

Mining News Watch #17

August 6, 2015

Mining News Watch #17 covers the time period June 10- July 30, 2015

Top Stories

- On July 13th, the Peruvian police carried out a major raid in the La Pampa mining zone (Madre de Dios), the first major government operation against illegal mining in eight months.
- Following the raid, the regional President of Madre de Dios, Luis Otsuka, complained of the inefficiency of the formalization process in Madre de Dios, and how it is damaging the region's economy.
- Technical reports released by the Amazon Conservation Association (ACA) and the Conservación Amazónica (ACCA) has found growing deforestation in the Amarakaeri Communal Reserve and Sierra del Divisor.
- OjoPublico released an investigative report on the foreign financing of illegal mining in South America, including the foreign businesses that help finance illegal gold mining.

Government Action

- On July 13th, a team of 900 Peruvian police agents destroyed 55 illegal gold mining settlements in the La Pampa mining zone, located in the buffer zone of the Tambopata National Reserve. This was the first major operation against illegal gold mining camps in Madre de Dios in eight months. [1, (<http://www.larazon.es/sociedad/medio-ambiente/peru-contrataca-contr-la-mineria-ilegal-en-la-amazonia-OE10279117#.Ttt1uKCsd8bVfoY>) 2] (<http://www.pcm.gob.pe/2015/07/destruyen-55-campamentos-de-mineros-ilegales-que-operaban-en-la-pampa-en-madre-de-dios/>)
- Two days after the raids, on July 15th, the regional president of Madre de Dios, Luis Otsuka, demanded clear regulations for formalized mining from the national government. He complained of the irregularity with the formalization process, as well as the fact that the boundary line for Madre de Dios also marks the beginning of territory where mining activity is categorically rejected. Otsuka claimed that the national government is unknowingly causing Madre de Dios's economic axis to come to a halt. [3] (<http://regionmadrededios.gob.pe/new/contenido/noticias/464>)

- In June, the National Police of Peru officially established a new police body of 1,000 agents that will focus on combatting illegal mining and illegal logging in all Peruvian departments. This team led the major operation on July 13th in La Pampa. [4, (<http://larepublica.pe/impresasociedad/11750-mil-policias-combatiran-mineria-y-tala-ilegales>) 5] (<http://www.andina.com.pe/agencia/noticia-fuerza-especial-1000-policias-combatira-mineria-y-tala-ilegal-562959.aspx>)
- Further north, police destroyed three mining camps in the region of Amazonas in June. The illegal mining was occurring within an indigenous community territory, and was negatively effecting the riverbeds of the Marañon and Santiago rivers, including exposure to mercury and cyanide. [6] (<http://www.inforegion.pe/portada/207030/destruyen-campamentos-en-operativo-contra-la-mineria-ilegal-en-amazonas/>)
- The Environmental Evaluation and Auditing Organization (OEFA) released a series of reports in July with the regional results of the 2014 environmental audits, including one that focused on small-scale mining. The 25 regional governments in Peru were given a score on a scale of 0 to 20 based off of OEFA's formal and operative standards for mining. OEFA categorizes the results as follows: scores above 14 are good; 11-14 is average; 8 to 11 is low; 5 to 8 is very low; and scores below 5 are critical. There was substantial improvement in Madre de Dios, which was ranked 24th in 2013, but rose to 4th in 2014. During the 2013-2014 year, Madre de Dios established identifications for illegal mining, developed environmental evaluations, and worked with the federal government to monitor mining, all which helped raise its score. [7] (<https://www.oefa.gob.pe/noticias-institucionales/el-oefa-presenta-informes-2014-cumplimiento-gobiernos-regionales>)

Region	Score 2013	Rank 2013	Score 2014	Rank 2014
Madre de Dios	3.36	#24	9.97	#4
Amazonas	5.92	#13	6.72	#16
Loreto	4.42	#23	6.17	#19
Ucayali	5.35	#15	5.28	#23

- An executive decree from the Ministry of Energy and Mines (MEM) that assigned new fees on gasoline in Madre de Dios has been improved so that it will prevent gasoline from being used for illegal mining without interfering with legal productive sectors of the economy. MEM used information from the National Customs and Tax Administration (SUNAT) to figure out proper gasoline supplies and fees for the logging, forestry, Brazil nut harvesting, and tourism industries. However, businesses in the area are still concerned that the law is not effectively combatting illegal mining because it is currently applied only in the La Pampa mining zone, not all of Madre de Dios. [8]

(<http://www.andina.com.pe/agencia/noticia-perfeccionaran-decreto-0132015em-para-mejorar-cuota-combustible-madre-dios-562830.aspx>)

- In July, 68 kg of mercury and 2,400 gal of diesel were seized in Madre de Dios. It is believed that the mercury and diesel were going to be used for illegal mining in La Pampa. [9] (<http://www.andina.com.pe/agencia/noticia-madre-dios-incautan-68-kg-mercurio-y-2400-galones-diesel-563664.aspx>)

Formalization

- Since June, a team from MEM has been issuing audits for the “saneamiento” registration that will help 40,000 miners finalize the formalization process. Saneamiento lacks a direct translation in English, but implies legal ordering and restructuring of the original complex formalization process. This nationwide audit comes as a result of the approval of the “Saneamiento Strategy for Small and Artisanal Miners,” (la Estrategia de Saneamiento de la Pequeña Minería y de la Minería Artesanal) which streamlines the six step formalization process. The auditing team examines the legal documentation and field sites of informal miners, and if the audit is consistent with the saneamiento requirements, then the subject can continue the formalization process. [10] (<http://www.andina.com.pe/agencia/noticia-mem-realiza-fiscalizacion-del-registro-saneamiento-mineros-informales-566134.aspx>) (http://www.minem.gob.pe/_detallenoticia.php?idSector=20&idTitular=6909)
- With the goal of simplifying and reenergizing the formalization process, “Ventanilla Unica,” the website used to help informal miners, is being restructured. Ventanilla Unica has documents, information on the Corrective Environmental Management Instrument, news on informal mining, and resources for other state institutions. [11, (<http://outletminero.org/peru-mem-reestructura-sistema-de-informacion-de-ventanilla-unica-para-formalizacion-minera/>) 12] (http://www.minem.gob.pe/_detallenoticia.php?idSector=20&idTitular=6909)

Deforestation

- ACA and ACCA released a technical report on their MAAP website concerning deforestation from a mining zone in Madre de Dios that has expanded into the Amarakaeri Communal Reserve. Their analysis showed that gold mining deforestation entered the reserve in 2013 and continued expanding in 2014 and 2015. The total gold mining deforestation within the reserve is currently at 11 hectares. [13] (<https://www.maaprogram.org/2015/06/image-of-the-week-6-gold-mining-deforestation-enters-amarakaeri-communal-reserve/>) The Peruvian National Service of Natural Protected Areas (SERNANP) later confirmed ACA’s report that illegal mining had been the cause of the deforestation. [14] (<http://elcomercio.pe/peru/madre-de-dios/sernanp-verifica-deforestacion-reserva-amarakaeri-noticia-1819766>)

- ACA released a technical report on their MAAP site that illustrated the recent expansion of gold mining near Sierra del Divisor in the region of Ucayali. [15] (<https://www.maaprogram.org/2015/06/image-7-sierra-del-divisor/>)

Other

- *OjoPublico*, an online investigative journalism news source, released a report investigating the exportation of gold from illegal mining. The report estimated that 150 tons of gold was illegally smuggled from Peru in 2010, which makes Peru unofficially the second biggest global producer of gold with 330 tons, behind only China. The report released the names of several European and American businesses in the London Bullion Market Association that financially supported the operations, including American companies Northern Texas Refinery and Republic Metals Corporation. [16] (<http://ojo-publico.com/dirty-gold-chasing-the-trace-of-the-london-bullion-market/>)
- Peru established three alliances with Colombia, Ecuador, and Bolivia in hopes of eradicating illegal mining, including sharing ideas for mining formalization, combatting illegal mining, and environmental remediation. Peruvian officials also stated that they were working on establishing an alliance with Brazil. [17] (<http://www.andina.com.pe/agencia/noticia-peru-establecio-alianza-estrategica-tres-paises-contra-mineria-ilegal-566246.aspx>)
- The Association for Research and Integral Development, a private organization with a contract with the National Service for Protected Natural Areas (Sernanp), presented an environmental management project that can help avoid deforestation by using agroforestry to produce cacao. The project would prevent deforestation in 12,000 hectares of forest in the Tambopata National Reserve and Bahuaja Sonene National Park, both located in Madre de Dios. [18] (<http://www.inforegion.pe/portada/208301/en-madre-de-dios-evitaran-deforestacion-de-12-mil-hectareas-de-bosque/>)

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" (<http://www.observatorioamazonia.pe/>) as our primary resource for articles related to illegal mining in Peru.

Photo Credit: <http://elcomercio.pe/peru/madre-de-dios/operacion-contra-mineria-ilegal-pampa-fotos-noticia-1826310/3>

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