Sendero Luminoso*) and the armed forces in the 1980s and 1990s, 69,280 Peruvians died and disappeared. The Peruvian Truth and Reconciliation Commission (CVR) concluded

that 46 percent of these can be attributed to Shining Path, 24 percent to another terrorist group, MRTA, and 30 percent to the army and police forces<sup>6</sup>. The CVR also concluded that 79 percent of the people affected by the conflict lived in rural areas and that 75 percent spoke Quechua or another indigenous language: “The tragedy suffered by rural communities, from the Andes and from the jungle, Quechua and Ashaninka, farmers, poor, and uneducated was not felt by the rest of the country,” the report says; it also laid bare the “root causes of Peru’s conflict: inequality and racism. Many Peruvians still might not want to admit that, but no one denies it either. The divide between rich, cosmopolitan Lima and the poor, rural regions discussed in the report still seems impossible to erase”<sup>7</sup>.

The prevailing arrogance in the attitude of foreign and local exploration or mining staff is exemplified here:

*C6b: previously exploration companies would just come in and walk around do what they want. A lot companies, a lot of junior companies just exploring. They traditionally have not always given enough to the communities or have surface rights agreements they just wander around, they wander in there before they make any agreements. Our policy is that you don’t set foot on, anywhere, until you know who are the traditional owners. That’s from the initiation of this company you don’t set foot onto someone else’s ... it’s like I don’t walk into your house and open up your fridge uninvited ... (see Company 5 also using metaphor of house)*

*N2: what has happened (in Yanacocha) is a result of the attitude of people, the attitude is very hierarchical, I am the engineer, you are the rural person, right? So then that attitude is based on hierarchy and is obviously linked, you know, it is linked with our history, with our past, racist, viceroyalty with everything that is involved with how the viceroyalty is in Peru, how they gave the, the, how the basis for the Peruvian nation were created, which is a basis based in hierarchy. (In Yanacocha) for them dialogue means I am going to betray you, I am going to come here and talk and I am going to impose this and I am going to mislead you, why?*

### 3.2.3 Distrust of companies

The people who work for the NODS, company people who regularly attend community meetings, and the communities themselves all agree that there is a fundamental lack of trust in mining companies. This mistrust is anchored in the past, as described above:

*C6b: When we arrived it was a very conflictive situation. In fact it was, um, basically “get out, we don’t want anyone, we don’t want foreign investment, we don’t want you here”. And they had threatened to lynch a person, an exploration*

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<sup>6</sup>Boesten, J. (2012). The state and violence against women in Peru: intersecting inequalities and patriarchal rule. *Social Politics: International Studies in Gender, State & Society*, 19(3), 361-382.

<sup>7</sup> ICTJ International Centre for Transitional Justice. (n.d.). *Peru’s Painful Mirror*. Available from: <https://www.ictj.org/perus-painful-mirror/>

*geologist and had him in a small hut. They were all sort of deciding as a community, they had him in there, a friend of his from the community went and let him and said “you run, and run as fast as you can and don’t come back”.*

Rural people are also mistrustful of companies that try to manipulate them or by not meeting with them openly and transparently:

*F4: our neighbours, they give to one, but they don’t give to others, they give to some, so we are fighting, and some don’t work, our children don’t work, no one works, so in that case, what would be the development that the mining company brings? they give jobs? no that is a lie, what the mining company says is completely false, it is not true, what I am saying is true, that there are no jobs, that here, they make us fight between neighbours, brothers, within families... we are living in complete conflict currently, that is how we live.*

Another area of mistrust lies with the rhetoric that may be employed by company officials. This particular NGO representative is skeptical about the use of words such as ‘transparency’ and ‘dialogue’:

*N2: transparency, what does that mean to the company? What is that? So for the company transparency is carrying out an Environmental Impact Study, right? Then that the Environmental Impact Study is presented to the state, then that state approves it as fast as they can, right? Or for example, let’s not use the word transparency, but the word dialogue. Yes, so dialogue, what does the state understand by this word? For the state, dialogue means that I have this idea, it is a good idea, this idea produces development, and I am going to have ‘dialogue’ with you to convince you that this idea is a good idea*

While companies acknowledge there is a history of mistrust, most of those interviewed felt that mining policies and practices had improved since the ‘old days’ of mining but it was difficult to persuade communities about those changes:

*C4: look - things are different, things have changed. Now we have really different standards, we are more responsible. We are more formal (I’m talking about mining companies in general) and we really want to show improvement for the whole community around the mining business here. And how we have helped and contributed to that improvement. So convincing families around that long term benefit is challenging because of the past.*

### 3.2.4 Companies don’t provide enough information about mining beforehand

According to the head of community relations in a junior exploration company, the lack of transparency around the real impact of mining is a cause of many problems.

*C5b: the first thing to mention is that social conflicts begin because of the lack of information. Generally, populations surrounding the mining project don’t have good information to have a real perspective about the project itself and its*



*development. So the population has, in previous experiences, bad experiences from the past. If the population hasn't enough information, the first responsibility relies on the company, the mining companies. The population are really threatened because of pollution, because of the dawning of new spaces or new locations because of mining activities. The mining companies, from the very beginning don't send information to the population.*

Another company representative felt there was a lack of communication about improvements in technology and different ways of doing mining:

*C4: in general terms over the last thirty years technology has improved significantly (such as mitigating dust). Environmental standards have improved significantly. And the way we work has improved significantly. In many companies unfortunately the communications part, the information hasn't improved in the same path. So there is a huge gap between all these improvements from many companies and what the communities perceive. And that gap has been sealed by the lack of information*

The uncertainty and worry that can be caused by lack of information and clear explanation is illustrated below in a quote from a member of women's community based organisation:

*W4: our main worry is the water that we drink, we know that in reality it is a water that is not good for human consumption, so what kind of life are we living? with this mining there is too much abuse, to our waters, ... the centre where they treat the water for the people, however they don't give us information from the tests of the water, the only thing that comes out is coloured water, and a boiling Clorox, that looks like milk, that is to disguise the contamination, so, that style of life is what we are living*

### **3.3 How communities are perceived**

Company perceptions of communities – their culture, their reaction to mining, what they want from mining – are varied because each site is so different, comprising different ethnic groups with different attitudes to mining. As one CEO put it: *each community has its own fingerprint. It's not a recipe for a pisco sour and just mix, mix everything and have a formula for everything. Each community has its own culture, its own problems.*

Despite the fact that communities are the object of very different projects: people to be developed, to be protected, to be defended, for example, there are a couple of broad areas of agreement about the way communities have been treated in the past.

It is also worth explaining the idea of 'communities' in the Andes: the people impacted by a mine may not be geographically bounded like villages in Europe, or parts of Asia for example. The inhabitants of such village, apart from living in close proximity, often have a central meeting place: a town square, a church, a town hall for example. This is not the case in the Andes where



rural families are dispersed over large areas. As one company representative (6b) put it: *communities are formalized through negotiation with mining companies.*

### 3.3.1 They are not respected

As discussed in 3.2.1 and 3.2.2 many interviewees agreed that Peruvian elites (including middle class engineers) had treated, and continued to treat, rural people in the Andes with arrogance. Rural people are often not respected.

*C5b: They feel they are not considered - they are not respected. To first get inside a house, you must first knock on the door. If you do not knock on the door, the owners will feel as if they have been invaded or robbed by thieves. First thing the company has to do is respect the community, the second one is the project. Companies have to disclose all information and give all the information to the community in order to have a real picture of the project.*

Lack of respect is much more than lack of consideration. Many company representatives felt, in common with development ideology everywhere, that education was the key to betterment. Lack of education is seen as a hindrance. Two representatives of one company – that has formed a unique agreement with a community to have a share in company profits – offer a different perspective. They acknowledge that communities have a different world view and are particularly sensitive to slights and disdainful attitudes:

*C6a: and you know, these people they feel that. What you just said (about being 'uneducated') they feel it. If other people feel they are not intelligent, they feel it. They smell it. "What, you think I am stupid? I am not stupid".*

*C6b: I see various types of intelligence in the world, and lack thereof. And I have had a privileged life, a privileged background but ... there are different ways of seeing the world. And in order to be successful when you go in to other communities, you've got to step in and say "where have they been successful". I mean these are difficult situations, difficult histories and they have a different world view. And I have to – I have to – put myself into their shoes and try my best to look from their perspective not the other way round. Just because I come bearing 'investment', so what? There's a different way of looking at people, because these are smaller communities, they don't trust us - it's a different way. It's a very different way.*

*C6b: They have a different sense of time as well. They're not going to run to your company, your western approach, to time, to efficiency. They're not interested. They want to get the sense of you as people, are you trustworthy? "Prove it. Prove it. We don't trust you". We had meetings where people would stand up and say "you white ghosts, what are you doing here? You'll just slip away like all the rest"*

Lack of respect is experienced by many rural Andean communities in all aspects of their life. In the previous report, we provided material from other sources which substantiated this claim: “Furthermore, *campesinos* (peasants) allege that they are treated with contempt. They have to wait till last to be seen by public officials, they are tricked because they cannot read or write, and they have to show deference for those titled “doctor”, “boss” or “sir”.<sup>8</sup> The following excerpt is from an interview with a woman who lives near a mine site in the Cusco District. Her son was injured during a protest in a nearby town in 2010. It is not clear that the protest was necessarily against mining, or even whether her son was an activist, or merely attending the event out of curiosity. Regardless, it conveys the subjective experience of humiliation of trying to get medical treatment in the town hospital:

*“in the clinic they discriminated against us because... we are from Espinar, Cusco. They told us why are you there for the water, where do you eat vegetables from? like that they told us, that is how they humiliated us, they said ‘well see that is the result of your doings’, see, ‘they are only calling for a hydrology study, so then they will know if it is sufficient or not, because it’s not like they are going to take the water from everyone, right? The medics didn’t wash my son, doing the operation like that, like anything, before putting on the anaesthesia they were already taking the things out, grabbing the pliers and grabbing it, instead of softening it they were.... the doctor said ‘put up with it, aren’t you Chumvilbicano?, aren’t you Yaureno? put up with it, like you put up with your woman’, that is how he said it, that is how the doctor treats us, they are a bit drastic there, “this is the mother of the rioter, the young man who was shot, this is her’, when I went to borrow a walker so that we could take him out of the clinic, ‘please lend it to me, I will return it on the next consultation, please lend it to me, or let me rent it’ and then they said we are going to look for someone, and that woman was the one saying ‘ this is mother of the rioter’, so they treated us like that, right? but why do they treat me like that, no no no, they will never cry like me, they will never suffer, ‘I am a humble person, I am from a very sensible family, and, don’t treat me like that, it is not my fault, I told them, it is not my son’s fault, it was unfortunate that my son had those bullets, don’t treat me like that’ ...”*

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<sup>8</sup> Munoz, I., Paredes M. & Thorp, R. (2007). Group inequalities and the nature and power of collective action: case studies from Peru. *World Development*, 35(11): 1929-1946.

### 3.3.2 They are poor

Mining companies and government personnel (not just in Peru, but around the world) feel that mining should alleviate rural poverty. According to C2: “based on my life experience of having been born in a mining environment and having lived in it, and worked in it all my life in a dozen countries (I have) seen what a well-considered investment can do to lift people out of the treadmill of poverty”. When asked what poverty meant, one company person replied:

*C4: the poverty gap is still very high. What you have is 25% of the whole population in the country in poverty but when you go to the rural areas, to the highlands, that goes up to 50%. What is poverty? “they don’t meet their canasta basica familia. Canasta basica means - you know what it means right? They don’t meet 750 soles a year ok which is their minimum wage. Out of 400 families that are in our operational area, 98 families are vulnerable according to IFC standards. So you do have some people that are considered vulnerable because of the canasta basica, because of the elder’s health for example.*

Yet there are many cases where the indicators of poverty are worse despite a long history of mining in the area. This type of impoverishment was recognized by most academics, two government representatives, and two company representatives. A selection of their views is presented here:

*C6a: What happened at that stage is that no opportunities were given to people in the community. You have big investments in some areas that probably they were exploiting for twenty, twenty five years. You go back there to those places, to those districts even provinces of Peru, are still poor. After they have extracted over 30 million ounces of gold, how come twenty five years later that city is still as poor as it was twenty five years ago? So actually if you tell me “Diego why a project like Conga, ok, why it was stopped by the citizens?”. Because they are paying an invoice. They are paying something they owe to citizens. Twenty five years of non-investment for poor people that need it. And that is the reality of what is going on in Cajamarca. Ok.*

*G3: They are poor people. Even though the exploitation and extraction of oil has been going on since 1960, forty years ago, the people always are poor people and the environment is really contaminated so the people they are true, they are right.*

*G3: In Peru there is a big contradiction. For example, in a little region Bahurubamba we have gas. Camisea project. A big area of gas. But in Bahurubamba live the Machigenga community. Maybe 10 hundred Machigenga people and 10 years ago the malnutrition rate it was I don’t know 70% and now ten years later with royalties with cash, with different ways of incomes to the public sector, we have 80%. We don’t understand! We have more economic resources but the people are worse. I don’t know what has happened. It’s a big contradiction.*

As mentioned earlier, some companies blame the regional governments for not dispersing the mining royalties for the benefit of the people while others blame specific company policies. In addition to the impoverishment of people impacted by mining, there is a growing gap between those who benefit and those who do not.

*C4: So you have in the community, in the same house you have two brothers - one works for the mining company and the other works on the field in agriculture. And definitely there is a big gap there. And that's a problem sometimes. It's positive if you manage the whole picture and not just with the idea that bringing money to the community will make it positive. So we don't want people to start leaving their crops or leaving their field to work for the mining company.*

*C2: You have this group of well meaning, well intended gringos who came down there to manage the Yanacocha property and they hired a number of reasonably good Peruvians but they didn't break that ingrained system of 'them' and 'us'. And that permeated through the Cajamarca region, it was poison. All of a sudden these guys are driving around in these nice big cars and the people they used to know are still looking for a combi or a taxi if they can afford it. And stores pop up with these wonderful televisions and things and the only people shopping there are the employees of the mines or their contractors. And that breeds envy. And that's a natural human characteristic and you can't overcome that unless you can give those who do not have that opportunity the hope that your kids can get here if we work together. If we educate your children. But what did they do? They put in a beautiful private school. Davy College. A wonderful school, one of the best in Peru and I have a huge amount of admiration for the quality of education there. But they made it so exclusive that they're helping create - another of Peru's problems - another standard of people. The graduates from Davy certainly are not going to be the same as the graduates of the public schools around there. When it comes time to apply for entrance to the University of Lima, you know who's going to be accepted. Right or wrong, that's reinforcing that pre-existing class system instead of trying to diminish it.*

Some people speculated about the possible link between the size of the project and impoverishment.

*G4: This is not the best thing but is there a coincidence between the rate of poverty and the big projects? In Cajamarca you have the big rate of poverty and you have projects with a big investment. It is not a happy coincidence but it's a truth. There is a correlation between the big projects with big amounts of investment and big rates of poverty. So this office tries to resolve the gap between the company who wants to get the social license and the population who has to get benefits.*

*A4: one of my arguments is that the bigger you are the more opposition you are going to encounter, which is totally opposite of how the media portrays it that the bigger you are the more modern you are the more enlightened you are the more*

*corporate social responsibility you have and therefore people are going to get along with you and it is totally not what we see, the big companies which are, have this big expensive corporate social responsibility programs are the ones that encounter the most opposition and that, underground mines much less they have conflicts but they are not conflicts about rejecting mining they are conflicts about more of a cut or getting more jobs and then the artisanal mines they have a big conflict with the state but they don't have so much conflict with the local population because usually the indigenous communities they will work*

Community views about being poor, or being perceived as poor (an important distinction) is that, whatever their perceived status, they should be treated with respect. According to a Commissioner with the ONDS: “Yes. They tell me. The first position always is “we don't need mining, we are poor people but we have dignity. We are poor people but we have dignity. We don't need mining”.

### 3.3.3 They have a close relationship to the land

Rural people everywhere rely on land and water for their livelihood. The lack of regulation by governments, and the lack of regard for the environment by mining companies (see 3.2.1) has affected rural livelihoods – in some areas severely.

While there may be some who want to work on mines, and have engaged in migrant labour, most farmers want to keep growing crops and raising livestock. Farmers who have experienced contamination of water – which affects crops and livestock – therefore feel that not only their livelihood but their cultural identity is being destroyed.

*F4: principally here, because we live close to the tailing pond, and close to the mine, so, here in the area of X is a red area because of the contamination because there is a lot of water filtrating through ...contamination because the land was totally deteriorated, there wasn't like before, produce, like I said before, they declared it an area of poverty, area of poverty in what sense? in the sense that there was contamination because of the tailing pond, it is there next to us, and there is filtrations, not only filtrations but also water is coming out from it, so, before we had sweet water but now no more, it's not only the water but also the air, the dust because the tailing pond is here on our dinner plates, because all of the waste that the company throws away hits here, there are oxides, chemicals, I don't know what chemicals there is still now, because us, I personally don't know*

*M6: there isn't going to be cancer to the skin, or climate change, but lung cancer, because they are there exploding so many tons of dynamite, I personally, am against that type of mining (voices in background) I don't think that there can be mining that doesn't contaminate, and if it did exist, it would be so expensive that they would not be interested at all...*

A few people perceive a difference in world views, rather than framing the difference as one of educational level or cultural hierarchy:

*N1: because these people have a special connection with the land and with the water and with the environment. Maybe the people of the city have a special connection with the credit cards and the cars but it's deeper in the rural areas.*

*A2: there is a real disconnection between the planning of the company and the knowledge and understanding of the community. The company and the community have a different logic and different world views.*

#### 3.3.4 They are survivors

The material in 3.2.2. refers to the historical lack of respect for Andean people. Only two people, who both work in junior exploration company in the southern Andes which was particularly affected by the Shining Path killings, mentioned this explicitly:

*6b) they have had to look after themselves; they have had to survive slavery, colonialism, terrorism. These people they have survived colonialism, slavery and then terrorism. They are still alive and they are still able to produce. How come they are in stress with capital? So are they guilty or are the guys that bring the capital guilty? That's the question. So at the end of the day the communities they are stressed. I think it is the capital that is what stresses the communities. You know why? Because they don't use, what we say, "common sense".*

#### 3.3.5 Learning to resist, learning to negotiate

Even though there is work to be done in how to communicate more effectively about mining, community based organizations are taking steps to learn more about their rights and laws which regulating mining projects

*W1: during this time in the resistance we have learned some things, we have learned how the state works, or how the mining companies work, for example the mining companies, the communities find out that a company is going to start its work the day that its machines are going into their land, right?*

*W1: I was taking a diploma about indigenous people and in that I have learned a lot of things, there are processes of granting concessions that the state itself promotes, respecting the 169 agreement, however the mining companies with the state do not fulfil them, for example the state gives a concession and the companies should do this... well they should first indicate the coordinates of the space that the mining companies are going to use, once these coordinates are located, the state has a certain quantity of hectare that it gives to the mining company, and should not go over these hectares, however, we see here in X, that the concessions have gone over those hectares*

*M3: there are laws for the environment, and we have a Ministry of the Environment, but we don't use it much, there are laws for the environment that can detain in part, although it cannot stop mining, but they can detain the mining companies and others so that they comply with the minimal standards, but they are not applied, the people don't care because the government has not shown an interest in the matter, they should ask that the mining company meets the requirements ... the laws are there but they are not being applied, unfortunately,*

Radio is an important means of disseminating information amongst rural people and younger people in community based organizations are also using Facebook and blogs to share information about the behaviour of mining companies. In this case, communities are learning so they can resist. In other instances, the interviewees felt that many communities had become effective negotiators:

*A3: they have learnt. Right now you have tough negotiators all around the country in Peru. They know from the beginning. Right now for example when one company goes to one town, just to see, or to do some exploration work, they start a demonstration. And if you ask them "do you want a mine" they say "maybe, yes but let us negotiate". So in most cases, it is not a case of they don't want mining. What they want is to get all they can from that mine and that is sometimes a cultural thing. They have learnt to take as you go. You can change that also but you need a strong state presence, a change of the rules, and transparency. You need to change the way people - and it's completely different ...the only thing that is common in all the mining negotiations is the way they negotiate, their expectation, is completely different. You go to a small mine maybe here in Lima. They start off they want a truck, they want to negotiate a truck because you know it's a small mine, they don't believe that they have more money and they think 'that's all we can get'. You go to some other places "well I want one million dollars per hectare" and they learnt that. They say "you are not following the World Bank Guidelines so I don't want to talk with you". So that is the level of learning right now in most cases. So you have to know that, to learn that.*

The staff at the National Office of Dialogue and Sustainability also encountered different expectations:

*G3: Before it was no project, no way, no Conga. In many cases, the first position is confrontation maybe violence. But behind, you have people with expectations about benefits and they wait for the company and the government to share the benefits with them. I think this is the principal change in the minds of these people from five years ago. In the last five years. Maybe before, they would say "no, no, no. The ideologies don't meet in this project because we don't believe in this economic mechanism, no". But now it is "hey share with us your benefits, we need public services. And we have dignity". Very important.*

### 3.5 How NGOs are perceived

Non-government organizations in Peru have played a mediatory and advisory role to community based organizations and individuals affected by mining. Companies are divided in their opinions about non-government organizations. Some recognize that they fulfill an important role in community life but others believe that NGOs work against peaceful resolution to mining conflicts.

*C2: (talking about open meeting with communities) And I know, I know, I know that there will be NGO groups that are anti-mining, anti-development, anti-whatever – I've never seen one that's pro anything – but I accept that as part of society and I have to be prepared to be able to respond in a way that satisfies their question but carries a message to those that have heard the question and understand that these NGOs have been integrated into the community for a long, long time and have talked to the communities for many weeks and months, sometimes for far longer than my people have been able to do, about the evils that will be vested upon them if certain developments take place.*

*C4: need to work with NGOs to fill gap about technical knowledge and where companies have made improvements. We have a proactive approach towards NGOs and I am talking about Oxfam, for example, and other NGOs that we have direct contact with. And we like to inform them about what is going on, what we are doing.*

One company representative saw some NGOs as obstructive.

*C3: As I told you before in all these conflicts we have had a part, the mining sector, the mining companies have had its responsibility as well. What I don't personally like, as myself, is that there are certain groups – not all ngos because I have worked with ngos before joining the sector and I can make a difference between some and the others – but there are a group of ngos that don't want to engage in dialogue. They don't have the intention of dialoging they don't look for answers, they just want their opinion to be the opinion and their concepts to be the concepts and no other concepts to be put forward. I have worked with Xstrata and I can openly say I had a good relationship with Jose Echave and we had good, open discussions and I would say a very constructive relationship in the case of Las Bambas (right at the beginning), and to be completely honest I never had any trouble with Cooperacion even though they were working in the area where we were. That was in the early stages of Las Bambas, in 2004-2007 when we were in exploration, when we were building all the main roads for the early stage of the project. But then also a big part of these demonstrations were discussions more based on perception, than on reality. Then you started having all these different groups and all these different NGOs raising a lot of finances and funds from Europe basically, discussing environmental pollution when in some cases there was no environmental pollution, and changing the discussion in to more of a perception issue.*



Another company representative strongly felt that information about mining and mineral processing should come directly from companies themselves:

*C5b: If mining companies don't make this effort to show in a way that people understand the meaning of the projects, other institutions like NGOs could be the translators and maybe the information will be deviated from the original. Our company has to be aware that this information is public but this information must be public for the community not just the government.*

## 4. LIVED EXPERIENCES OF COMMUNITY MEMBERS

As part of this project we created two short films, based on interviews with women whose lives had been transformed, for the worse, by mining. Sometimes it is difficult when reading a report to understand the perspectives of community members affected by mining. These short films are intended to be used in conjunction with the guidelines and suggestions in this report, to support an understanding of the potential impact of the mining activities on individual lives. They clearly indicate the level of human rights violations which are being enacted on community members in areas of conflict.

The family in the first film (link below) have been a highly visible but reluctant symbol of resistance to the expansion of Minera Yanacocha since the latter took the family to court in a 2012 land ownership dispute. After multiple court rulings and appeals, the suit against them was finally dismissed in late 2014, vindicating their claims of legal property ownership. In the intervening years and, continuing into 2015 past the final favorable adjudication, the family has been the target of violent harassments, which have included beatings, death threats, poisoning of their animals, the burning of their home, and prohibition against farming their land. Those harassments were orchestrated by Minera Yanacocha and its subsidiaries with the complicity of national police authorities. Without local NGO legal support and international financial and public communications support, they would have remained one amongst many anonymous victims of under-regulated/under-monitored mining activity documented in many of the narratives of this and our previous report.

Film One: <https://vimeo.com/122399156>

The woman in the second film (link below) lives in a rural hamlet within a 40-minute drive from Espinar, the nearest town. She has lived and farmed there all of her life, eking out a subsistence living as did her parents and her parents' parents. Now her property abuts the tailings of the Antapaccay copper mine that, according to her, has poisoned her land, her water, and her animals, making farming and husbandry impossible, destroying her livelihood and way of life. The evidence of independent studies, which tends to support these claims, clearly details the obfuscation of Glencore Xstrata's responses. But, lacking the level of support and visibility that aided the first family's struggle against a multi-national mining company, this woman, in her anonymity, has little recourse.

Film Two: <https://vimeo.com/122321445>

Although the two interviews differ in detail and locality, the asymmetries of power mirror the similar actor networks: the mining companies in both these cases are global; they have access to capital, to financial markets, and to a legion of international lawyers able to defend their positions; they can call upon extra-judicial policing or special operations units of national police to counter any opposition to their activities; they have the resources to finance research and science, which they present as ‘objective truth’ about the environmental impacts of their operations; they often collude with government to influence regulatory statutes and the enforcement of those statutes and, in worst cases scenarios, are protected by those collusions with immunity from prosecution for human rights violations. Campesinos and indigenous peoples, like the two women described above, have their land, their air, their water, their crops, their animals, and their social structures, all of which are at risk of being degraded or lost as a result of mining activities; complainants can be criminalized and indigeneity can be legislated out of existence in order to nullify traditional land ownership titles; some people have access to local and international NGOs for representation and legal assistance, but these bodies were marginalized by companies and governments and media in both cases as obstreperous and intransigent ‘impediments to development.’

## 5. WHAT NEEDS TO CHANGE

It is common sense to suppose that suggestions to work towards a more equitable engagement with communities around mine sites would simply require addressing or reversing the negative issues outlined above. The views below are more practical in nature and are based on the experience and mistakes of the people affected by mining.

### 5.1 Company culture

Many of the community members in the previous report complained that companies set up public meetings at which people could not speak, were prevented from speaking if their questions were critical, or where the meetings were stacked with representatives of mine workers, or members from different communities. They acknowledged that ‘community engagement’ workers could be decent people but they often changed jobs and it seemed as if they had no real power in the company. Many NGOs felt that community engagement were the ‘nice face’ of the company which had no real impact on policies.

The idea that companies need to change their internal culture is strongly supported by the academics:

*A2 (describing his experience as a consultant for a major mining company):  
Before changes to management, day to day it was a nightmare. There were small conflicts within teams and no communication between teams. With a company takeover that situation changed substantially.*

*A3: It is a painful learning process. Only a handful of companies have actually changed their internal culture. Most of them it is tokenistic ... So I would say that just a handful of companies in Peru have jumped up, have upgraded ... 5*

*companies, 7 companies ... no more than that. The rest of the companies, yeah, it's business as usual or sometimes they hire one guy or they hire an anthropologist, they try to improve a little bit but it's not like real approach. It's just something to make up.*

The following suggestions for internal change come from companies who, although they have encountered conflict when they acquired their lease, are at a point where they are not encountering social protest on the level experienced by communities in the previous report. These do not follow global guidelines (such as the ICMM) but reflect the institutional culture of each company.

#### 5.1.1 Invest time not money

Company 4, held up by many as an exemplary case of how to go about establishing relations with a community, has spent six years in exploration and negotiating with local people.

Company 6 is also still in exploration and has completed an Agreement with the communities to be shareholders in the company.

*C6a: And these were long winded discussions that were held outside of the community to start with because we weren't welcome inside the community. As trust started to develop from those discussions, we were started to be invited in and to talk to the wider group of the community. But what we discovered was that the people holding the power were not giving any benefits to these groups and we realized "ok here's a point that we can work with". So we then basically decided to - and it took - because we didn't get to the 5% right in the beginning, this is something that developed. We had a very good community rights lawyer who came with us, who had worked in conflicted areas. As we started to draft up agreements, sometimes we'd use the wrong words and there would be conflict again. He would then - he would look at other words because it had to be legally binding for both parties but also in language they could understand. It took a long time for us to get to know them and for them to get to know us. And then you suggested (referring to the CEO, also at the interview) that they need to, as a community, look at the benefits they could gain. Not just a few miners but the widespread community that could then start to get benefits, have surface rights payments*

The CEO of Company 2 travels to the mine site fortnightly, if not weekly:

*C2: money alone is not the answer. If people don't have faith in you they're not going to have faith in what you do with your money. And so for previous mines where I worked in Peru, I personally invested hundreds and hundreds of hours in the communities. Me, along with my team, developing a trust base and as the head of company they began to understand me, they began to trust me - not always agree, I don't always look for agreement but always respect me. Respect me. And then that trust and respect is transferred to the people that are working with me. My people have to be part of the communities - not just on a physical*

*level which I insist one – but through being an integral part of community affairs. You have to take a broad view of what you're doing. Why did Company 1 not have a problem, why is Company 2 seen as good? We spend 1% a year in terms of dollars of what Yanacocha does but we spend 500% more time in the communities and with the people than they do.*

### 5.1.2 Senior people must meet communities face to face.

*C2: I've spent 11 hours in a community meeting for example with hundreds of people and those are difficult. Not everybody's my buddy. There are people who want to hit me and do other things. I ask them to meet me - 300, 400 that's fine, let's go out into the field and have a meeting. I'm here to listen. Sometimes that's all I do. I say "I want to listen to what your problems are, I'm not bringing a solution, and let me tell you up front I'm not going to give you anything but I want to understand what the issues so maybe we can work together to resolve some of the problems". So I go to the meetings. And they're very often not something the local elected authorities want to happen because they see it - and they're correct – as reducing their individual authority. If they're not the ones carrying the message, what authority do they have? But if I can't depend on them to carry the message correctly, how can I use them? ... (and) I tell them in the meetings as I point to my head of community relations or someone else, I say "you know when he talks, those are my words". And that puts a huge responsibility on that individual too. But it also shows that people with whom I am dealing, with whom I've developed a level of trust and understanding, that I have faith in this person. And so when he makes a promise, it's the same as if I had made that promise.*

*C6b: And so we (6a, myself, a driver and a few others) arrived and there was this very conflictive situation. So and we began slowly through many months of negotiations, – we went in ourselves. so we didn't send in a little team of people that couldn't make decisions. That couldn't actually say "this is ..." or that would make a decision and then go back to their board and the board would say "no we can't let you give them that" and then you'd have that whole issue of lack of trust again. So we went in, we went in regularly, we would have six hour long meetings and then we started to work out how this community was operating. They are very, very long winded meetings. Very long meetings. You have to put the time in and for them it's a little bit like theatre. You become the entertainment*

*C6a: Ok we have to be fair. All this, in house people that works the community relations, in big companies are outsourced, they are hired to fix things. These guys they receive orders from a board of directors sitting in Toronto, Vancouver, London. People have no knowledge but only knowledge of budgets and timing. Pick up the phone, tell a guy "you know I need this in fifteen days" and the poor guy, probably an engineer a gringo that works for the company here, has to go the community makes such a pressure because he doesn't have the time*

### 5.1.3 Shared values within a company

Companies 2, 5 and 6 also stressed that attitudes towards the community – treating them with respect, and respecting their values – must permeate the whole company.

*C2: It's the selection of the right people. I'm not going to select everyone, that's foolish. But if I have a core group who understand and believe in what I think is necessary, then I've accomplished what I really need to because that gives them the responsibility that the people they select to work with them also either understand and believe or are capable of learning the practices. And that's a real challenge. The people that I have working for me now, I've had some that have worked with me in West Africa, some that have worked with me in Venezuela ... They've come with me and I think it's because they believe in the style of development that I've used.*

*C5b: They feel they are not considered - they are not respected. To first get inside a house, you must first knock on the door. If you do not knock on the door, the owners will feel as if they have been invaded or robbed by thieves. First thing the company has to do is respect the community, the second one is the project. Companies have to disclose all information and give all the information to the community in order to have a real picture of the project.*

*C6b: you can bring roads and infrastructure but this is not about building a relationship. The other company, (before them) the big roads I mean the logistics of the place is amazing – instead of bringing the best out of the community, prostitution was starting up with the foreign workers building this road. And that's the thing. You've got to have very strong leadership that can really – if you have a sexual harassment case, you've got to kick it as hard as you can and get it out. If you have someone mess around with the community, you've got to stamp down on it. And because we were there and because we were able to make decisions and keep promises and then trust starts to get developed. And it takes a long time.*

While the idea of 'shared values' sounds like empty rhetoric it only has the possibility of becoming a reality if senior staff are present in Lima, and are able to make regular trips to the proposed or existing mine site, towns or communities. All the open meetings described in the interviews were held in open fields, until (for Company 6) they were held in a town hall, the first project requested by the local people.

## 5.2 Company policy

### 5.2.1 Communication about the impact of mining

Company 4 has taken community groups to visit other open pit mine sites to see the scale of mining operations. Other companies have not done that but are also concerned about communicating the scale, noise, dust, etc that is associated with mining.

*C2: (speaking about qualities in the CE team) Far more than sociology or psychology or some of the others because it's vital that the person have the ability to communicate the concepts of the changes that are going to take place in a mining environment. Because so many of these ore deposits are found in remote places that are so quiet at night you can hear a kitten walking. And they're so remote that electricity is years away were it not for the coming of the mining company. And he needs to be able to explain engineering concepts but in plain language what these changes are going to be. If we just say "oh it's going to be wonderful and beautiful, you're going to have electricity, etcetera" but doesn't tell them "you're going to hear trucks all night long", then that's not all the story. And pretty soon the adversaries, those that are well-meaning and those that are malicious, will start pointing out "come over to this mine at 10.00 o'clock at night and tell me if you can sleep with that noise in the background". Or "look at this huge pile of rock waste that's here, how's that going to look in your community?" So you have to be able to explain what are the long term ideas for remediation when the mines go away. They all go away and they all leave a large and visible impact.*

*Company 5a (describing the way they engage with communities): we are making some presentations to the community and in these presentations we show by pictures some kind of the drillings and the equipment but also we arrange some visits to the field to show people how the drills operate and what kind of impact it has. So there is a chance for villagers to take note in the field what it looks like, the mining activity. Even we have some people who were reluctant to the project but when they have the chance to look at the rigs, and the drilling activities, they could feel and make sense of the speech they had heard before.*

*A2: We also need to explain about mining in schools. In all the regions where is mining, they explain nothing about mining in schools in the general education. If mining is going to in your region for many years you need to understand how mining works. For primary children for secondary children, so they can explain this to their parents. But no it is absolutely disconnected.*

### 5.2.2 Community monitoring of environmental impact

The issue of water contamination is a highly contentious issue for many communities, particularly in the District of Cusco. Only one company had commenced an environmental monitoring program in collaboration with the *rondas* and farming families, and this program was implemented with the assistance of Academic 1. This is the same company THAT has spent 7 years in the exploration phase. Their Integrated Water Planning Management Group includes: the *rondas*, the company, a community based organization, and a local technical education institute.

One academic was cautious about environmental monitoring programs:



*A4: It is making the issue very technical and that is not going to help explain the conflicts. I am all for determining through scientific means whether there is contamination or not, I think that knowledge would be very useful for communities and to the country as a whole but that's not usually what explains whether there are protests or not people now protest because they objectively know that the river is being contaminated they may perceive that but whether it actually is or not is a different matter*

### 5.2.3 Social imperatives should outweigh financial imperatives.

Many company people said that social issues were equally as important as technical issues.

*C2: Let me put it in the context of ... if I have an engineering problem at my mine, it's an embarrassment, it may cost me millions of dollars to fix. If I have a major social problem, I might lose the mine. I might lose the company! I darn well better make sure that what I'm doing is correct.*

Yet – and this is a crucial issue which was raised in the previous report – would social issues ‘trump’ financial imperatives? It has always been major stumbling block (as seen in the Ok Tedi case in Papua New Guinea) for companies to forego profits in order to deal with complaints about either social or environmental issues. Academic 3 feels that only a handful of companies currently operating in Peru would put aside financial imperatives.

*A3: still, social issues are not the main issues. Even if they say “no it's our main issue” because we have had some conflict but - when you know you have to make a hard distinction you look at the figures, you look at what is business and what is not, you look at timing, you look at the operations side, at the engineering side, but still you look at the social side in the same way. For example, “we have to decide whether we are going to build up let's say a new open pit right now and we have to delay this decision for the future” and they ask the financial people “do you believe we are going to get profit right now? Or if we do that afterwards are we going to lose money?” And they look at the engineers, the operations side “what do you say?” And afterward they say “ok social side you have to accommodate with the others' decision” and that is a huge handicap.*

*In that sense, what happens is that you start the operation and then you have to stop the operation. You have to stop the operation because of a huge conflict and you cannot deal with that. So the only company I think that has had some talk about that is Rio Tinto. So they say “it's not socially possible right now so we have to delay our decision even if we are going to get profit, even if we have all the machines ready - there is a social concern that we cannot surpass”. They started the new kind of relations. So this is also why this case is so different from Yanacocha for example. Both of them are in the rondas environment, they are in Cajamarca – they have the same thing. But they are completely different. Because you have one place in which companies started to change, and change for good, and the other place that didn't happen.*

### 5.2.3 Stop mining

There were only two company representatives who believed that, were all of the above to fail, that mining should cease.

*C2: Because not every mine in the world, or should I say every mineral deposit in the world, should be a mine. There are some that should be excluded for now. Ultimately the needs of man will prevail and they will be exploited that's almost a foregone conclusion, but we have to take the moment into consideration as well.*

This view is supported by farmers and community based organizations:

*M5: it is not that we are really against mining here, I don't want them to get that impression, no, but the problem is that the place where they want to do the extraction is unviable, so... it is where the water is born for everyone, and for them to do that there it is practically leaving us without anything, right? because it is obvious that the water will dry up completely, that is the reason, it is not because we don't like mining or that we are angry, like they say... we don't have that anger, rage, right? the problem is that it is unviable the place*

If conflict arises after exploration or mineral extraction has started, and all measures have failed, then companies also agree that mining should cease:

*C4: if we don't, you know, get the, let's say the social consensus around working together to develop a mine, (this company) won't develop it. Ok. As simple as that. Because we cannot be developing a project that is stopping every month, or stopping every six months because the community didn't understand this or they didn't understand that or with politician raising common denominators with no basis, you know. That's the thing. So we are taking our time. We're making sure that we're very clear around what we are doing, very clear around the activities, very clear around how we are doing it.*

*Company 4: we want to do it properly, we are not perfect, but if we see there are too many restrictions, from a political point of view, (this) is a company that will say "let's leave it there, let's go somewhere else". So that is why we are taking so long. Because we are interested in this project, in this country, and we want to make sure that the technical and social risks are well managed.*

Many communities who been negatively impacted by mining for some time support the idea that mining should cease. This is the view expressed by a member of a community based organization in an area with a long history of conflict, and violent encounters with police:

*M1: it seems that generically, issues can be mixed up, but here we don't want jobs, we want them to respect us, we don't want them to say hello to us, we want them to go away from here, and we want clean water like we have always had, so from this point of view there is nothing that can be talked about, there is no point to start the dialogue nor an agreement for them to break, we are conscious that*



*this issue has many axis, right? including ecological technology, social, political, communication, etcetera, but we have said from a long time that Celendin has a second degree conflict, it is not about more or less money, or the possibility of jobs in the mine, also that issue about the verbal agreements, those contracts, they have never met their verbal contracts, they haven't even met what has been written, and that is why we maintain, well at least I do, reject all plans that try to convince us or change our minds from the decision we have made,*

### **5.3 There should be independent mediation**

Academic A believes independent mediation is necessary:

*A1: we see mediation as an activity that needs to be mainstreamed in public policy. And in the area processes that may lead to improve the use of natural resources and of course the quality of life for the people. We argue that in Peru this is part of the human nature, and part of our social relationships so it needs to be understood from the very early stages of the project. It needs to be inside and articulated into the decision making process, and in human relationships, for policy purposes. At that stage of thinking, we believe that even if you have a council of mediators, that the process will always be case-based. We need to address the differences between people. It needs to be part of the governance system at every level. Our recommendation is that the Min of Env develop a program with all the stakeholders that participate in the by law process, in each region, to introduce the concept of conflict, reparation time, and responsiveness through independent reviews.*

There was little discussion of this idea among the company representatives. The government personnel supported the idea of mediation but believe that the NODS is the appropriate body to mediate a non-violent resolution to conflict.

*G3: and the key element in this period of time was the violence, too much violence. The scale of the conflict, too much violence, and the government in this point well we had to do something about this conflict when the social conflict was increasing. Now we work in this stage when the problem is a big problem, prevention is our focus.*

### **5.4 State policies and values**

#### **5.4.1 The state must be involved from the beginning**

This is an area of agreement between the communities and companies that we interviewed.

*W1: the state should come to the place where the concession is going to be, so that they can see if it is valid to give the concession in that area or not, because a concession is given blindly, like I have said, they don't care about our identity, because there are some archaeological sites, and within the law it says that a concession cannot be given in the archaeological sites, however they don't care, they don't care about the number of families that live there, what do they live*

*from? what is their way of life? how do they survive? what do they cultivate? so, they give this area as a concession, but the state doesn't know what is part of it, so that is what I think would be a way for the state itself to intervene and in some way, to see what it is given in the concession..*

#### 5.4.2 The state must protect its citizens

Companies and communities have different ideas about the role of the state vis a vis the communities. Companies feel that the state (particularly regional governments) have neglected community development and misused mining royalties, that they have not 'looked after' the interests of the people. Communities who oppose mining feel they have not been protected from the police, or that their complaints have not been taken seriously.

### 5.5 Communities would like to be educated about mining

There is a clear desire for communities to learn more about mining, both the regulatory framework as well as the stages of mining, and expectations about impact. One of the interviewees runs a community based radio program in Quechua language. She expressed an interest in hosting a program about mining for the local communities.

#### 5.5.1 Education in schools

The companies we interviewed were in agreement that there needs to be clear communication about the real scale and impact of mining (4.2.1). This was also articulated by community people in both the first and second round of research. There is also a clear desire to learn more about mining, both the regulatory framework (3.3.5) as well as mineral processing and what will happen with mine closure.

A Peruvian anthropologist and consultant who has looked at the impact of mining on rural areas, felt that education about mining should be included in primary and secondary curriculum:

*A2: We also need to explain about mining in schools. In all the regions where is mining, they explain nothing about mining in schools in the general education. If mining is going to in your region for many years you need to understand how mining works. For primary children for secondary children, so they can explain this to their parents. But no it is absolutely disconnected.*

#### 5.5.2 Environmental monitoring programs

Although it has a narrow focus, there is also opportunity for communities to learn about the impact of mining on water sources; Company 4 has instigated a collaborative program whereby communities monitor the water in their region (4.2.2).

## 6. GUIDING PRINCIPLES

COMMUNITY & NGO VIEWS: STAGE 1	COMPANY & GOVERNMENT VIEWS: STAGE 2
<b>TRANSPARENCY</b>	
The need for transparency refers to the need for a clear understanding of the kind of work that is going to be carried out, how long it will take and what impact it will have on people and environment	Companies must communicate honestly about the time frame and real impact of mining in terms of scale, dust, noise etc. (5.2.1) Companies should collaborate with communities in environmental monitoring (5.2.2)
<b>RESPECT</b>	
To be treated with dignity not as an obstacle to mining	Companies recognize that communities have not been, and are not, treated with respect and this must change (3.3.1); values of respect must be shared within a company, not just at the executive level (5.1.3) The state must protect its citizens (5.4.2)
Respect for local opinion about where to mine or not mine	A company should recognize when it must stop mining (5.2.3)
Respect for views about alternative forms of development or a 'good life'	
<b>DIALOGUE</b>	
Interaction with the "company" comes in variety of guises: with engineers, with managers, with police, with the Public Prosecution Office, and sometimes with community engagement people. Not only do people want a chance to speak directly to those who make decisions that affect their lives, but they need to know who those people are.	Senior company executives must meet communities face to face in open meetings (5.1.2) The state must be involved from the beginning (5.4.1)
Effective dialogue should encompass every section of the community	Senior company executives must meet communities face to face in open meetings (5.1.2).
Effective dialogue requires a review of time frames	Companies must invest time not money in community relations (5.1.1)
<b>TRUST</b>	
There are many references to broken promises in the narratives which generate a lack of trust and a general skepticism about the honesty of mining company employees; the integrity of mining company employees; the ability of the state to protect community interests.	All of the above will build trust over time if done well

The material which we have presented in this, and the previous report, presents clear areas of agreement about what needs to change. The statements in the preceding sections provide an insight into what can occur when companies do not take community engagement seriously nor make changes to their behavior and policies. The table above summarises the guiding principles identified during the first stage of the project and the suggestions for action as identified in the second stage. The key message is that community engagement takes time, that companies must be honest about the potential and real impact on the environment after independent evaluations and they must take responsibility for damage caused,. Furthermore they must respect ways of living that are not the same as their own. This can only be done if senior company executives are committed to change, and that they develop strategies to build shared values within the company from the CEO in Head Office to the local Mine Manager and security staff. Ultimately it is this action over many years which will build community trust that their views are being heard and respected. Governments, both local and regional also need to be involved and to be seen as first and foremost protecting their citizens, not company interests.

*Of course it is true that the number of people who will benefit from the taxes generated by natural resource extraction will far exceed the number of indigenous peoples living in voluntary isolation who will be adversely affected. It is also very likely to exceed the number of indigenous and other people whose livelihoods and territorial claims might be compromised. The question that is not asked, however, is whether one person's right of access to education and health services is equivalent to another person's right to existence, to an ethnic group's collective right to territory or, even, to nature's right to existence. Posing this question does not mean that one automatically concludes that these latter rights (to existence, territory, identity) necessarily trump rights of access to social services. It does mean that this question about how to discuss, agree upon and legitimize trade-offs among these different sorts of rights has to be addressed head on and debated seriously in the public sphere (Bebbington, 2014)*

None of the above is straight forward or without cost. But human rights violations simply cannot continue in the guise of development of a nation. This report has highlighted some of the important steps which companies and Governments might take if they are to engage more equitable with communities, and to treat them with the respect they deserve.

## 7. DELIVERABLES

### 7.1 Identification of key change areas and practical steps to implement these

1. The development of strategies to improve mine-community relations based on the real life experiences of community members, mining personnel and government representatives.
2. Recommendations for how these strategies could be implemented, suggested pedagogical activities for facilitating institutional change, and examples of successful implementation at other mine sites

The identification of key change areas, and practical recommendation on how to implement these changes, are set out in Section 5 of this report, and summarized in Section 6.

Links to three short films

### 7.2 Short films/Pedagogical tools

Two films intended for use as pedagogical tools for engineering students, government personnel and mining companies have been made by filmmaker Eric Feinblatt. They are available here:

<https://vimeo.com/122399156>

<https://vimeo.com/122321445>

These films will complement the Mining and Communities Game (Armstrong, Baillie & McKenzie 2014), a description of which is available at: <http://im4dc.org/wp-content/uploads/2014/09/Baillie-Armstrong-game-FR2-Completed-Reportpdf.pdf>