



Conflict Factsheet

Pascua-Lama Mining Conflict in the Andes, Latin America

Type of conflict
Main

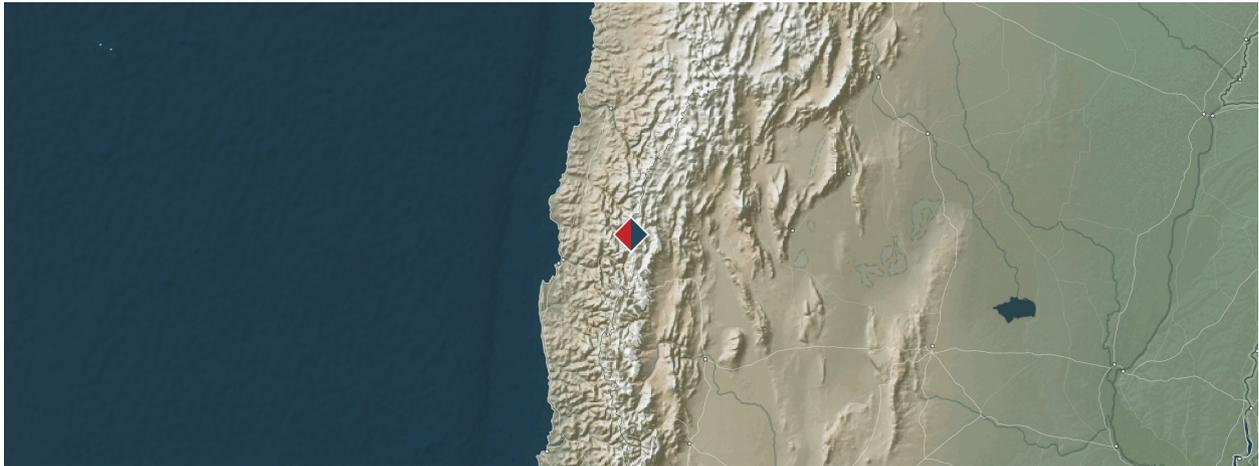
Intensity
1

Conflict Locality
South America

Time
2005 –ongoing

Countries
Chile, Argentina

Resources
Biodiversity, Agricultural / Pastoral Land, Water

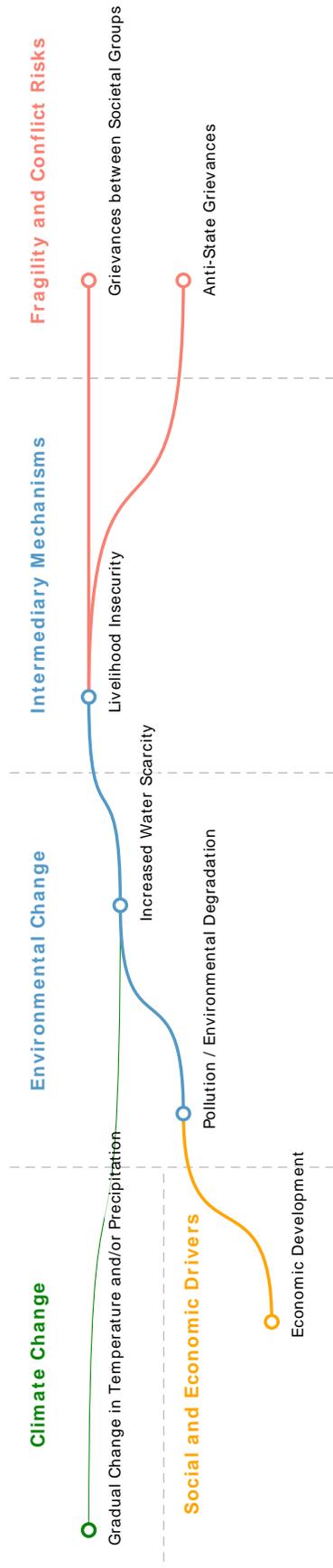


Conflict Summary

The construction of a gold mine in the Andes has affected glacial melting patterns and water quality, leading to protests, legal battles and compensation claims for local farmers and displaced indigenous communities. Climate change may exacerbate water scarcity and change rainfall patterns in the Andes, thus intensifying the effects of this mining project on water availability and, furthermore, opening up potential for future conflict.



Conceptual Model



Context Factors

- Biodiversity, Agricultural / Pastoral Land, Water
- Water-stressed Area



Conflict History

Since 2005, environmentalists and local residents of the UNESCO-protected San Guillermo Biosphere Reserve in the Andes have protested against the mining activities of the Canadian based mining corporation Barrick Gold. Protests in Santiago against the Pascua-Lama open-pit mine have led to violence with military police. Additionally, international attention has fostered widespread campaigns to stop the construction of the Pascua-Lama mine. As a result of violations of environmental regulations and subsequent water pollution, mining activity was suspended by a court ruling in the year 2013 ([Mining Technology, 2014](#)). Providing Barrick Gold enforces suitable water management mechanisms, the mine will re-open in 2015.

Environmental impacts

The Pascua-Lama mine is a bi-national project with 75% located in Chile and the remaining 25% based in Argentina ([Estrada, 2005](#)). The mine is located within a biosphere reserve with large glaciers that provide water to the Huasco Valley Basin. Barrick Gold planned to move three glaciers (Toro I, Toro II and Esperanza glacier) to create an open-cut Gold mine. Barrick Gold's Environmental Impact Assessment (EIA) was rejected by Chile's regional environmental commission (COREMA) which effectively scrapped plans to relocate the glaciers. However, by 2007, exploration efforts had already destroyed glacial masses by 50-70% (CDCA 2009). Consequently, in 2008 an international campaign was launched and a month long cross-border protest in Chile and Argentina ensued. An independent environmental study showed that mining activity in the reserve would exacerbate existing water stresses in the Andes, particularly water access in the Atacama Desert, whilst destroying biodiversity and causing water pollution ([EJOLT, 2012](#)). Indeed, the mine itself demands 350 litres per second during the extraction process and diverts streams, which would also affect the livelihoods of 8,500 farmers nearby (CDCA 2009). In 2013, the Diaguita indigenous community petitioned against the mine because of polluted water and mining activities in violation of Barrick Gold's environmental permit ([Mining Technology, 2014](#)).

The Chilean Environment Superintendent (SMA) and a regional appellate court suspended the construction of the Pascua-Lama mine, after the mine was proven to contaminate glaciers in the vicinity. Diaguita communities appealed to the Supreme Court to close the mine, however, this was rejected and the mining company has been given clearance to continue construction in 2015, providing Barrick Gold meets the environmental requirements laid down by the SMA.

Resolution Efforts

Numerous legal avenues have been pursued by environmental organisations and local communities in Chile to stop the Pascua-Lama mine. The EIA issued by Barrick Gold in 2004 was widely criticized as invalid by the Latin-American Observatory of Environmental Conflicts (OLCA). As a result, the Chilean National Environmental Commission (CONAMA) requested more details. The regional environmental commission (COREMA), had to review supplemental information produced by Barrick Gold, and it submitted its findings to CONAMA for a final decision of the mine's environmental impact in 2006 ([Mining Watch Canada, 2005](#)). Efforts to stop the mine were also imitated by the public. The chairman of Huasco



Valley Farmers Council filed an appeal on the Pascua-Lama case for the intervention of Chile's Water General Direction in 2005. Opposition from local communities was abated with the issuance of over USD 60 million in compensation (COHA, 2014).

Temporary suspension

Following the approval of the EIA and the beginning of construction in 2012, a Diaguita community petitioned against Pascua-Lama in 2013. Twenty-three breaches of Pascua-Lama's environmental permit had led to underground water pollution and destruction of the glaciers (Vel, 2014). The Chilean Environmental Superintendent (SMA), supported by the Copiapo appellate Court, ordered the suspension of construction and sued Barrick Gold for destroying the glaciers (Vel, 2014). Attempts by Diaguita communities to appeal Barrick Gold's environmental permit in the Chilean Supreme Court were rejected. According to the Supreme Court, Barrick Gold can continue construction in 2015 if it introduces sufficient water management strategies as set out by the SMA (Vel, 2014). In April 2014, Barrick Gold reached an agreement with 15 of the 18 Diaguita communities, indicating that project details would be submitted to the locals for their consultation with field-based experts (COHA, 2014). This has been a positive step in the conflict resolution process.



Intensities & Influences

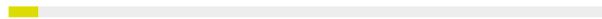


INTENSITIES

International / Geopolitical Intensity

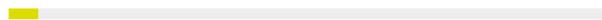


Human Suffering



INFLUENCES

Environmental Influences



Societal Influences



Violent Conflict

No



Salience with nation

National



Mass displacement

None



Cross Border Mass Displacement

No



Resolution Success

Reduction in geographical scope

The geographical scope of the conflict has decreased.

Increased capacity to address grievance in the future

The capacity to address grievances in the future has increased.

Grievance Resolution

Grievances have been partially addressed.

Causal Attribution of Decrease in Conflict Intensity

Conflict resolution strategies have been clearly responsible for the decrease in conflict intensity.



Entry Points for Resilience and Peace Building

Mediation & arbitration

3

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Treaty/agreement

2

Barrick Gold reached an agreement with 15 of the 18 Diaguita communities, indicating that project details would be submitted to the locals for their consultation.

Compensation

2

Opposition from local communities was abated with the issuance of over USD 60 million in compensation.

Resources and Materials

References with URL

[Mining Technology \(2014\). Pascua-Lama Mine, Chile.](#)

[Estrada, D. \(2005\). ENVIRONMENT-CHILE: Conflict Over Andean Glaciers Heats Up. Inter Press Service.](#)

[Mining Watch Canada \(2005\). Barrick Gold Faces Determined Opposition at Pascua Lama and Veladero Miércoles.](#)

[COHA - Council on Hemispheric Affairs \(2013\). Canadian Mining in Latin America: Exploitation, Inconsistency, and Neglect.](#)

[Vel, C. \(2014\). Respecting the "Guardians of nature": Chile's violation of the Diaguita indigenous people's environmental and human rights and the need to enforce obligations to obtain free, prior and informed consent. American Indian Law Journal. Volume II, Issue II - Spring 2014.](#)

[EJOLT \(2012\). Mining conflicts around the world. EJOLT Report No 7.](#)

Further information

<https://factbook.ecc-platform.org/conflicts/pascua-lama>