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## Peru: Camisea gas project undermines the rights of indigenous peoples

In December 2000 the Argentina-based company Pluspetrol won the concession to extract natural gas from the Camisea basin in South East Peru. However, Pluspetrol's intention to conduct seismic and drilling operations within the Nahua/Kugapakori state reserve has attracted controversy because of potential impacts on its indigenous inhabitants living in voluntary isolation and initial stages of direct interaction with national society. Block 88 superimposes the Nahua/Kugapakori reserve, that was established by the state in 1990 to protect the Nahua and Kugapakori (also known as the Nanti) indigenous groups from the dangers of contact with national society. The group headed by Pluspetrol also includes US company Hunt Oil and the Korean SK corporation.

Critics point to the project's potentially devastating physical consequences: increased access by outsiders to the reserve will intensify pressure on its resources and expose the inhabitants to diseases to which they have little or no resistance. Equally grave are the projects' violations of the internationally agreed rights of indigenous peoples as well as undermining the right to say no to contact that is currently being exercised by those peoples living in voluntary isolation. The project is now at make or break time; support from the US banks, who are currently evaluating the project, is essential if it is to go ahead but activists are pressurising the banks to reject funding while the project still fails to address the rights of the indigenous peoples within the reserve.

The 443,887 hectare Nahua/Kugapakori reserve is the ancestral home for Nahua, Nanti and Matsigenka peoples. Most of these groups are in the initial stages of direct interaction with Peruvian national society. These groups in initial interaction (with the exception of the Nahua), do not speak Spanish, have only sporadic direct contact with some other indigenous communities living outside the reserve and are highly vulnerable to introduced diseases and exploitation by outsiders. At the same time there are some Nanti and others of uncertain ethnic origin who have taken a choice to avoid all direct contact with national society and live in a state of voluntary isolation. Through remaining in voluntary isolation, these peoples are exercising their right to say no to direct contact with national society. These latter groups are even more vulnerable to introduced diseases and live in remote headwaters of the Timpia, Serjali and Paquiria rivers including the area where seismic testing is taking place. The Peruvian indigenous federation FENAMAD state that "contact by outsiders with these peoples would constitute a serious threat to their fundamental rights to health, cultural identity, well being and possession of land.....and make possible their extinction as individuals and as indigenous peoples". Estimates of the total population of the reserve range from 1000 – 2000 people.

Pluspetrol have acknowledged that unwanted encounters with the peoples who live in voluntary isolation in the area of seismic testing in the headwaters of the rivers Paquiria and Serjali are possible. Testing began in the reserve in May 2002 and Pluspetrol assured critics that; "this contact will not be encouraged", that they have reduced the seismic area in order to avoid such encounters and that contingency plans are in place. Plans consist of sending parties of local indigenous people ahead of the seismic testing groups as well as vaccinating all workers against potentially contagious diseases. In reality it is unclear what is happening in the field. Some local Pluspetrol workers say there have been reports of sightings but no direct encounters with "naked or uncontacted Indians".

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The independent review of the environmental assessment (EA), that was commissioned by local and national indigenous federations COMARU and AIDSEP, concluded that “it cannot be assumed that the (contingency) plan will effectively prevent harmful impacts like the spread of introduced diseases that could prove fatal for the isolated populations”. In fact, when Shell Oil conducted preliminary exploration in the region in the 1980’s, over half the Nahua population died as a result of respiratory diseases contracted from loggers. Pluspetrol have responded by stating they are in the process of developing an independent community environmental monitoring program albeit 3 months after work started in the reserve. The reports of sightings, although denied by Pluspetrol in Lima --whose representatives stated that these sightings are referring to the “traditional Matsigenka” populations on the lower Camisea which neither explains their nakedness or their sightings in the seismic zone-- confirm the conclusion of the independent review: “no matter how many precautions are taken the only fully effective policy is to avoid working in those areas known to be inhabited by such groups”. Aside from the physical risks of inadvertent encounters, working in areas known to be inhabited by such groups undermines their fundamental right to avoid all direct contact with national society that they are currently exercising.

Pluspetrol’s EA acknowledges that the reserves inhabitants will be both directly and indirectly affected by the project, whose plans within the reserve include the construction of 3 wells and seismic exploration in over 800km<sup>2</sup> of rainforest. The independent review of the EA however identifies many threats such as increased colonisation, shrinking resource base and poorer health that the EA did not acknowledge. As a result there is a corresponding lack of concrete measures to adequately address them. Article 7 of ILO convention 169 refers to indigenous peoples rights’ to participate in the formulation, implementation and evaluation of development plans that may affect them. Ensuring adequate consultation is not simply a responsibility of the company but an obligation of the Peruvian state who have ratified ILO 169.

While some visits have been made by Pluspetrol to Nanti, Nahua and Matsigenka settlements there has been no disclosure of the details of these visits nor identification or development of methodologies of engagement with groups who in the main have no working knowledge of Spanish let alone understandings of seismic explosions. One of the Matsigenka groups living in between the Paquiria and Camisea rivers say they were persuaded to abandon their homes by the advance parties of Pluspetrol. Former residents of Shiateni say that they moved when one of the advanced parties of Pluspetrol told them that the army would arrest them or they would be decimated by diseases if they didn’t relocate. This was denied by Pluspetrol who say that their advance parties only established contact with these groups to inform them of Pluspetrol plans. This relocation they say was an independent decision taken as part of a traditional and seasonal movement. One possible conclusion is that this illustrates the challenges of communicating the impacts of gas exploration to people who have almost no working understanding of Spanish let alone alien concepts of property, money or even seismic explosions. Whether this is a genuine case of forced relocation is unclear. However, what is clear from the rushed, unsystematic and untransparent nature of all these visits is that their purpose has been to implement the project with as little recognition of the rights of the reserve’s indigenous peoples as possible.

Work in the reserve started in May 2002 yet engagement with its inhabitants has to date been governed by the pressures of work schedules rather than a respect for their internationally recognised rights or concern for their health and security. The most worrying problems are: the serious inadequacies in the EA regarding indirect impacts for the reserve’s inhabitants, the real risks of potentially fatal encounters between seismic parties and peoples in voluntary isolation and a failure on the part of both Pluspetrol and the state to comply with the legal obligation to consult as stated explicitly in ILO convention 169. Perhaps most worryingly, project activities are undermining the rights

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of those peoples living in voluntary isolation to say no to direct contact with national society. Given these flaws, activist groups should support the findings of the independent review that calls on the Peruvian government to “protect these populations by not allowing industrial activities within the reserve”. They should also urge the US banks to reject funding proposals until the fundamental rights of the reserve's inhabitants are properly addressed by the Camisea consortium; the banks' decision is to be taken in December 2002.

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