



Testimony of Keith Slack, Extractive Industries Global Program Manager, *Oxfam America* to  
House Committee on Foreign Affairs, Subcommittee on Africa, Global Health and Human  
Rights

“The Poison Harvest: Deadly U.S. Mine Pollution in Peru”

July 19, 2012  
2200 Rayburn House Office Building

---

Mr. Chairman, I want to thank you and the ranking member for holding this hearing on human rights concerns in Peru, and thank your colleagues who sent a letter on this issue to Secretary Clinton and Secretary Geithner which made front page news in Lima. I greatly appreciate the opportunity to testify before you. The Doe Run lead smelting operation in La Oroya, Peru is at a critical juncture as the Peruvian government will determine next week if it will allow Doe Run Peru to continue to operate the lead smelter. Your oversight is needed now more than ever.

Oxfam America is an international relief and development organization that creates lasting solution to poverty, hunger and injustice, in more than 90 countries. Today, our hope is to do justice to the people of Peru by bringing greater awareness to an issue in which Oxfam cares deeply about and has been very actively involved in. Oxfam America has worked in Peru for more than 40 years. Our work there focuses on strengthening the ability of poor and marginalized communities, particularly indigenous peoples, to exercise their basic human rights to a healthy environment and a sustainable livelihood. Peru has made important strides in reducing poverty in recent years, yet nearly one third of the population still lives in poverty and in rural areas poverty rates are nearly 60%.

This poverty sits in sharp contrast to the great mineral wealth that the country possesses. Peru is now the world's sixth largest producer of gold, third largest producer of copper and has significant oil and gas reserves. This natural resource endowment has helped give the country an impressive 6% average economic growth rate over the last 10 years. Despite these gains, however, much of this wealth has not trickled down to the poorest areas of the country, which also happens to be where much of the natural resource extraction activity takes place. Local communities are also concerned about the environmental impacts of large-scale mining and oil and gas activity. These impacts can be seen most clearly and tragically in the town of La Oroya.

Rising concerns about environmental contamination have contributed to a cycle of conflict around extractive projects in the country. Late last year such conflicts led to the resignation of President Ollanta Humala's entire cabinet. Most prominently, the Mina Conga project, a \$4.8 billion dollar investment by Denver-based Newmont Mining Corporation, has been the site of repeated conflict and violence. Just two weeks ago, five protestors were shot and killed by police

during a protest there. Marco Arana, a former Catholic priest and leading mining activist, was viciously beaten by police as he sat in the town square of Cajamarca, an incident that was captured on video and broadcast on YouTube for all the world to see.

In May this year, police shot and killed two protestors near the Tintaya mine in southern Peru, which is owned by Swiss-based Xstrata Corporation. In all, Peru's national human rights ombudsman counts 245- conflicts across the country, most of these related to mining and oil projects. Such a high level of conflict threatens the viability of Peru's natural resource sector and also threatens to undermine the government of President Humala. Such instability is inimical to US interests in Peru, which is a key ally in ongoing American regional trade and anti-narcotics efforts.

In order to address this critical situation and ensure respect for human rights and the environment and Peru's continued stability, Oxfam America makes the following recommendations for the committee's consideration:

1. Human rights training for police, military and private security forces protecting oil and mining installations in the country needs to be dramatically increased. According to Peru's independent National Coordinator for Human Rights, since 2006 Peruvian security forces have killed 80 people and wounded more than 800 in protest-related violence. This is the highest level of security force violence in the region, even more than war-torn Colombia. To address this situation, Peru's endorsement of the Voluntary Principles on Security and Human Rights, a US and UK-led global initiative that sets human rights standards for security forces in the oil and mining sectors, would be a critical step. The Obama Administration and Congress should urge Peru to endorse and fully implement the Voluntary Principles without delay.
2. Peru's environmental oversight could be substantially strengthened. The creation of the Ministry of the Environment in 2008 was an important step. However the Ministry lacks authority for fully regulating mining, which lies with the Ministry of Energy and Mines. This is a direct conflict of interest which undermines confidence in the government's ability to protect human rights and the environment. The US government should offer the support of the US Environmental Protection Agency to Peru in helping address critical environmental and public health concerns like those we see in La Oroya. The US EPA has extensive expertise in dealing with lead contamination issues, including those caused by Doe Run's lead smelter in Herculaneum, Missouri, and this expertise should be offered to the Peruvian government.
3. Doe Run's parent company, Renco Group, is seeking \$800 million in damages against the Peruvian government under the US-Peru Free Trade Agreement. This suit is an attempt to increase pressure on the government in its ongoing negotiation with Doe Run Peru over the fate of the lead smelter in La Oroya. The US Government should support the Peruvian government in defending itself against this claim.

4. Finally, the US government should encourage all American companies operating in Peru and elsewhere in the region to ensure that they are following the highest possible human rights and environmental standards --- even in those cases where they are legally allowed to do less than if they were operating in the United States. American corporations serve as important ambassadors for the United States. Thus their behavior is a reflection on the US as a whole. It is thus in the US' interests to ensure that they comport with American values and standards for environmental protection and human rights.

Peru has tremendous potential to be an economic success story; a country that uses its vast natural resource for the benefit of all of its people. For this to happen, critical steps need to be taken to ensure that human rights and the environment are protected. The US Congress can play an important role in supporting Peru's efforts to address these issues and solve urgent problems like those in La Oroya.

I would like to thank the Chairman and the members of the committee again for their attention to this issue. I would be happy to answer any questions you may have.