DRAFT REPORT OF THE CAO EXPERT MISSION TO CAJAMARCA:

JULY/AUGUST MEETINGS

August 2002

Office of Compliance Advisor/Ombudsman
of the International Finance Corporation and
the Multilateral Investment Guarantee Agency

I. THE AUGUST MESA DE DIALOGO

The CAO team convened and facilitated a meeting of the Mesa de Diálogo y Consenso CAO-Cajamarca on August 1, 2002, from 9:00 a.m.- 5:30 p.m., at the Hostal Los Pinos. Approximate 40 representatives and 30 observers from key interest groups attended the session. Representatives participated from the following organizations: Federacion de Rondas Campesinas Femeninas del Norte Del Peru (FEROCAFENOP), Federacion de Rondas Campesinas de La Provincia de Cajamarca (FEROCAPROCAJ), Federacion de Rondas Campesinas Femeninas de la Provincia de Cajamarca (FEROCAFEPROCAJ), Coordinadora Regional de Cuencas Afectadas Por La Mineria en Cajamarca (CORECAMIC), Coordinadora Provincial de Caserios Afectados por la Mineria en Cajamarca (COPROCAMIC), Minera Yanacocha, Municipality of Cajamarca, Alcaldes of the Pueblos Menores of the Districts of La Encanada and Banos del Inca, Cajamarca Chamber of Commerce, SEDACAJ, National University of Cajamarca, Ministry of Energy and Mines, Obispado de Cajmarca, and ASPADERUC.

The facilitators reviewed the identity and structure of the Mesa in order to orient those who had not attended previous sessions, noting the following points:

1. The Mesa is technical (as opposed to political). It encourages respect for different views and tries to put in practice the concept of "soft with the people and hard with the problems". Its purpose is to prevent and resolve problems and conflicts between the community, including government, civil society, and Minera Yanacocha.
2. Mesa plenary sessions provide the space where representatives from governmental and civil society institutions along with Minera Yanacocha raise and resolve issues of concern using consensus-based problem solving.
3. The Coordinating Committee provides local leadership to the Mesa in cooperation with the CAO facilitation team. Membership is drawn from the institutions that participate in the Mesa (municipality of Cajamarca, centros poblados menores, Rondas Campesinas, SEDACAJ, universities, Minera Yanacocha, and the Cajamarca chamber of commerce). Committee functions include:
   - advising CAO facilitators on Mesa meeting agendas, goals and strategy
   - dealing with specific problems related to the Mesa such as membership recruitment, communication about the Mesa's work, etc.
   - working with the CAO to develop a vision for a sustainable dispute resolution system in Cajamarca to address issues between the community and the mine
   - serving as a liaison to other dialogue tables
4. Multi-sector working groups are created by the Mesa to take on specific assignments. Each workgroup is accountable to the Mesa for its given mandate and set of tasks. To date, the Mesa has designated three workgroups:
   - "Veedores" to support the independent study on water quality and quantity;
   - Mesa training team to build skills in consensus and conflict resolution
   - Working group to focus on small business enterprise issues
5. To build capacity in solving problems among Mesa representatives and their institutions, the facilitation team has presented a series of skill-building

workshops in negotiation, conflict resolution, problem solving, and mediation. A training for trainers workshop has prepared Cajamarquinos to replicate these skills throughout the rural and urban sectors of the Cajamarca community.

6. The Mesa operates according to a set of guidelines agreed to by participants:
   - Respect participation time (no more than 10 minutes per person) and the times noted on the agenda
   - Respect both women and men
   - Refrain from personal attacks and using the Mesa as a political platform
   - Use active listening
   - Stay focused on the topic under discussion
   - Look for consensus
   - Request the opportunity to speak
   - Be hard with the problem and soft with the people
   - Respect the agenda and the ending time of the Mesa
   - Observers are welcome in an observation capacity. They are not permitted to speak during the Mesa; however, they are encouraged to meet with the facilitation team at the end of the Mesa to present their comments and observations.

San Juan, Choropampa and Magdalena

Medical Study

The communities of San Juan, Choropampa and Magdalena have asked the CAO to undertake an independent assessment of the health status of their communities to determine whether there are any potential residual health impacts resulting from the mercury spill in June 2000. (The study is not a comprehensive assessment of the health status of the communities under consideration nor is it a generic study of mercury in the communities.)

As a first step in designing the assessment process, Dr. Adolfo Zutel, a medical specialist contracted by the CAO, conducted an exploratory mission from July 29 – August 3, 2002. The purpose of the scoping mission was to visit San Juan and Choropampa, meet with community leaders from the three affected communities, speak with the Mine, regional health authority officials, interested NGO's and the Mesa in order to prepare a more detailed work plan. Following the mission, Dr. Zutel will draft a confidential report to the CAO elaborating the assessment approach, complete with timelines, costs and technical requirements.

At the August Mesa Dr. Zutel introduced himself to participants and briefly discussed the purpose of his exploratory visit. In his opening remarks, Dr. Zutel stated he has never worked for any mining enterprise, the IFC or the World Bank, adding that he is here to help and to ensure an independent assessment of the health status of the affected communities. With regard to his professional qualifications, Dr. Zutel is a toxicologist and a pharmacologist. He brings extensive experience working with mercury poisoning and toxicity from heavy metals. He serves on the faculty of the oldest toxicology institute

in the world located at the University of Buenos Aires in Argentina. He is also a writer and has received two prizes for literature from Spain.

In addition to a qualified medical team to conduct a well designed, independent assessment study, it will also be important to consider the separate issue of treatment and to enlist the assistance and cooperation of the Ministry of Health. The CAO's study is diagnostic in nature and limited to providing an independent determination of any possible residual health impacts resulting from the mercury spill in June 2000. While the CAO is prepared to finance this investigation, the CAO can neither provide nor finance treatment in cases where there are health impacts, if such cases are discovered.

Understandably, the community is extremely concerned that treatment be made available if it is determined there are health impacts. While the CAO recognizes this critical need, the CAO is prevented from playing a role in this respect. Neither Dr. Zutel nor the CAO is licensed to practice medicine in Peru. Furthermore, treatment is the responsibility of the Peruvian government and not within the mandate of the CAO. Therefore the CAO is requesting the Ministry's cooperation in the assessment study and its assistance to implement treatment protocols should any be necessary. Financing beyond the independent investigation will also need to be addressed. The CAO is currently in discussions with the Ministry of Health to resolve these matters.

Response from the affected communities

Members of the communities of San Juan and Choropampa attended the Mesa de Diálogo to express a variety of heart felt concerns. They stated how forgotten they feel and expressed anger and hopelessness at having given lots of information to lots of people and agencies without many results. They urged Dr. Zutel to do his work with integrity and treat them as human beings not as negotiable objects. They spoke of their fear for the future and urged the medical team to evaluate them and say what is really going on with regard to their health and contamination.

They highlighted the negative experiences they have had in the past, emphasizing the lack of credibility, the lack of trust in the process and the absence of trust in the treatment received. They expect neutrality and fair treatment and reiterated the concern not to be an instrument of experimentation.

Representatives from the affected communities also made several suggestions regarding actions that could be taken to help the situation in their communities. The following brainstormed list of ideas were not discussed by the Mesa and should not be interpreted in any way by any participant or observer as agreements made by the Mesa, the Mine, or the CAO.

List of ideas:
- Provision of medicine at the medical posts
- Capacity building in toxicology for local doctors and paramedics
- Acceleration of the diagnostic study

- Establishment of a monitoring group to ensure that Minera Yanacocha and the Ministry of Health follow through with their agreements
- Assurance that all the people affected by the mercury spill will be checked in the study
- Protocols for how to treat difficult cases where the treatment approach is unknown
- Don't discriminate between one group and another
- Clean the houses of the affected communities
- Request that a specialist evaluate the environmental situation
- Keep monitoring the houses

A representative of the Mesa suggested that now is not the moment to make proposals or decisions. They suggested waiting for the results of the study before deciding what actions to take. The Mine expressed the need for their team to review the ideas and stated they were not in a position to decide any course of action right now. Representatives from Choropampa also spoke of the need to talk more extensively with their community about these ideas.

Independent Water Study

Water quality sampling plan presentation and demonstration

Josh Lipton, David Atkins, and Ann Maest, representing Stratus Consulting (the firm contracted by the CAO to conduct an independent water quality and quantity study) introduced themselves and provided an overview of their presentation:

- Summary of the first draft of their water sampling plan
- Ideas, comments and observations from Mesa participants about the plan
- Demonstration of sampling techniques the team plans to use in the field
- Consultation with the Mesa

Josh noted that by consulting with the Mesa, the study will be stronger and people can trust the results more and that by conducting a demonstration, participants will be more familiar and comfortable with what the hydrologists will be doing in the field.

Summary of the plan

Review of study objectives

The team distributed two documents (the comprehensive technical plan and the plan summary in the form of a comic book) and reviewed the objectives of the study that took the form of two questions.

1. Have current mine operations resulted in changes in surface water quality that have or could make the water unsafe for:
    - Human consumption?
    - Livestock?
    - Agricultural and irrigation users?
    - Aquatic life?

2. Have current mine operations resulted in changes in surface water flow that have or could adversely affect:
   - The quantity of water available for irrigation and agricultural use?
   - The quantity of water available for rural potable use?
   - The quantity of water available for potable water treatment for the city of Cajamarca?
   - The frequency or magnitude of droughts or floods?

Water quality study field investigation methodology

The method the expert water team will be using to conduct the study consists of five steps:

1. Preparing a sampling plan. Scientific studies need a plan so they proceed in an organized, prepared fashion. Just as critical is the issue of trust, confidence and credibility, which the community feels was missing in prior studies and about which the Mesa has had serious discussions in relation to this study. To have confidence in any expert's work, a community must understand what the team is planning to do before they do it so the community can be certain that the team is doing what they said they would do.

   To obtain a final sampling plan Stratus will:
   - Present the draft plan to the Mesa
   - Receive oral comments during the Mesa and written comments after the meeting. (Participants can submit their comments in writing to Ana Maria Aguilar or Susan Wildau at Hotel Laguna Seca before noon on Thursday, August 8th, 2002; or through email to Dave Atkins: datkins@stratus.com by Friday, August 9, 2002.The Stratus team may also have additional observations.)
   - Make changes based on these comments and ideas and produce a final sampling plan.

2. Credible field sampling. This next step is necessary because the questions the Mesa has asked the team to answer can't be answered simply by looking at the water. To determine whether substances are in the water requires credible samplers, independent laboratory analysis, sample integrity and a sampling schedule.

   a. Credible samplers. The team should be the ones to collect the samples rather than asking members of the community to bring them bottles of water. Specific methodologies and scientific requirements are necessary for samples to be valid. To bring that high level of quality to the study and to ensure the Mesa trusts the samples require that the samples be collected by people who are independent, trained and do not have a vested interest in the results.

b. *Independent laboratory.* The team will collect samples, as independent scientists, using an independent laboratory so the Mesa will have faith that the samples won't be influenced by anyone.

c. *Ensuring sample integrity.* To enhance confidence in the study the hydrologists will work with a team of veedores or observers who will accompany them on their sampling visits to the field. However, neither the veedores, nor the CAO, nor the Mine, nor the Mesa will know in advance where the team will be taking their samples. In order to prevent any possibility that samples will be corrupted, only the technical team will know ahead of time, where and when the sampling will take place. The team has heard concerns from all sides about interfering with the sampling process—for example, the Mine could change its operations, or outsiders could tamper with the water to be sampled if they were given information ahead of time. The team therefore requested permission from the Mesa to conduct its sampling process in this manner to preserve the integrity of the samples. All sectors participating in the Mesa agreed to this sampling approach.

d. *Sampling schedule.* Sampling will occur at night, during the day, on weekends and weekdays. These are additional precautions the team is taking to protect the field investigation process so that the community and the Mine will trust the results in the end and to ensure the samples are not influenced by anyone.

3. Analysis by laboratory. After collecting the samples, the team will send them to a lab to be analyzed. Each sample will be given a code that will hide the location of the sample (blind samples) to further protect the integrity of the study. The lab will use the highest standards of quality. After the laboratory analyses are complete, there will be an independent validation of results by an independent data quality assurance reviewer to assure the analysis is correct and valid.

4. Analysis of data. Stratus Consulting will gather all the information and interpret the data to answer the questions that serve as the objectives of the study. The team will not provide data to the Mesa before the analysis is complete. In a situation that is this emotional it is important that as scientists the team looks at all data before developing its conclusions and that the conclusions be based upon analyzing the water quality during all seasons. One cannot assume a situation is always the same throughout the year.

   There is one exception. If the team finds a result that indicates an imminent risk to people's health, the team will immediately communicate the information and the CAO has agreed to these terms.

5. Presentation of results. Upon completion of the entire field sampling program and analysis of data, the team will prepare a draft report that will be delivered to the CAO and then to the Mesa for review and comment. The Mesa will provide comments on the draft report to the Stratus team. Comments will be incorporated,

as appropriate, into the final report, to help clarify the data interpretation and presentation, and to correct errors and omissions. The final report will be presented to the CAO and the Mesa and to interested communities and other groups, as requested by the Mesa and approved by the CAO. Mesa participants will be able to see both the draft report and the final product to guard against the perception raised by some participants who have concerns that perhaps the Mine, the World Bank, the IFC, an NGO, or someone else will make the consulting team change their report. The Stratus Consulting team will make the ultimate decisions regarding any changes. Revisions will be made for scientific reasons not political ones.

Organizational concerns

Field and laboratory personnel will support the Stratus Consulting team. Both the field sampling teams and the laboratories will report directly to Stratus who will have responsibility to oversee the quality and independence of their work. The laboratory reports only to Stratus Consulting, not to the CAO, the Mesa, Minera Yanacocha, the CAO facilitation team or anyone else. The reporting structure will maintain the field investigation and the laboratory results' independence.

Selection of a laboratory

Stratus has selected two laboratories based on a formal process and a series of criteria for selection purposes written in the plan. The translation of this section of the sampling plan is in process and will be provided to the Mesa upon completion. The selection criteria are described below:

1. Independence from interested parties. The Stratus team wanted to ensure the lab was independent and that their business did not depend upon Minera Yanacocha, Newmont, the IFC, the World Bank, or Stratus Consulting.
2. Communication. Ability to communicate easily and efficiently with Stratus Consulting personnel.
3. High quality work. The team searched for a lab that had the highest quality facilities and methods, including the highest data quality standards available in the U.S. or Europe and the ability to meet stringent guidelines for detection limits and quality control.
4. Excellent reputation, references and accreditation. The lab needed to be accredited by either the U.S. or European government. The team also checked the reputation and references of the labs to ensure they had the capacity to detect low levels of metals.
5. Ability to perform required analyses with a high degree of precision. The team provided blind reference samples with known concentrations of metals to check the quality of their lab analysis.
6. Ability to work quickly.
7. Knowledge regarding how to handle shipments from other countries.
8. Ability to provide all their analysis in one location.

9. Ability to provide high quality data reports.

Seven commercial labs were screened for use in the investigation. Based on the results of the screening, Columbia Analytical Services in Kelso, Washington, USA, was selected to conduct analyses of the majority of the analytes. For analysis of parameters that must be measured within a short time of sample collection, sample transport times required that a lab in Peru be used for analysis. Based on an assessment of Peruvian labs, SGS Laboratories in Lima, Peru was selected for E. coli, total suspended sediments, and total dissolved sediments.

The Stratus Consulting team will use a very careful quality control process where the team will provide samples of water from the field, of clean water, and of water with standard reference concentrations, that is, known quantities of concentrations. Each will have a secret code. When the lab receives the samples, they will not know if it is clean water, reference water or a sample from the field. The team will use a quality control process to confirm the validity of the analysis.

Sampling schedule

For comprehensive sampling, water quality field data and samples will be collected during the dry season (end of August/beginning of September); the transition from the dry to rainy season (end of October/early November); and the rainy season. Sampling will be conducted mainly during the daylight hours. However, to evaluate water quality at different times of the day, a small number of samples will be collected at night.

Currently, the team is planning three large sampling trips to understand how water quality changes with the seasons. They also anticipate adding another step and propose collecting samples every week at a small number of locations; however, the days will change for sabotage protection. The team will choose locations for weekly sampling because they are locations

- With lots of human use of water
- Located downstream of the mine

Types of samples

To evaluate potential impacts of mining activities on water quality, the team will collect three types of samples:

1. Samples from streams and canals that drain the mine property at several points downstream from the mine property boundary.
2. Baseline samples for comparison purposes.
3. Quality control samples to ensure equipment and sampling procedures are working properly.

When the team collects samples it does not mean they believe the location is contaminated. Some samples will be collected in areas not affected by the mine. These

samples will be used to understand the condition of water without the Mine and will serve as a baseline. Baseline conditions will help the team compare the condition of water downstream from the Mine with conditions the water would have been in without the Mine. The Mesa participants need to explain to their communities that just because they see a team of hydrologists taking water samples does not mean there is necessarily a problem or a potential problem. It could be a place the team is using for comparison purposes. Participants should remember about baseline comparisons and help their communities, family, neighbors and friends not to be worried should they see the water team in their locale.

Sample locations

The team tried to collect lots of information from people in the community about places they were concerned about where there might have been problems. The team also considered sites that could serve as a baseline. If members of the Mesa have additional sampling proposal locations they should advise the team. Places will be selected in advance of sampling. If participants have ideas, they should advise the hydrologists, describe the location and the team will decide whether it is appropriate.

Concerns regarding credibility

Participants were interested in understanding how the team will create credibility. In fact the team has worked extensively with the Veedores and the Mesa to build into the study a variety of mechanisms and strategies to enhance credibility. Among others, the team will:

- Engage in extensive consultation with the Mesa throughout the life of the study regarding the study design and its implementation so that it is technically rigorous, transparent and honest
- Develop a relationship with the Mesa based on mutual trust and respect
- Adhere to the highest standards in the sampling and analysis process
- Utilize blind samples
- Keep sampling locations confidential in advance
- Maintain strict custody of the samples
- Involve Veedores from the community and the mine

It should also be noted that in any investigation, no matter how independent, professional and fair, some individuals will denounce the study if it is contrary to their substantive position. Sometimes such individuals have political agendas, vested interests or are threatened in some way. Once the team applies the most rigorous technical and professional standards, it will be up to those citizens from across a broad spectrum of the community who are in good faith and knowledgeable about the study process, to make their own decision about the validity of the results.

Special recognition to the Veedores

A centerpiece of the studies' credibility is the presence of the veedores. They are critical to the process and the team of experts gave special words of thanks to this work group for

their valuable contribution, including consulting with the team about their presentation the day before the Mesa to ensure it would be coherent and clear to participants. For the veedores, the process and their days will be long and difficult. They must leave on time, keep to a schedule, and walk for long periods over difficult terrain under harsh conditions. They have accepted lots of responsibility and the Mesa is grateful for their contribution.

The Stratus team concluded their water quality presentation with a demonstration of how they will take measurements and samples in the field.

Water quantity study

The water quantity field investigation will be conducted at the same time as the water quality investigation.

To evaluate potential impacts of mining activities on water quantity in the Yanacocha Mining District, stream and canal flow rates will be measured. Flow rates in liters per second is a way to measure water quantity. Measuring the depth of water at different locations yields knowledge about the area of water, and how quickly it is moving or the velocity of the flow. From this you can calculate the flow rate in liters per second.

Several canals potentially affected by the mine will be visually assessed to increase understanding of canal recharge and discharge, water use, and the current condition of canals. During each of the comprehensive sampling events, flow rates will be measured whenever possible at sampling locations in streams and canals.

Soil samples will be collected near several canals to evaluate soil moisture properties. It is important to characterize moisture movement in the soils and shallow “aquifer”systems to help understand the potential effects of mining operations on stream and canal flows. The team wants to evaluate the ability of the soil to store water as well as release it. No two “sponges” are the same. How the “sponge” works tells Stratus if mine operations could affect the quantity of water in the canals, how fast the water moves, issues related to flooding, etc. The study will shed light on what kind of “sponges” are present and what water properties they have. Data from the tests can be used in models to better understand the influence of mine operations on water quantity.

The team stated that fieldwork is one component of the study. Another component is a comprehensive review of information and data and the development of models of the hydrologic system that will provide additional information.

Consultation with the Mesa

In order to sample, the team must transport lots of equipment, supplies and materials to Cajamarca, some of which is hazardous. To collect a sample properly requires using a small amount of acid. Transporting and storing the acid is dangerous. Getting the

equipment and materials through customs will also be challenging, requiring special forms and documents.

Some items like the acid require very special permits. Stratus must find a way to transfer their equipment safely and legally. The safest, most legal and quickest way to transport the equipment is with the assistance of the Mine because they have all the necessary permits.

At the same time, Stratus understands that utilizing the Mine's help can be a problem for the Mesa. Stratus is prepared to provide guarantees such as sealed crates to assure they remained until received by the team. Stratus will also perform quality checks on all transported material and equipment to make sure nothing has been changed. However, the team recognizes that perception can still be a concern.

Stratus raised the question of the mine's assistance to the Mesa because after significant research into options, they had not encountered another way to do it safely and legally. The issue raised for the Mesa's attention is whether the Mesa believes that the Stratus team can ship their equipment utilizing the assistance of the Mine in a manner that will not affect the credibility of Status or the study and whether the Mesa could generate any other options.

After a lively discussion, the Mesa proposed several alternative institutions that could perhaps receive the shipment from Stratus:

- SEDACAJ
- National University
- Ministry of Energy and Mines
- Veedor
- Another mine
- An independent agent hired by Stratus that could receive shipments
- Separate out different equipment and send some to the University, other material to SEDACAJ, other items to MEM, etc.

Agreement by the Mesa

After hearing concerns from both the community and the Mine, and upon review of the alternatives. the Mesa agreed that:

1. Stratus Consulting should make one more intensive effort to identify another option.
2. Nick Cotts will talk with his logistics people to inquire whether there is anyone else in the logistics business who can provide assistance without a relationship with the Mine.
3. In the event that other options are not available, the Mesa will accept the help of Minera Yanacocha. As one participant noted, "Minera Yanacocha also has a human sensitivity. They will not be so criminal as to change or contaminate the equipment or materials. They want to know the truth too."

To summarize, if Stratus concludes there is no other system available, in order to avoid further delay, the Mesa will accept the assistance of the Mine to receive the Stratus Consulting team's materials and equipment required for the water quality and quantity study.

Draft Schedule of Future Training Workshops and Dialogue Tables

October	Dialogue Table—October 3, 2002 at Hostal los Pinos from 9:00 a.m.-5:00 p.m.
October	Mediation Training Workshop, Part II: October 4-5, 2002 at Hostal los Pinos.
December	Dialogue Table—December 3, 2002 at Hostal los Pinos from 9:00 a.m.-5:00 p.m.

II. CONFLICT RESOLUTION CAPACITY BUILDING

Workshop Session V: Introduction to Mediation

On August 2-3, 2002 a group of approximately 14 participants who had successfully completed previous capacity building programs (Skills and Strategies for Promoting Harmony and Consensus and Training for Trainers) took part in a 16-hour introductory mediation course. This workshop augmented their skills in conflict resolution, specifically acting in the role of a third party.

The trainers presented a simplified structure of the mediation process consisting of four steps. The introductory session addressed the first two stages:

1. Organizing the mediation
2. Understanding the perspective of each party and clarifying interests and needs

The remaining steps will be elaborated in the intermediate mediation course in October.

The workshop opened with a discussion of the qualities a mediator and their institutions must have to be effective: credibility, impartiality and neutrality. Particularly important for Cajamarca is the issue of credibility. Participants were asked four questions to reach deeper: 1) what is credibility; 2) how do you earn it; 3) how do you loose it; 4) once lost, is it possible to recuperate it; if so, how?

After considering the roles and functions of a mediator, participants identified where mediation might be practiced in their institutions:

- Issues within organizations
- Conflicts between organizations
- Disagreements within families or among young people
- Specific conflicts within ONGs
- Issues related to land, land tenancy, usage of water, rural electrification and environmental problems

Instructors then described the mediation process in more depth, noting the importance of the mediator's attitude and the skill required to control the sessions without controlling the outcome. With broad brush strokes, they painted a picture of the tasks to be accomplished in stage I:

1. Set a positive, safe and comfortable tone and provide a favorable climate for the conversation
2. Present a comprehensive opening statement touching upon the following points:
    - behavioral guidelines
    - roles of the parties and the mediator
    - the role of separate meetings
    - confidentiality

In stage II, mediators elicit the core needs, concerns and interests of the parties utilizing effective communication skills such as active listening, reframing, probing and questioning, etc. This is particularly challenging because the parties, in relating their view of the situation, bundle together issues, feelings, positions, interests, beliefs and values all bundled together. It is the job of the mediator to sort through the morass and provide a framework for problem solving that highlights the issues to be resolved and the needs and interests that must be satisfied in an agreement. Instructors reviewed the interest-based negotiation process familiar to participants from previous courses, highlighting strategies that mediators use to help parties engage in interest-based negotiation to solve their problems.

Small groups, consisting of a mediator and two parties, took part in a skills practice activity to apply the mediation framework to a conflict situation and to experience mediation from the perspective of either a party of a mediator.

The final activity of the workshop required the participants to develop scenarios based on real conflict situations they were experiencing. These scenarios will be utilized in the next mediation training session October 4-5, 2002 (Friday and Saturday).

III. CONCLUSION

The Mesa de Diálogo is in a state of transition in terms its leadership, membership and focus of work. To be sustainable and relevant in the future, the Mesa must be fueled by a leadership engine that is locally based. In response to the need for ongoing dialogue between the community and the mine expressed by members of the Mesa, the CAO facilitation team and the Coordinating Committee are preparing the way to initiate a two-year special project. A plan is in progress to open an office before the end of this year staffed by a local coordinator, assistant and project manager. The CAO facilitation team will serve in an advisory and monitoring capacity. The office will provide ongoing support to the dialogue process and put in place a more permanent dispute resolution system that will be self-sustaining and locally owned. The dispute resolution system is intended to prevent and resolve issues arising from the development and operations of Minera Yanacocha and the communities of the Cajamarca region so that they can be worked through in a positive and respectful manner.

Project objectives to be achieved at the end of the two-year project (which is to serve as a transition period) are to have:

- secured an institutional home in Cajamarca for the dispute resolution system
- secured the local resources to support the continuation of the dispute resolution system

Also in transition is membership on the Coordinating Committee. At the Mesa in October 2001 that created the Committee, an agreement was made to rotate Committee membership. In accordance with this decision, several of the institutions represented on the Committee will name new representatives. New members will come on board in October.

The substantive focus of the Mesa is another element in transition. The independent water quality and quantity study is underway and the medical study is taking form. While both efforts will require attention and guidance from the Mesa, it is also the moment for the Mesa to determine their next set of priorities. One area of future focus is jobs. The Mesa has created a working group to address issues related to micro enterprises; however its charge, vision and direction are unclear. To be relevant and productive this working group will benefit from additional conversation, advice and consultation from the Mesa.

Another element important to keep in mind is the broader context of change within which these transitions are happening. Clearly the upcoming elections and their outcome will also impact the work of the Mesa.

Many in the community have put themselves on the line to launch this dialogue process. More effort will be required to ensure a successful transition. A question remains as to whether the Mesa continues to be relevant for the community and whether there is a sufficient foundation of support to sustain the transition. At a minimum it will be important to put in place several elements:

1. *Leadership from within the community.*

- The CAO is in the process of hiring a skilled coordinator with vision, values and credibility who can gain the trust of the community and the mine and establish a viable, sustainable system to deal with ongoing tensions between them.
- The coordinator will have to work collaboratively with a Coordinating Committee whose role is clear and who can function at a highly effective level. The Committee must be a dedicated group of volunteers capable of leadership, who represent their constituencies and work together in a spirit of mutual respect and cooperation. They must have the time and dedication to devote to their role and be able to put individual agendas and personal gain aside in favor of the collective greater good.

2. *Shared vision.* The future direction of the Mesa and the office needs to be articulated with more specificity in terms of its purpose and goals. Roles and responsibilities of different actors including the coordinator, the project manager, the Coordinating Committee, the CAO and Mesa participants need more clarity. Also important are a set of protocols for how the office will operate; a communications plan so people in the broader community will know about the work of the Mesa, and a monitoring and evaluation plan to assess progress toward our goals.

3. *Reflection.* Taking stock of where we are after a year of work can serve as a platform for future work. It will provide us with valuable lessons we have learned as well as a sense of where the differences lie among the different sectors in terms of our progress. Perhaps most important is to ask ourselves, "Is the Mesa still relevant and meaningful to people? Is it the right approach for preventing and resolving problems between the community and the Mine?

4. *Participation.* If the Mesa is still relevant, infusing the Mesa with new representation from local government, NGOs and ministries will add vitality and breathe life into the ongoing dialogue.

Strengthening the foundation for the coming transition will be a key task for the CAO facilitation team, the Coordinating Committee and the Mesa from now through the end of this year.