



**Tom Lantos Human Rights Commission:
International Financial Institutions and Human Rights**

September 30, 2015

Oral testimony of Milton Sánchez Cubas, General Secretary, Inter-Institutional Platform of Celendín

The proposed Conga gold, copper and silver mine planned for my province in the Cajamarca region of Peru risks causing irreparable damage to the environment and harm to our communities in violation of World Bank standards.

The project would require the loss of four mountain lakes and over a hundred hectares of wetlands for the purposes of creating massive open pits and waste dumps. These lakes and wetlands form the headwaters of five river basins, and their loss threatens to significantly reduce water resources and biodiversity. The additional risks of contamination from the mine would present a constant threat to human health and environmental sustainability in the region.

The lakes, the fertile soil, and the entire ecosystem are a source of survival and cultural heritage for the dozens of communities living nearby, and their loss is nothing short of a threat to our existence. The company's promise to create artificial reservoirs to supplement the loss of water does not provide a sufficient substitute, nor a sufficient guarantee of access to clean water. Instead, the reservoirs would require continuous water treatment in perpetuity, would not replace lost drinking water or water to support aquatic life, and would likely impose a burden on future generations.

The project is being promoted by Minera Yanacocha, a company majority-owned by Colorado-based Newmont Mining Corporation with a 5% equity investment from the International Finance Corporation, the private investment arm of the World Bank. To ensure that its investments lead to sustainable and positive development outcomes, the IFC has adopted a series of social and environmental Performance Standards that both guide the behavior of the companies in which the IFC invests, and set the normative baseline for the IFC's monitoring and supervision of its investments. The Performance Standards include protections for water access and quality, safeguards for ecosystems and biodiversity, respect for indigenous populations and cultural heritage, restrictions on forced displacement of affected communities and individuals, and limitations on the use of force by security personnel.

The Conga project risks violating all of these aspects of the Performance Standards, and is not a viable way to achieve the sustainable development sought by the IFC. Together with my testimony, I am submitting a report that argues in great detail why the Conga project is unviable in light of the IFC's Performance Standards.

Our concerns with what the Conga project would mean for our future are based technical analysis, but also our experience with the mining company in the region. Minera Yanacocha has operated the Yanacocha gold mine in Cajamarca, not 80km away from the proposed new project, for nearly twenty-three years. Despite the magnitude of the Yanacocha mine, the region remains the poorest in the country, with over 50% of the population living in poverty. Minera Yanacocha's presence in the region has been marked by serious environmental and health concerns as well as social conflicts. A mercury spill in the year 2000 poisoned approximately

1,200 people living in the community of Choropampa, causing health and social problems that continue impacting the community to this day. There are also serious concerns about how the long-term operations of the Yanacocha mine have impacted the availability and quality of water in Cajamarca. A number of studies suggest that mining activity is linked to acidity and heavy metal contamination (including lead, cadmium, and arsenic) in rivers, drinking water, and food sources of local communities, presenting risks to the environment and human health.

With the same risks before us with the proposed Conga mine, we have been strong and united in our opposition to the project. A 2012 public opinion showed that 78% of all Cajamaricans oppose the Conga project, with opposition rising to 83% in rural areas. Indeed, Minera Yanacocha acknowledges that it lacks a social license to proceed with the project. We have repeatedly demonstrated our rejection of the project in letters, petitions, marches, strikes, and protests. We demonstrate to protect our water, our environment, our livelihoods, and our lives.

Yet in spite of these concerns, and the discord with the IFC's Performance Standards, the IFC has yet to take a public position with respect to the project. This silence is of particular concern given that the preliminary project activity undertaken to date has already led to serious conflict and harm to local communities. Five of us have already died in the defense of our future, killed in July 2012 in the towns of Celendín and Bambamarca while demonstrating against the project: Paulino García Rojas, Faustino Silva Sánchez, Antonio Sánchez Huamán, Joselito Vásquez Jambo, and César Medina Aguilar, a sixteen-year-old child.

Those providing security services to Minera Yanacocha have also used force to repress local protests, causing serious injury to unarmed demonstrators, and have harassed, intimidated, and damaged property of those refusing to leave their home near the project site, raising serious concerns about potential forced eviction. Hundreds of individuals participating in protests have faced, or are currently facing, criminal proceedings for their opposition to the project. These actions violate the IFC's Performance Standards and undermine the IFC's mission of supporting sustainable development, which is only achievable with full respect for human rights.

If this were not enough, another great threat appears poised to arrive in our territory. The mining projects that are being planned for northern Peru will require great quantities of energy, for which the national government has proposed the construction of over 20 massive hydroelectric dams along one of Peru's most important rivers. The dams would mean the displacement of entire communities and the flooding of thousands of hectares of productive and fertile valleys that provide food to the coast and the Inter-Andean cities of the North of Peru. It appears that the dams would also be developed with financing from the World Bank.

These mega-projects in environmentally sensitive and agriculturally important areas do not match our vision of sustainable development. Through our social organizations and local governments, we have articulated an alternative vision of sustainable development based on agriculture, animal husbandry, artisanry, and tourism. These are the types of projects that should be supported, as they better take advantage of, and protect, the unique ecosystem and local culture of the area.

The IFC is well positioned to use its influence as an equity investor in Minera Yanacocha to stand with the affected communities, declare the Conga project unviable, and defend the right of the communities to express and demonstrate opposition to the project. Indeed, our human rights depend on it. This project must not move forward. It has caused enough harm already and too much is at stake. *Conga no va.*