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Civilian Security, Democracy, Human Rights, and Global Women's Issues**

**“Illicit Mining: Threats to U.S. National Security and  
International Human Rights”**

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Chairman Rubio, Ranking Member Cardin, distinguished Members of the Subcommittee; thank you for the opportunity to appear before you today to share the concerns of the U.S. Department of State regarding illicit mining. While my colleagues have described the impact of this practice on the region as a whole, today I will focus my remarks on Venezuela, where illicit mining perpetuates a horrific cycle of criminality and both human and ecological abuse. In this cycle, lawless, ungoverned territories are taken over by armed and violent criminal and terrorist groups who strip Venezuelans, including many members of indigenous communities, of their land, their dignity, and often their lives, subjecting them to unsanitary conditions that have reversed decades of progress in combatting disease, poisoning their water supply with unsafe quantities of chemicals involved in the mining process, and destroying thousands of square kilometers of the Amazon.

Recognizing its incompetence in removing this threat, the Maduro dictatorship has begun to capitalize off of it, trading guns, cash, and control for loyalty to the regime.

Illicit mining is therefore a perfect storm of criminality and corruption, and is a critical threat to the security, governance, cultural heritage, human rights, health, and ecology of Venezuela.

### **What is the Mining Arc?**

Venezuela is a land blessed by immeasurable resources. Sitting on the world's largest known oil reserves, petroleum fueled Venezuela's rise. But Venezuela's riches extend far beyond oil. Venezuela holds vast deposits of gold, diamonds and precious minerals, and resources like coltan, which is used in manufacturing batteries, cars, planes, and electronics. It is estimated that there are over 45 types of minerals, as well as one of the world's largest gold reserves in Venezuela's Mining Arc. This “Arco Minero,” as it is called, is almost 112,000 square kilometers, making it 12% of Venezuela's entire landmass and larger than Cuba, Portugal, or Panama. But it is not just the size that matters – it is location. The territories with the largest reserves of these minerals are Zulia, Bolivar, and Amazonas, three states that are known not just for their mineral reserves but because of their high population of indigenous communities and because they are some of the most biologically diverse and ecologically significant lands in all of

Venezuela. The resources in these states could greatly benefit the Venezuelan people, and highlight the beautiful cultural and biological diversity of the country. Instead, illicit extraction of these resources is generating profits that help prop up the illegitimate Maduro regime and leaves in its wake lawless, ungoverned territory managed by non-state armed groups, horrific human rights abuses, and vast ecological devastation.

### **Security: Armed and Violent Criminal and Terrorist Groups**

I began noting threats posed by Venezuelan illicit mining. The first is the core of the problem: Security. Illicit mining makes up an estimated 91% of all mining coming out of Venezuela, and it provides a unique opportunity for illegal armed and violent criminal groups, including terrorist entities like the ELN and FARC, to cement their grip on power thanks to the profitability, permissive environment, and increasing government focus on mining as a substitute to oil profits. Prison gangs known as *pranes*, decentralized, pro-government gangs known as *colectivos*, and ELN members and FARC dissidents are all active in the mining arc. In many places, these individuals maintain power over the mines themselves, over the transit routes, or over the resources required to successfully mine, including mercury. This, along with their use of force, often gives these gangs broad power over the communities living near the mines, in many cases making entire communities dependent on the violent whims of these illegal groups for food, medicine, and a livelihood.

### **Governance: Maduro Regime Patronage Network**

This leads to another major threat: Governance. Illicit mining directly undermines our policy in Venezuela by enabling a patronage network that secures loyalty for the Maduro regime. The regime is determined to retain power, and it needs money to do so. This is a large reason why we have implemented sanctions – to cut off those sources of financial income and prevent the oil industry from being exploited for patronage. Since the regime lacks both the will and the capacity to stop people from exploiting mines, it facilitates its allies' access to mining revenue – and, in doing, reinforces the loyalty of those allies. In this way, the gangs, the military, and the government officials continue to receive largesse from the Maduro regime – a largesse that would otherwise have been successfully cut off via our petroleum and other sanctions.

### **Human Rights Abuses: Trafficking, Torture, and Intimidation**

It is not these threat networks alone that are of concern. So, too, is the violence that stems from this system of corruption and patronage. As noted, these gangs have a monopoly on force in these regions, which are disproportionately populated by indigenous communities. According to the last census in Venezuela in 2011, only about 2.8% of the total population in Venezuela were from indigenous communities. In Zulia state, however – which is the capital of coal mining in Venezuela – indigenous communities like the Wayuu make up over 61% of the total population. Likewise, in Amazonas, there are over 20 ethnic groups, including the Yanonmami, and in Bolivar, communities like the Pemon, the Piaroa, and the Penare make up 7.5% of the total population.

Bolivar state is a devastating example of the human rights abuses committed in the wake of illicit mining. Like in many mining regions, human rights organizations cite a complete absence of government presence in Bolivar, leaving its residents subject to the order imposed under the non-state armed groups I've just described.

In the context of Venezuela's complex humanitarian emergency, people are lured to the mines out of desperation. Some arrive in search of anti-malarial medication, the distribution of which is controlled in large part by armed groups surrounding the mines. Others arrive seeking to pay for medical care or basic subsistence. Many are subsequently exploited in forced labor or sex trafficking, compelled through violence and fear by the group running the mine. There has been reporting that in some regions, the average age of those being sex trafficked is 13-14 years old. Some victims have described facing a two-day period of interrogation upon arrival and, if accepted to work the mines, are warned of consequences of not following the rules including gang rape, mutilation, and a slow, painful death. The Department of Labor's *Findings on the Worst Forms of Child Labor* reports that children are engaged in gold mining production. Venezuelan NGO Centros Comunitarios de Aprendizaje (Cecodap) has reported that children travel with their parents to mining areas to perform activities related to gold mining.

Leocer José Lugo was a former member of the Venezuelan military, drawn to the Yin Yan mine in Bolivar for work. When the gang he was working for discovered he had once been a member of the armed forces, the nineteen-year-old was tortured and left for dead. They cut out his tongue and made him swallow it, amputated his hands, and gouged his eyes.

Bolivar is also, tragically, the home of countless mass graves for an unknown number of victims. Testimony from one victim states that when the non-state armed groups first arrived, individuals who had run afoul of the armed group were murdered in the jungle, never to be seen again. But in recent years, the tortures and mutilations are made public, like those of Leocer José Lugo, to serve as a warning to others. Those who stand witness to this criminal economy are silenced by the fear that they or their loved ones may end up harassed, tortured, or murdered. National Assembly Deputy Angel Medina noted just last week that there have been over 40 massacres in the state of Bolivar alone since 2016, and UN High Commissioner for Human Rights Michelle Bachelet noted the alarming scope of ecological devastation of illicit mining and the adverse effect on the lives of indigenous communities in her July report.

### **Health: Reversing Decades of Progress**

This leads to another victim of illicit mining: human health. Two of the most serious concerns are mercury poisoning and mosquito-borne diseases – particularly malaria. Because of the rapid expansion of mining in the region, we have reports of waterways like the Orinoco river, a main water source for many indigenous communities, contaminated with mercury, a powerful neurotoxin that is used to extract gold. Tests performed in mining communities across Bolivar state found that over 90% of people working in the mines showed unsafe concentration of mercury in their urine, with effects also reaching 87% of women and 68% of children.

Mercury is not the only health concern caused by illicit mining. Men, women, and children involved in gold mining are exposed to accidents and injuries as a result of this activity.

Trafficking in persons and sexual exploitation at mining camps has created spikes in HIV/AIDS as well as exponential increase of malaria, diphtheria, chikunguna, yellow fever, and dengue fever cases due to the large amounts of standing water at illicit mining sites. This is especially poignant when you recall the incredible achievements Venezuela once had in confronting these diseases. Back in 1961, Venezuela was praised as the first country in Latin America to have eradicated malaria in the majority of its territory. Now, largely due to the collapsed public health system and the illicit mining industry, the WHO reported over 323,392 malaria cases in Venezuela between January and October of this year, 70% of which occurred in the heavily mined Bolivar and Amazonas states. This is the fourth highest rate in the entire world.

### **Ecology: Deforestation of the Amazon**

This poisoned water harms both humans and the earth, as does the immeasurable amount of drilling and deforestation these practices require. These practices have wrought vast ecological damage to the vital Amazonian landscape. The territory in the mining arc is home to over 9,400 flora, 2,100 of which are endemic. And yet, from 2011-2015, immediately following the nationalization of the mining sector, over 2,821 square kilometers were destroyed due to illicit mining. 50% of these territories were in supposedly “protected” areas. And it has only gotten worse, as the Amazon biome becomes yet another victim of the Maduro regime.

### **U.S. Approach**

The crisis in Venezuela has led to the flight of over 4 million refugees, the collapse of a once prosperous country’s educational, economic, industrial, and healthcare systems, and the deprivation of fundamental freedoms from tens of millions. Illicit mining is a key part of this story, and one that needs to be better told. To do so is, however, challenging: We only know of these heinous acts because of members of Venezuela’s civil society who put themselves in harm’s way to research and document these horrors. They do so at great personal risk, and we are forever grateful for their service and sacrifices.

For our part, we will not stand idly by. We have responded to these concerns, primarily through executive authorities that allow us to sanction individuals, entities, and sectors in Venezuela. In March of this year, the Treasury Department announced specific sanctions designations against the Venezuelan state-owned gold sector company, MINERVEN and its president Adrian Antonio Mata. To date, we have sanctioned over 200 individuals and entities in Venezuela.

We are also focused on imposing costs on those foreign partners, including Russia, China, and Turkey, whose partnerships on illicit mining have enabled this horrific human and ecological devastation. And we stand in support of the National Assembly, Venezuela’s only remaining democratic institution, which has passed several resolutions related to the mining region, including one on November 12 prohibiting gold contracts, one on September 3 tying non-state actors to illegal mining, and one last month creating a committee to investigate the abuses and corruption of the mining region. We stand ready to receive the findings of this National Assembly committee once complete, and will take appropriate action to help bring this nefarious activity to an end.

Of course, our key focus is on uprooting the cause: the Maduro regime. A swift political transition is the single best and most effective way to reduce these and other abuses. And this remains the focus of the Department of State in our efforts on Venezuela.

Thank you for the opportunity to bring awareness of this important issue. I look forward to the Committee's questions.