• Over the past two weeks there have been two dominant issues: 1) Madre de Dios emerging as ground zero of the miners strike (see points two and three below), and 2) the approach of the final deadline of the formalization process and transition into the “saneamiento” phase (see points four and five below).

• The national miners’ strike that started on March 20 ended fairly swiftly following formal agreements between the national government and regional mining leaders. However, there has been no such agreement yet in Madre de Dios, where the strike has escalated with daily protests along the Interoceanic Highway and in Puerto Maldonado. Several violent clashes with police resulted in two deaths and numerous injured.

• The main source of conflict in Madre de Dios has been over a decree (Decreto Supremo N° 015-2013-IN) that regulates fuel distribution. Cracking down on the fuel component was part of the Peruvian government’s multi-pronged attack against illegal mining, which can require hundreds of gallons of fuel per day to run water pumps and motors. However, this decree had two major unintended consequences. First, the fuel restriction not only impacted mine operations, but all other sectors (i.e. mototaxis, transport and deliveries, tourism, etc.), so other segments of Madre de Dios civil society joined the strike. Second, the Decree was actually issued in the context of combatting narcotrafficking, leading to implications that greatly bothered the Regional Government of Madre de Dios (GOREMAD). The national government hopes to resolve this conflict with GOREMAD, which does support the formalization process in general, through a new decree that explicitly links the fuel regulation with illegal mining and not narcotrafficking.

• In addition to Decree N° 015-2013-IN, protesters in Madre de Dios are demanding a decentralized session of the Ministers Council (Consejo de Ministros) meeting to address the problems facing the department, and greater support from the national government for segments of society impacted by the recent severe flooding. Thus, the protests in Madre de Dios have been a confusing array of actors (including indigenous groups and GOREMAD, along with the miners) and messages.

• The formalization process ends on April 19 and the saneamiento process begins immediately thereafter. But it now appears that this saneamiento process is basically just a continuation of the same formalization process. The formalization process consists of six steps, the most problematic of which have been steps two and three. Step two requires that miners get permission from the actual mining concession owner, and step three requires that miners resolve any conflicting land-use problems. However, there was no formal process established to guide the miners through these two steps. It appears that, among other things, the saneamiento process will provide some directives in terms of dealing with these problematic two steps. Miners that sign up for the formalization process by April 19 will have 120 more days to complete the six steps, but the overall saneamiento process will extend into 2016. The full details are not yet known because the official saneamiento process strategy document was not published on March 31 as originally scheduled.

• A new interview with the High Commissioner of the Formalization Process, Daniel Urresti, revealed some additional insights into the saneamiento process in the specific context of Madre de Dios. The
main problem is step three, the resolution of land-use conflicts. As part of the saneamiento process, there will be a new commission made up of all the relevant Ministries and Agencies (Ambiente, Energía y Minas, Agricultura, Sernanp) to decide on how to deal with overlapping land use claims. Urresti also said that during the first 120 days of the saneamiento process there will be other reforms to improve the formalization process. This all seems to indicate that in reality things are going to take much longer than 120 days and we’re looking at a much longer extension than anticipated.

- To date, 72,819 miners have officially registered into the formalization process. Just 4,600 of these are from Madre de Dios (6%). Most of the miners in Madre de Dios just want to work in the rivers, which is illegal and not part of the formalization process.

- The first group of miners, five companies located in the department of Puno, recently completed all six steps of the formalization process. So while there is some positive news of finally having a group of formalized miners, the fact that only 5 companies have successfully formalized out of over 72,000 registered companies (and just days before the formalization deadline) reveals just how slowly the process has been advancing.

- *El Comercio* published an editorial highlighting that, in the end, the formalization is basically just legalizing an inherently destructive practice.

- After April 19, any miner wishing to start the formalization process will have to follow the normal, and more cumbersome, “ordinary” legal procedure that existed previously. The streamlined six-step process expiring April 19 was designed as a one-time only “extraordinary” offer from the government.

- Starting at the end of April, the Peruvian government will begin buying gold from miners entered into the formalization process via the national company Activos Mineros S.A.C. (Amsac). Tax rates have still not been finalized.

- The Peruvian NGO SPDA published a basic infographic on the difference between informal and illegal mining… [http://www.actualidadambiental.pe/?p=22151](http://www.actualidadambiental.pe/?p=22151)

ACA contact for Comments/Questions: Rachel Tennant rtennant@amazonconservation.org

References:

5. [http://www.regionmadrededios.gob.pe/portal/noticia-archivo-175](http://www.regionmadrededios.gob.pe/portal/noticia-archivo-175)
6. [http://www.regionmadrededios.gob.pe/portal/noticia-archivo-175](http://www.regionmadrededios.gob.pe/portal/noticia-archivo-175)
8. [http://www.observatorioamazonia.pe/noticias/14/04/14/dos-mil-nativos-se-suman-huelga-en-madre-de-dios](http://www.observatorioamazonia.pe/noticias/14/04/14/dos-mil-nativos-se-suman-huelga-en-madre-de-dios)