

Progreso Kalancha Ltd.

BOLIVIA



Location

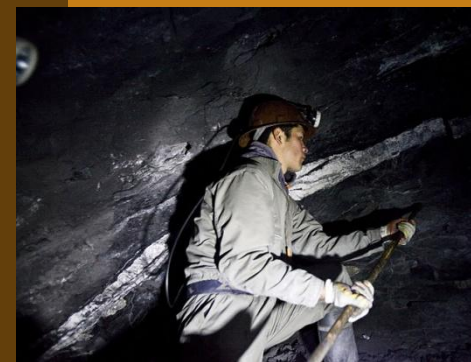
The Cooperative Progreso Kalancha Ltd. is located in the community of Chuquiaguillo in the district of Palca in the Murillo province of La Paz department. It is very close to the city of La Paz, about 30 minutes by car. The place is over 3900 meters above sea level; it is characterized by the presence of auriferous cooperatives of very recent conformation, organized due to the need for work opportunities and the rising price of gold.

Organisation

The Cooperative was founded in 2007 and at the moment it consists of 27 partners (“socios”) and 35 workers. At the beginning the miners worked as tenants, later on they got organized and bought the concessions, and finally they formed the cooperative. Its organizational structure is based on the principles of Bolivian mining cooperatives. In their majority, the partners and workers of the cooperative live in the city of La Paz because of its proximity, which makes them “city miners” who saw life opportunities in gold mining. There is no community but there is a camp where the workers live. They are organised in turns to leave for the city to rest for a few days.

Production

Because the mine is very close to a dam that supplies water to certain urban areas of the city of La Paz, the cooperative has set up its processing plant in a remote place as a way of prevention and environmental care. The mineral extracted from the mine is transported by a dump truck to the plant, located in a peri-urban area, about 15 minutes from the cooperative. A few years ago all the partners invested in acquiring the land and some machinery to process the ore. In this way they have managed to semi-mechanize the work and today they produce between 500 and 800 grams of gold monthly.





Achievements

The main achievement in the last years was to legally establish the cooperative, through the purchase of the mining concessions, since at the beginning they worked almost illegally as tenants. During the first years of operation the cooperative did not generate profits for the shareholders, who were investing in the mining operations. Soon they found some interesting veins which began to be processed in the plant. The purchase of a truck also meant a great advance in their work, since they could move the mineral from the mine to the processing plant, thereby achieving greater continuity in the operation and obtaining first profits for the partners.

Challenges

As a relatively new mining cooperative, the miners have the challenge to legally consolidate themselves through achievement of the Organic Statutes and Internal Rules, which provide general guidelines for the cooperative and the internal organization.

The environmental aspects also need improvement, promoting responsible and sustainable. Another challenge is related to improving the working conditions of partners and workers, elevating their quality of life and strengthening their management.

Our proposal

The gap analysis performed with Progreso Kalancha Cooperative against the Fairtrade and Fairmined standards indicates that the following areas need to be addressed in order to reach the certification:

- Technical: implementation of efficient metallurgical processes for greater gold recovery, with emphasis on processing the tailings, now being discarded.
- Environmental: compliance with the environmental legislation, fomenting the implementation of clean technologies, training in the handling and use of mercury, and promoting the elaboration of plans for prevention and environmental mitigation.
- Social: organisational consolidation of the cooperative, inducing the practice of social values and respect for labour standards.
- Economic: administrative training for the efficient handling of economic resources.

ESTIMATED INVESTMENT OF €23,000 NEEDED OVER 10 MONTHS

