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By Ben Hallman and Roxana Olivera

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LA PAJUELA, Peru — It started as just another farm chore for Elvira Flores, a teenage shepherd in the northern Andean highlands.

On Sept. 8, 2013, Flores drove her flock across a dirt road that crosses her family's rocky green fields and down to a stream.

After the sheep drank their fill, something went wrong.

“All of a sudden they started to jump, kick their bellies and hit their heads against the ground,” the shy 16-year-old recalled on a blustery afternoon a year later, clutching her sweater to ward off the chill. “White foam came out of their mouths and noses.”

One by one, all 18 sheep fell to the ground and died. Flores watched, helpless.

“It was all over in five minutes,” she said.

For two decades, people who eke out a living in La Pajuela and neighboring communities in this region of stunning natural beauty and grinding poverty have traded stories like this one. Trout and frogs have disappeared from the waterways, the farmers say. Sometimes, locals say, their livestock refuse to drink from streams that irrigate their land — or they drink the water and then get sick or die.

To the peasant farmers, the campesinos, the cause of the contamination is evident. The hills contain flecks of gold ore, one of the rarest minerals on Earth. And for 22 years, the American company Newmont Mining Corp., with financing from the business-lending arm of the World Bank, has blasted apart hills and used toxic chemicals to get it out.

The gold mine, Yanacocha, is a massive operation, sprawling across hundreds of square miles at elevations as high as 13,000 feet. The International Finance Corp., part of the World Bank Group, provided loans to help build and expand the mine and owns a small stake in it.

Since 1993, Yanacocha has yielded more than 35 million ounces of gold. It is the largest gold mine in South America and one of the most productive in the world.

The extraction has proved a boon to Peru's chronically underfunded central government. Yanacocha has contributed \$2.75 billion in tax revenue and royalties since operations began, according to the company. But on the farms and in the villages nearest the mine, poverty remains an unsolved scourge and antipathy toward Yanacocha runs high.

Mercury that spilled off a truck 15 years ago sickened hundreds of residents of three nearby towns. Studies have shown that heavy metals from the mine have leaked out, in a place where many people already don't have access to clean water. Local farmers are keenly worried about their own health, and that of their families.

“If our animals are dying as a result of contaminated water, what about us?” asked Felipe Flores, Elvira's

uncle.

‘Do No harm’

There’s nothing unusual about an industrial mining operation with a spotty environmental record. But projects backed with money from a World Bank Group institution are supposed to follow a higher standard.

The World Bank Group finances economic development projects in poor, often unstable countries in pursuit of a lofty ambition: [ending global poverty](#). Borrowers that accept a loan from the World Bank, which lends to governments, or the IFC, which lends to companies, must follow detailed rules for protecting people and the environment, under an approach they describe as “do no harm.”

“IFC is committed to ensuring that the costs of economic development do not fall disproportionately on those who are poor or vulnerable, that the environment is not degraded in the process and that renewable natural resources are managed sustainably,” the lender said in a [2012 update](#) to its sustainability policy.

But a review of the banking group’s investments by The Huffington Post and the International Consortium of Investigative Journalists found that instead of avoiding the sorts of high-risk projects where harm is a likely outcome, gold mines like Yanacocha are the kind of investment the World Bank Group increasingly favors: large, destructive and fraught with risk — to the environment as well as to people who live on or near land slated for development.

World Bank lenders grade projects based on their perceived social and environmental threat. Though both the World Bank and IFC have come under fire for downplaying such risks — [critics include the U.S. Treasury Department](#) — an analysis of investments over the past decade shows sharp growth in those categorized by the bankers as expected to have “irreversible or unprecedented” social or environmental impacts.

From 2009 to 2013, the two lenders pumped \$50 billion into 239 of these high-risk “Category A” projects, including dams, copper mines and oil pipelines — more than twice as much as the previous five-year span, records show. Much of the development is in countries like Peru, where federal governments are weak and regulations are lax.

“Putting a high-risk strategy in place in these environments is like throwing matches into a tinderbox,” said Natalie Fields, the executive director of the Accountability Counsel, a legal group that represents native people in disputes with the World Bank and IFC. “They are guaranteed to lead to abuses or even fail.”

The reporting team’s review of the World Bank Group’s high-risk projects came as part of a broader examination into what more than \$455 billion in investments between 2004 and 2013 has meant for families on or near property slated for development.



In 2013, a flock of sheep belonging to the Flores family died suddenly, apparently poisoned by toxic chemicals released by the Yanacocha mine. The family claims the animals drank from a stream immediately before they died; the mining company says they drank from a puddle of toxic fluid on mine property. Ben Hallman / The Huffington Post

In that time, 3.4 million people lost their homes, were deprived of their land or had their livelihoods damaged by roads, power plants and other projects backed by the banking group, [the investigation found](#). While many were compensated for their losses, others received nothing in return or were forcibly evicted with no time to gather their meager possessions. In dozens of cases, the World Bank and IFC failed to enforce their own policies meant to protect these refugees of development, reporters found.

Environmental damage often takes longer to emerge than abuses directly inflicted on local populations. But the human consequences can be just as dire.

In November, World Bank Group President Jim Yong Kim, an American physician, called on the U.S., China and other major nations to “[step up](#)” to fight climate change, which he described in a blog for HuffPost as posing an outsized threat to the poor and dispossessed.

The banks that Kim oversees [have increased their investments in wind and solar projects](#) in recent years. But they have also financed projects that contribute to the release of greenhouse gases, including [oil development off the coast of Ghana](#) and a huge coal-fired power plant in [South Africa](#).

Gold mines pose a different set of problems.

Miners dig titanic pits and move truckloads of rock into piles higher than many office buildings. They then

spray the mounds with a cyanide wash. The cyanide bonds to tiny specks of gold ore and seeps down to a pad. The solution is pumped to a mill, then refined and processed into gold bars.

This method, widely used throughout the world, is largely automated — and can be hugely destructive. The “tailing” ponds that hold the cyanide-laced [residue can fracture](#), unleashing a poison flood on downstream communities. Rain water can flush explosive residue and heavy metals into streams. Acidic drainage from exposed rock often persists long after a mine closes.

“I don’t know of any examples where there wasn’t some contamination problem,” said Keith Slack, a mining expert at Oxfam, a human rights group.

Since 2004, the IFC has channeled \$650 million into 26 gold mining projects.

In Peru, the IFC put up \$23 million to build Yanacocha beginning in 1993, and then financed an expansion six years later. The IFC also holds a 5 percent ownership stake in the mine. (Newmont is the majority owner, with a 51 percent stake. Buenaventura, a Peruvian partner, owns the remaining shares.)

In an emailed statement, the bank said mining provides “the best path out of poverty” for many of the world’s poorest countries.

“Successful mining projects can generate vital cash flows to governments, who are then able to reinvest in health, education and other basic services,” the statement said. “In addition to the jobs directly created by a mine, many additional jobs are created indirectly with local businesses.”

Yanacocha says the mine provides 2,300 direct jobs. Taxi drivers, restaurant owners and other service workers have gotten a boost from the presence of mine executives who fill the business-class seats of the daily flights from Lima.

But in villages and hamlets near the mine, the prevailing opinion is that foreign companies and banks, and the far-off government in Lima, are profiting from the mine, while local people are left to deal with the environmental and social wreckage.

Fifty-three percent of the population in the province of Cajamarca, where Yanacocha is based, live under the national poverty line of about \$100 a month, according to the most recent government figures. Despite immense mineral reserves, it is the poorest province in Peru.

Local officials haven’t helped matters. Tax revenue allocated to the regional government has largely gone unspent, according to a 2012 study.

“This puts us in a difficult position,” said Javier Velarde, a Yanacocha spokesman. “We cannot replace the government.”

Velarde said his company has invested \$550 million in building roads and improving water supplies, along with other social projects. But the spending is “not substantially enough to make a huge difference,” he said.

Yanacocha and its parent, Newmont, now want to dig up four nearby mountain lakes and develop Conga, a \$4.8 billion copper and gold mine. Like Yanacocha, Conga is on high ground: at the head of a watershed that irrigates hundreds of square miles of farmland and supplies drinking water to nearby villages and hamlets.

Newmont asserts that Conga is one of the most thoroughly studied mining projects in Peru’s history, and that a diverse panel of experts has declared that the plan meets international standards.

Opponents of the new mine don't believe the company's assurances. "Water not gold," is a rallying cry of mine challengers, who fear that the project will contaminate downstream communities.

Police killed five people protesting the Conga expansion in 2012. A public opinion poll the same year found that four out of five residents of Cajamarca opposed the new mine. A more recent poll conducted by Yanacocha found that support has increased — to 37 percent.

[In February](#), private security working for the mine clashed with the family of Máxima Acuña, a diminutive peasant farmer who claims she has suffered police beatings and years of intimidation in her fight to remain on land wanted for the new mine. The security forces tore apart the foundation of a new house her family was building near the Conga lakes, on land Yanacocha claims it indisputably owns.

"The gold they take out of our region is stained with blood"

Milton Sánchez, a leader of the protest movement

"The gold they take out of our region is stained with blood," said Milton Sánchez, a leader of the protest movement. "Foreigners wear it on their ears, neck and fingers to look good, but their vanity is at the expense of our suffering. We've seen destruction of the culture and environment. Our families are being torn apart."

Thirty miles from Cajamarca, up a twisting, two-lane road, the Flores farm offers a close-up view of how the Yanacocha mine has changed lives, and the landscape, in profound ways.

Green, undulating pastures end abruptly at an angry red sore of a mountain, scraped clean of vegetation. As young Elvira tells the story of the dead sheep, a huge mining truck rumbles down the hill.

At night, the operation's lights twinkle close by — a reminder that the promised wealth of two decades of mining has not trickled down to the local population.

Here, gold jewelry is an unimaginable luxury. No one even has electricity.

The biggest worry is also the biggest unknown. Scientists have found increased levels of harmful heavy metals in the soil and water near the mine.

Yanacocha acknowledges that older water studies found problems, but says it has spent hundreds of millions of dollars to upgrade its treatment plants.

The company says it has trained farmers to collect water samples so they can verify for themselves that the water they rely on is safe.

"It is important to be transparent," Velarde said.

Large Investments, Large Risks

The World Bank Group aims to cure "extreme" poverty by financing development in the planet's poorest places.

It is an ambitious goal. More than 1 billion people around the world live on less than \$1.25 a day. The IFC has said the developing world needs 600 million new jobs by 2020 just to keep up with surging population growth.

In recent years, World Bank lenders helped build roads that linked isolated villages in Sri Lanka, underwrote crops that increased rice yields in Sierra Leone and bankrolled a solar panel project that electrified 2 million rural homes and shops in Bangladesh.

Pioneering protection policies created by the World Bank and IFC require the lenders to evaluate investments for their social and environmental impacts in advance of financing.

Governments and companies that take bank money are obligated to make sure that displaced people receive help securing a new place to live and new employment. They are also required to avoid, or at least “minimize,” the release of pollutants.

“How to balance risk is a dilemma,” said Martyn Riddle, a former IFC environmental adviser. “Where do you draw the lines of a project that is in the commercial interest of a region against its environmental and social footprint?”



Since 1993, Yanacocha has yielded more than 35 million ounces of gold. It is the largest gold mine in South America, and one of the most productive in the world. Ben Hallman / The Huffington Post

The recent surge in the highest-risk cases shows that the World Bank lenders are increasingly willing to bet that the good these projects do outweighs the considerable harms.

The World Bank and IFC have financed projects even in cases where the banks’ biggest stakeholder, the U.S., has raised objections.

In 2010, the U.S. Treasury Department said that a below-market \$3.75 billion loan to finance Medupi, a

4,800-megawatt coal-fired plant in South Africa, “undercuts the World Bank’s strategy of helping countries pursue economic growth and poverty reduction in ways that are environmentally sustainable.”

Medupi is expected to release 25 million metric tons of carbon dioxide each year, more than the cumulative emissions of dozens of countries. (The U.S. abstained from voting on Medupi, rather than actively opposing it.) The bank has since promised to limit its funding for coal-burning plants to “rare circumstances.”

A proposed dam on the Congo River, which drains much of western Africa and is one of the world’s largest waterways, illustrates the promise and peril of massive infrastructure investment.

Last year, the World Bank approved a \$73 million grant to help the Congolese government study the dam’s environmental and social impact. The dam, known as Inga III, would produce an enormous amount of energy in a country where there is almost none.

But environmental experts say mining companies and aluminum smelters would be the main beneficiaries. Environmentalists have also raised concerns about whether damming the river would dry out a critically important delta on the coast that serves as a huge carbon sink, trapping the gas most responsible for global warming.

Peter Bosshard, policy director at International Rivers, a conservation group, described the dam as a “pie-in-the-sky” idea.

“It looks really attractive, and will fill a lot of private pockets and those of government officials,” he said. “But we don’t see it benefiting poor people.”

A Legacy Of Conflict

The hub of modern mining activity in Peru is Cajamarca, where 500 years ago Spanish conquistadors held Inca Emperor Atahualpa captive, extorting 24 tons of gold and silver from his subjects before strangling him to death.

Newmont, based in Denver, first identified a rich, untapped vein of ore deposits in the hills above the town in 1986. Raising money to finance a mine proved a challenge. Shining Path, a violent insurgent group, had traumatized the country. Foreign banks and companies were reluctant to invest in Peru.

Newmont turned to the IFC, which specializes in lending in places where other banks are afraid to go.

In the early 1990s, Yanacocha agents traveled deep into the Andes, buying up property. Many sellers, poor and illiterate, say they did not realize that there was huge wealth locked in the rock under their fields. Others claim their neighbors illegally sold land out from under them.

“Putting a high-risk strategy in place in these environments is like throwing matches into a tinderbox”

Natalie Fields, the executive director of the Accountability Counsel

The Negritos, a community that includes families from La Pajuela, sued the mining company in a Peruvian court, claiming the company illegally expropriated a tract of land nearly twice the size of New York’s Central Park. The lawsuit charged that people claiming to represent the Negritos community did not have the authority to negotiate, and that the communal land was illegally sold at an unfair price — just \$30,000.

Yanacocha disputes the allegations, and last year a Peruvian judge sided with the company and dismissed the case. The Negritos appealed the decision, and are awaiting the results.

Four months after the purchase agreement, Yanacocha mortgaged the same property for \$50 million to the International Finance Corp. and a German bank. The mine produced the first gold bar that same year, 1993.

Friction also soon emerged over the reach of Yanacocha. What was projected to be a 10-year project was extended, again and again.

In 1999, with financing tight in Latin America, the IFC provided a \$60 million loan to support expansion. “No significant impacts are expected on natural habitats due to project activities,” the bank said in an assessment. “Yanacocha’s safety record is consistent with international standards and has improved over time.”

Events over the next year undercut this claim.

In January 2000, thousands of campesinos filled the central square in Cajamarca to protest the mine and planned expansions. Streams that once ran clear had become clouded and foul-smelling, they claimed. Peru’s Ministry of Fishing had recently reported that more than 21,000 trout had been killed by acidic mine runoff into two rivers that flow near Yanacocha.

Six months later, a truck hauling mercury from the mine spilled 300 pounds of the hazardous metal along the road to Cajamarca after a barrel holding the substance cracked. Investigators later determined the container should have never been used to hold toxic waste.

A dump truck returns for another load of gold-laced rock. Sheep graze in the shadow of the mine. A vista near the city of Cajamarca, high in the northern Andes. Ben Hallman / The Huffington Post

Believing the substance might be valuable, many villagers scooped up the mercury and took it into their homes. In the following days, nearly 1,000 people reported symptoms of mercury poisoning.

IFC investigators later faulted Yanacocha for a “lack of a systematic and effective response” in the wake of the accident, and said that the company had failed to follow international standards for the safe transport of hazardous materials.

“It was the spill that tipped the scales against Yanacocha,” a Cajamarca resident later told interviewers from the IFC’s Compliance Advisor Ombudsman, formed in 1999 to help resolve disputes between companies the IFC backs and neighboring communities. “A lot of people, especially in the city, didn’t really care about what was happening in the countryside with the campesinos near the mine. When they found out they could be poisoned by pollution from the mine, they started to worry.”

The next year, an indigenous group complained to the ombudsman that Yanacocha was harming the land and water of local villages.

In response to the complaint, the ombudsman office convened a forum — a mesa de diálogo — between the company and angry farmers and villagers.

A study conducted as part of the forum found some streams contained elevated levels of heavy metals, nitrates and other harmful substances. The report, produced by water specialists at Stratus Consulting, found that international water quality standards “were exceeded in some locations,” posing a “concern for the long term.”

However, there was no short-term danger to people, the study said.

At one point, mesa participants proposed an “early warning system,” which contemplated monthly briefings in critical areas where water quality concerns were persistent. It never happened. The ombudsman later said “resource constraints and institutional weaknesses within the mesa” were to blame.

The ombudsman closed the complaint and the mesa, without ever answering to the satisfaction of local communities the pivotal question of whether their water was contaminated.

Throughout this period, Yanacocha downplayed the risks of the mercury spill and water pollution. But behind the scenes, executives at its parent, Newmont, worried about the stream of negative publicity surrounding one of their biggest investments. Larry Kurlander, a Newmont senior vice president, was dispatched after the mercury spill to audit the mine.

What he found alarmed him.

The farmers were right to worry, Kurlander discovered, according to documents obtained as part of a 2005 Frontline and New York Times investigation. He warned senior Newmont officials that the company had violated environmental regulations on a huge scale, and that the abuses he discovered were so bad that senior management was at risk of “criminal prosecution or imprisonment.”

“We are in non-compliance with our operating permits ... and that non-compliance occurs virtually 100% of the time,” he wrote.

Kurlander, who is retired, did not respond to phone messages left at his home.

After the water study, Yanacocha spent hundreds of millions of dollars updating a water treatment plant and devising a new method to capture and filter runoff from the mine, Velarde, the Yanacocha spokesman, said.

“Not everything is perfect, we have issues from time to time, especially in the rainy season, but we immediately report issues to communities,” he said.

Víctor Mendoza, the leader of a farming co-op in a tiny Negritos community called Extrema, said the company has made an effort from time to time to improve relations, building a new roof for his son’s school in one instance and giving each of the 79 families in Extrema a goat in another.

Those offerings haven’t done anything to ease his concerns about what runoff from the mine is doing to the unfiltered water that his three children and other family members get from a stream that flows from high ground near the Yanacocha site.

Mendoza said his animals, which also drink water from the stream, have miscarried at high rates.

His community, the 32-year-old says, has been torn apart by decades of doubts and disagreements about Yanacocha.

“They have broken up the internal unity and organization of our community,” he said. “There is a lot of suspicion of one another.”

“We’ve been arguing about this since we were children,” he said.



Anti-mine graffiti burned into the hillside above Cajamarca, the regional capital of the province that includes Yanacocha. A proposed \$4.8 billion copper and gold mine known as Conga has faced fierce resistance. The project is currently on hold while the company builds reservoirs intended to replace water lost when four high mountain lakes are destroyed to make way for the mine. Ben Hallman / The Huffington Post

In November 2011, police officers moonlighting on Yanacocha's payroll fired tear gas, rubber bullets and live ammunition into a crowd of farmers who had set up a protest camp near Conga, the mine the company hopes to develop with IFC support.

Elmer Campos felt the bullet punch into his back when he bent over to help a friend who had been shot. He lost a kidney and his spleen, and suffered a spinal cord injury that left him paralyzed from the waist down.

Campos now spends his days in a rusty wheelchair in a tiny room. His wife toils on the family's diminished farm, parcelled and sold off to pay for his medical treatments. The pain, he said, never goes away. "I can hardly sleep at night," he said. "I cannot walk or go out. I am a prisoner in my own home."

"I am a prisoner in my own home"

Elmer Campos, shot by police while protesting the mine

The summer after Campos was shot, national police fired into another crowd of protesters and killed five people, including a 16-year-old boy. Police claimed protesters had attempted to storm the offices of a pro-mine provincial government in the town of Celendin.



Elmer Campos at his home in Bambamarca, a city fiercely opposed to Yanacocha and the new Conga project. Police shot Campos in 2011 while he was protesting Conga. He is paralyzed from the waist down and suffers chronic pain. “I am a prisoner in my own home,” he said. BEN HALLMAN / THE HUFFINGTON POST

The shootings made international news, and in Peru they were greeted with widespread condemnation. In the aftermath, Newmont suspended the Conga project indefinitely.

Later that year, the company took the unusual step of issuing a formal apology for past actions.

“We are not proud of the current state of our relationship with the people of Cajamarca,” company executives wrote in December 2012. “We want to take the opportunity to acknowledge the mistakes we have made in how we conducted ourselves and conducted business.”

Velarde, the Yanacocha spokesperson, said the company has worked hard in recent years to boost community support. It has hired more local contractors, for example, so that the region more fully shares in the economic prosperity brought by the mine.

“The reality is that the company did not make enough of an effort in the past to maximize the benefit for the locals,” he said.

Yanacocha’s executives still want to build a new mine. The existing pits are running out of gold. Remaining reserves are expected to last about five more years, the company says.

The company and its corporate parent, Newmont, said that a 27,000-page environmental assessment report proves that Conga, with more than 6 million ounces of gold in reserve and a much greater store of copper, is

safe. The report, prepared for Newmont in 2010 by a consultant, said the mine will have “no significant downstream impact.”

Newmont said that Conga will yield an estimated \$2.7 billion in tax and royalty payments and support thousands of jobs.

Several outside reviewers have described the environmental impact report as confusing, misleading and incomplete. Robert Moran, an expert hired by the Environmental Defender Law Center, which advocates for people fighting to protect the environment in developing countries, called the study a repository of “half-truths and incorrectly interpreted opinions.”

Yanacocha says the company won’t move forward with the mine until it has the “social license” of the local people. A final decision about how to proceed isn’t expected until the end of the year, Velarde said. In the meantime, Yanacocha is building reservoirs that it says will make up for the loss of four lagoons at the Conga site. The small lakes would be destroyed, or converted into waste pits, if the project goes ahead.

Executives have moved to Cajamarca and are now at the forefront of a public relations campaign that has included sponsoring a painting program for schoolchildren and hiring more local contractors to service the mine, Velarde said.

“We are still not where we want to be, but we are making progress,” he said.

In an emailed statement, the IFC said it takes the risks associated with mining seriously. “In the case of Yanacocha, our client was committed to improving the situation on the ground,” the bank said. “Our continued involvement with committed clients can make the difference in delivering positive development impact.”

The IFC will “assess what role we may play in the proposed Conga mine with the project partners at the appropriate time,” it said.

Neighbors

After the sheep on the Flores farm died in the fall of 2013, officials from Peru’s agriculture agency tested organs from the animals and water from the local streams for toxins. The results were inconclusive, according to the mining company.

Yanacocha reimbursed Felipe Flores for the dead sheep — even though, according to the company, the family’s story is wrong in a key detail.

Omar Jabara, a Newmont spokesman, said in an email that the sheep drank from a puddle of toxic fluid on company property next to a processing plant, on the other side of a fence that had been cut — not from a stream, as the family claims. The “likely cause” of the deaths was drinking from that contaminated puddle, Jabara said.

“On a number of previous occasions, the owner of the sheep had been asked not to enter the property or cross the perimeter with his sheep in order to graze them on company land,” he said.



Felipe Flores on his farm, which borders the Yanacocha mine.



Felipe Flores and his niece, Elvira Flores.



Dusk on the Flores farm. Ben Hallman / The Huffington Post

Toxicology experts told HuffPost that the episode described by Flores could be the result of an accidental spill of a toxin, such as cyanide, into a waterway. They said that such spills may leave little evidence, and unless testing was done in the immediate aftermath, the poison could have simply washed away with time.

Questions about water contamination, meanwhile, remain unresolved.

In 2014, food safety experts from the [University of Barcelona found elevated levels of lead, cadmium](#) and other heavy metals in the food and water in communities near Yanacocha — with the highest counts near La Pajuela. The metals are associated with higher rates of cancer and kidney failure, as well as cardiovascular diseases. “It is reasonable to advise the people of La Pajuela not to drink from their water sources,” the report concluded.

An environmental consultant hired by Newmont to review the Barcelona study declared it “fundamentally flawed.”

In December, officials from Peru’s environmental ministry issued a report indicating that tainted water had seeped out of the mine into the community of San Jose, near La Pajeula. Yanacocha disputed those findings, too.

The IFC’s ombudsman is currently considering several land dispute claims related to Yanacocha. The bank has not revisited the issue of water pollution in more than a decade, but it said the lessons it learned after the mercury spill “fed directly” into improving its performance standards.

On the road that approaches the Flores farm, Yanacocha has put up a green sign of the sort commonly seen in the U.S. to remind drivers not to litter or to obey speed laws.

“Man is the only guardian of our natural environment,” it reads. “Let’s preserve it.”

Felipe Flores now hauls drinking water up from Cajamarca, an hour’s drive away. But his animals still drink from the stream, and his children still drink the milk and eat the cheese they produce.

So does the rest of Peru: Flores said he sells about 60 liters of milk a day to the Nestlé company, which distributes produce throughout the country.

When he was a young man, he said, he welcomed the gold mine. He even worked for the company briefly. The reality of a mine in his backyard changed his mind.

“These are not the neighbors they said they would be,” he said.

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