

Overcoming growing social conflict around mining in Peru

Sharing lessons learnt from managing breakouts of social unrest directly affecting mine operations. Improving engagement approaches with communities and prioritizing stewardship strategies.

Background



Country peaceful

Changes in the political, legal and economic order



Trust

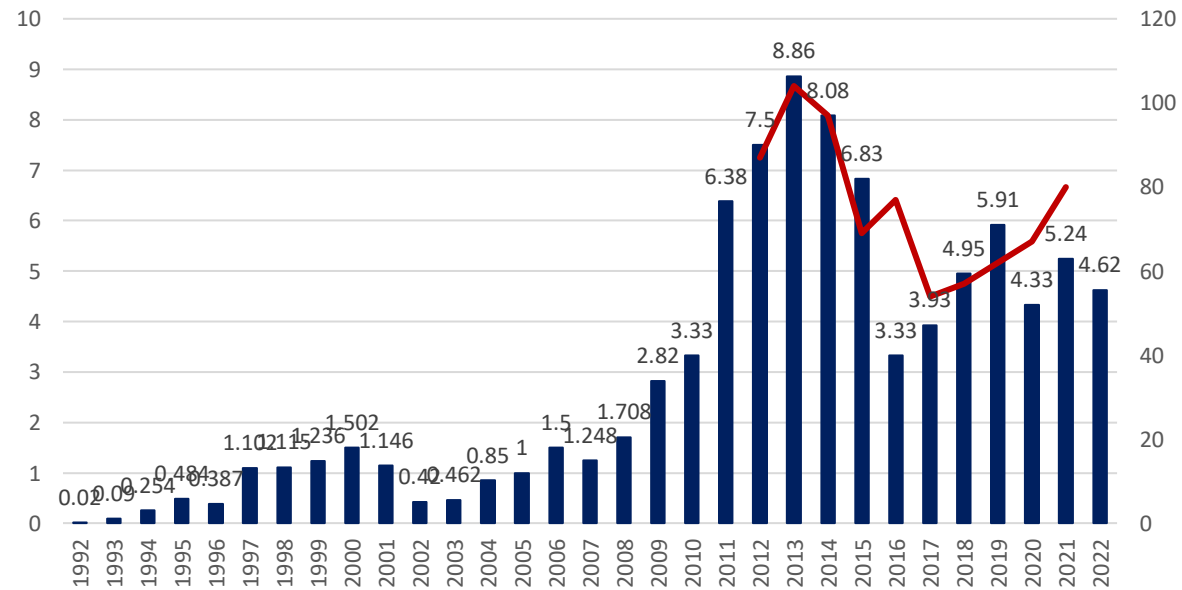


Investment in mining

90s

2000 ⇨

Mining Investment in Perú 1992 – 2022 (Billion of US\$)
 Numer of conflicts related to mining



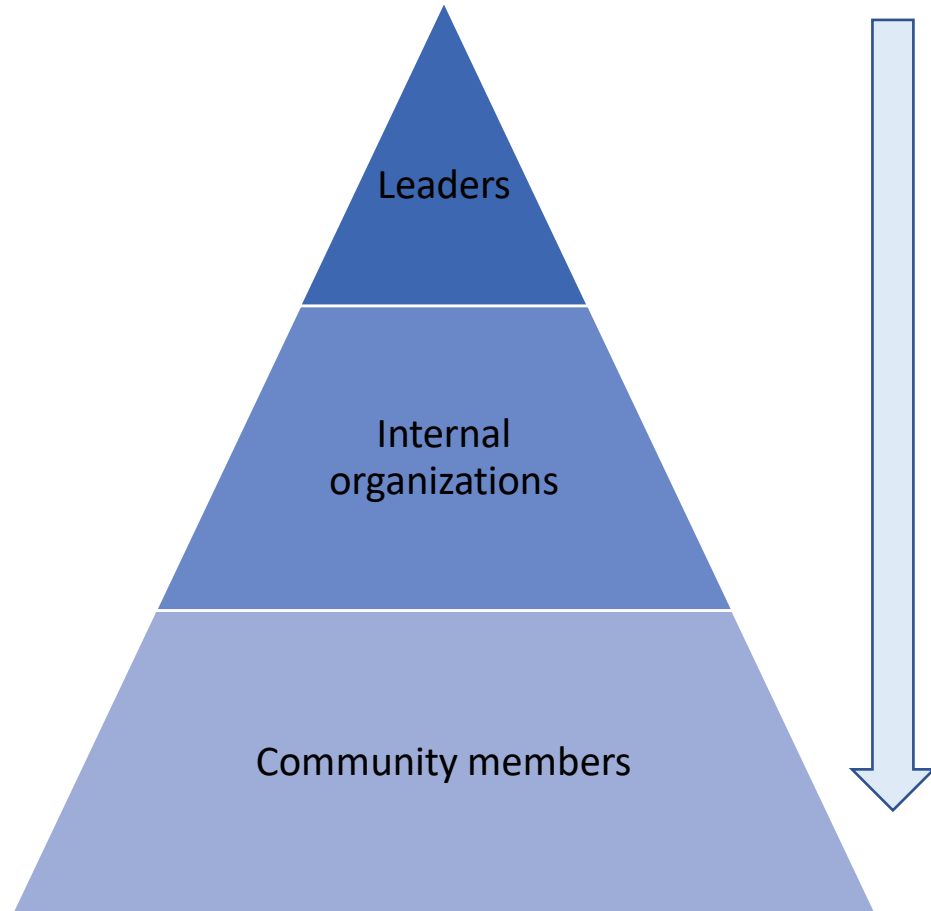
<https://www.sonami.cl/v2/wp-content/uploads/2016/04/03.-Mineria-en-Peru.pdf>

<https://es.statista.com/estadisticas/1317917/valor-de-la-inversion-minera-en-el-peru/#:~:text=La%20inversi%C3%B3n%20minera%20en%20Per%C3%BA,y%208.080%20millones%20de%20d%C3%B3lares.>

<https://www.minem.gob.pe/minem/archivos/file/Mineria/PUBLICACIONES/VARIABLES/2010/SETIEMBRE.pdf>

<https://cdn.www.gob.pe/uploads/document/file/4023198/BEM%2011-2022.pdf?v=1672945433>

From the top to the bottom



Impact on four water chanel

Mine activities impacted on quality and quantity of the water
In long term the water would disapper

Negotiation process

- ✓ Four negotiating tables were established
- ✓ Approximately 500 water users were represented by 30 leaders
- ✓ The negotiation process was carried out with the leaders and later the support of the General Assembly was obtained
- ✓ Agreements that were fulfilled immediately and a perpetual agreement that ensures the availability of water for the community were included

From the bottom to the top



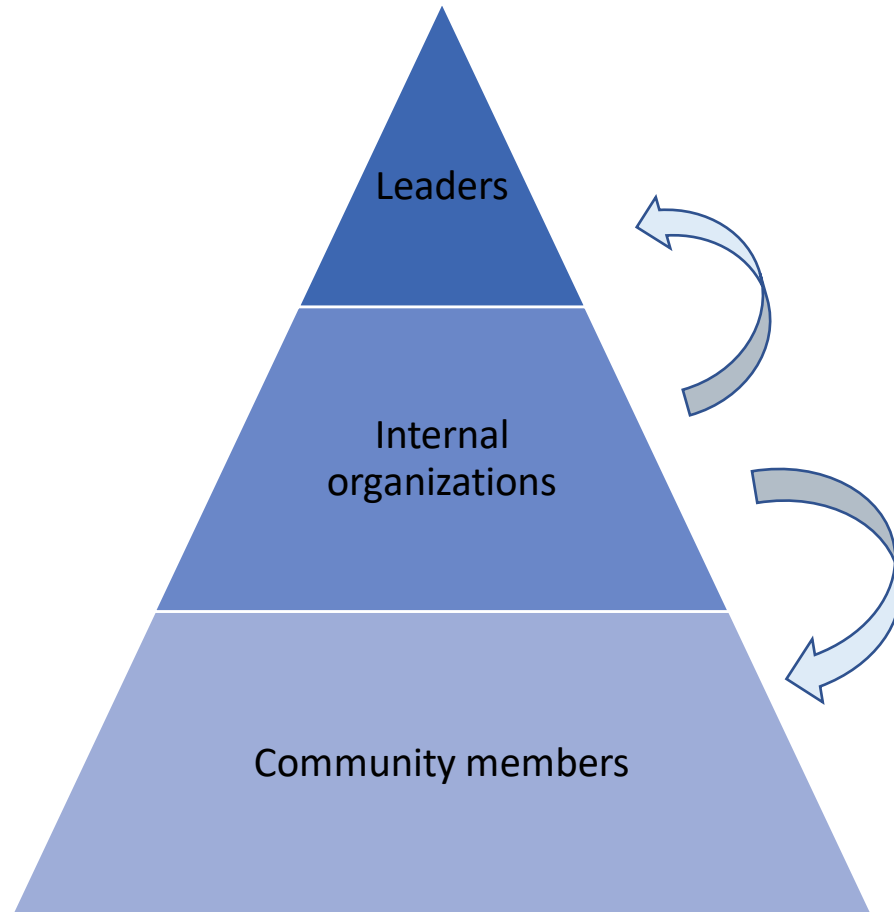
Mine services road construction

Opposition of some leaders for the construction of a public highway and that would serve to transport inbound for the mine

Negotiation Process:

- ✓ Face to face communication program
- ✓ Participation in public assemblies at different communities
- ✓ Talking with producers associations
- ✓ The road was built and now serves the population and the mine

From the middle to top and bottom



Quellaveco Dialogue Table¹

Negotiation process on three main issues:

- Water
- Environmental
- Social

Negotiation Process:

- ✓ Representatives of 32 public and private organizations participated in the dialogue process
- ✓ Alongside of 18 months of dialogue, 25 agreements were reached
- ✓ The project started its construction and its operations
- ✓ A commission was set up to monitor compliance with commitments throughout the life of the mine

¹ PNUD (2014), Sistematización de la Mesa de Diálogo de Moquegua: experiencia de diálogo, transformación de conflictos y construcción de consensos

The findings show that mining projects with a complex-unstable context take considerable effort and a longer process to earn an Social License to Operate. In this situation, it is not recommended that companies use either a defensive strategy or compliance. Instead, the company must use strategic and managerial strategies to reduce social conflicts. Also, when the context is low or of moderate uncertainty, it is preferable to use strategic and managerial strategies in order to gain an Social License to Operate.

The Context in Mining Projects Influences the Corporate Social Responsibility Strategy to Earn a Social Licence to Operate: A Case Study in Peru

<https://doi.org/10.1002/csr.1478>