

Mining News Watch #12

November 19, 2014

Report #12 // October 16 – November 19, 2014

Top Stories

- The second round of regional presidential elections in Madre de Dios is likely to take place on December 7th. Both candidates are strong proponents of small-scale mining and have clashed with national government formalization efforts.
- Of the 70,000 informal miners that began the formalization process, around 25,000 have completed the first step of the process and are eligible for eventual full legalization.
- Two major police and military raids were carried out in the illegal mining zone “La Pampa,” with the goal of eradicating illegal mining from the Tambopata National Reserve buffer zone by the end of the year.

Madre de Dios Regional Election

- The second round of regional presidential elections in Madre de Dios is likely to take place on December 7th; however, this date still awaits confirmation from the Executive branch[1 (<http://elcomercio.pe/peru/pais/elecciones-regionales-jne-plantia-que-sea-7-diciembre-noticia-1768130>)]. The two run-off candidates are Luis Otsuka, a notorious opponent of the formalization process and the leader of the mining federation of Madre de Dios, and Simon Horna, a proponent of informal mining who played an important role in the miners’ strike that took place in April[2 (<http://iqt.utoero.pe/2014/10/27/el-candidato-de-choque-de-la-mineria-ilegal-en-madre-de-dios/>)].
- The Minister of the Environment, Manuel Pulgar Vidal, expressed concern about the outcome of the election due to the fact that several of the candidates promote illegal mining. He made no mention of any candidates’ names, but encouraged voters to make an informed decision when returning to the polls[3 (<http://www.andina.com.pe/agencia/noticia-expresan-preocupacion-oferta-electoral-vinculada-a-mineria-ilegal-529730.aspx>)].
- The Ministry of Energy and Mining (MEM) issued a new map showing that Otsuka owns a mining concession that overlaps partially with a native community located outside the authorized mining corridor[4 (<http://peru.com/actualidad/nacionales/madre-dios-posible-presidente-regional-realiza-mineria-ilegal-noticia-295919>)],5 (<http://www.larepublica.pe/26-10-2014/candidato-a-la-region-madre-de-dios-luis-otsuka-estaria-explotando-oro-en-bosques-intangibles>),6 (<http://www.actualidadambiental.pe/?p=26083>)].

Formalization Process

- The Council of Ministers approved a package of measures aimed at improving the government’s strategy for small-scale and artisanal mining formalization. One of the initiatives gives informal miners operating in areas without a concession the opportunity to acquire a formal right to continue mining[7 (<http://gestion.pe/economia/gobierno-aprobo-paquete-normas-impulsar-formalizacion-pequenos-mineros-2111809>)].

- Of the 70,000 informal miners that began the formalization process, around 25,000 have completed the first step (taxpayer registration) and nearly 15,000 have completed the second step (established ownership of their mining concession or have been granted permission from the owner to conduct mining activity). In Madre de Dios, the largest obstacle to completing the process is that most mining concessions overlap with forest concessions, and these overlaps must be corrected through the Ministry of Agriculture (MINAGRI)[8 (<http://www.andina.com.pe/agencia/noticia-mem-preve-al-2016-se-habran-formalizado-30000-mineros-529774.aspx>)].
- Once officially formalized, miners will be eligible to benefit from programs such as Switzerland's Initiative for Responsible Gold. The initiative allows formalized miners to sell their gold for the best price in Switzerland, and will be able to recover the General Sales Tax for exporting their gold[9 (<http://gestion.pe/economia/alrededor-30000-mineros-artesanales-estan-proceso-formalizacion-2112897>)].

Illegal Mining Raids

- Minister of the Interior Daniel Urresti declared that illegal mining in the largest mining zone in Madre de Dios, known as "La Pampa," will be completely eliminated by the end of this year[10 (<http://www.andina.com.pe/agencia/noticia-la-pampa-mas-grande-campamento-minero-ilegal-no-pasara-diciembre-dice-urresti-528187.aspx>)]. To this end, a 300-man police base in Mazuko (officially named the Interinstitutional Complex Against Crime) is currently up and running and seven police checkpoints are in the process of being installed along the Interoceanic Highway[12 (<http://www.andina.com.pe/agencia/noticia-instalaran-7-puestos-control-policial-interoceanica-contra-mineros-ilegales-529195.aspx>)].
- Two major police- and military-led raids took place in La Pampa over the past month, resulting in the destruction of mining equipment[13 (<http://peru21.pe/politica/madre-dios-realizan-megaoperativo-contra-mineria-ilegal-pampa-2203797>)],14 (<http://www.larepublica.pe/12-11-2014/desactivan-gran-centro-minero-ilegal-de-la-pampa>),15 (<http://peru21.pe/politica/madre-dios-realizan-operativo-fluvial-contra-mineria-ilegal-2203991>),16 (<http://www.pcm.gob.pe/2014/11/presidencia-del-consejo-de-ministros-supervisa-gran-operativo-fluvial-contra-la-mineria-ilegal-en-rio-madre-de-dios/>)].
- In a smaller raid conducted by police working at the new police base in Mazuko, a vehicle found to be illegally transporting 72 gallons of petroleum to an illegal mining camp was seized along a highway near Puerto Maldonado[17 (<http://www.andina.com.pe/agencia/noticia-incautan-combustible-presunta-procedencia-ilegal-madre-dios-529372.aspx>)].

Other

- The Presidents of Peru and Ecuador met during the eighth binational Cabinet meeting, where they defined common protocols to use against illegal mining. The two governments agreed to develop a binational strategy that would address the formalization of mining, the exchange of information about the flow of fuel used in mining from one country to the other, and mining activities in water bodies[18 (<http://www.andina.com.pe/agencia/noticia-peru-y-ecuador-definiran-protocolos-comunes-interdiccion-contra-mineria-ilegal-529660.aspx>)].
- A report published by the Agency for Supervision of Forest Resources and Wildlife (OSINFOR) found that the forest concessions in Madre de Dios have served as a check to illegal mining. The owners of forest concessions, in many cases, are defending their land from infiltration by illegal miners. The report also found instances in which concessions are not being managed correctly, leading to complex issues with overlapping forest and mining land rights[19 (<http://www.actualidadambiental.pe/?p=26082>)].

Notes: The ACA Mining News Watch focuses mostly on issues pertaining to the Peruvian Amazon and may not cover issues related to non-Amazonian parts of the country. We would like to credit ProNaturaleza's "Observatorio Amazonia" as our primary resource for articles related to illegal mining in Peru.

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