

IMPACT STORY: COLOMBIA



Supporting Colombia with geological, social and environmental expertise for a 1.5 billion USD project

CONNEX's experts offer much-needed expertise during the pandemic for a copper-gold mine.

THE CHALLENGE

Colombia's mining sector is currently making significant efforts to improve social and environmental standards. Its decentralized system means that provincial governments have relevant competences with respect to mining projects, in addition to those of the national. In that respect, the Ministry of Mines of Antioquia Province requested CONNEX's support in the evaluation around the licensing of the *Quebradona* copper-gold mine.

The 1.5 billion USD project was in an advanced exploration stage with the geological data on the mineral deposits and the technical feasibility of mining already available. However, in evaluating the investment, Antioquian government officials identified some of their own capacity gaps, particularly in the technical area, which could be a significant disadvantage at ensuring good practices for the project.

OUR ROLE

As a result, the provincial government requested CONNEX's support to help evaluate the investor's mining approach, specifically in geotechnical issues, water management, opportunities for renewable energy, and (community development) agreements with surrounding communities.

CONNEX then provided geological, environmental and mining expertise to the provincial government, with work commencing in late 2020 and completed in Spring 2021.

While analog meetings are always the preferred method of delivering CONNEX's services, Covid-19's travel restrictions meant that expertise had to go virtual. Despite being restricted to "screens", the experts and their experiences were extremely well received.



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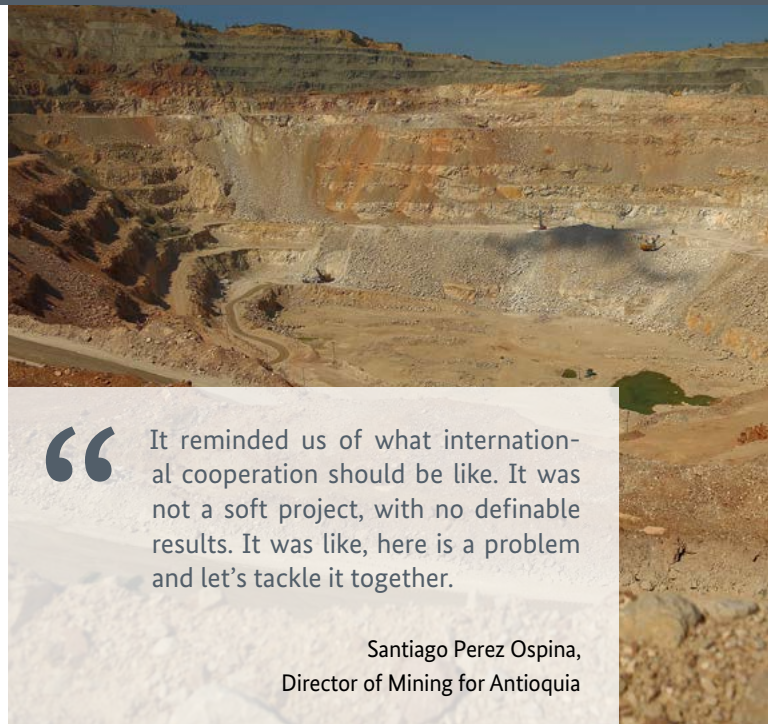
CONNEX's tailored package for the government included an extensive team working simultaneously and in extremely close coordination – geologist and mining experts as well as specialists in regional and community development.

Our experts evaluated the investor's proposed mining method as well as, very importantly, the planned strategy for water use. The experts worked with the regional government, analyzing existing legal regulations regarding water use and proposing improvements in the investor's water management plan.

In addition, at the request of the partner government, the experts developed a checklist of “must haves” regarding mine closure based on international standards and best practices such as the ISO Standard on Mine Closure and Rehabilitation as well as the Asia Pacific Economic Cooperation Mine Closure Checklist for Governments.

The mining experts, specializing in renewable energy, then evaluated the project's power supply plan together with the partner government. This analysis revealed that the investor could have been much more specific regarding the mine's power sources. These findings empowered the government to confront the investor over its use of power. This was particularly important given the long-term need for a reliable source of power, in an extremely energy-intensive industry.

Santiago Perez Ospina, Director of Mining for Antioquia, commented on the enormous task and the support that CONNEX provided: “We were about five people in a room, and we were in charge of analyzing thick reports that over a hundred experts had spent a decade producing. We are the government's technical team, but it was clear that we were not in a position to properly evaluate them. CONNEX's experts really helped us not only to understand the reports, but also equipping us with asking the right questions. That was equally important. They also really understood us, indeed understood our soul.”



“ It reminded us of what international cooperation should be like. It was not a soft project, with no definable results. It was like, here is a problem and let's tackle it together.

Santiago Perez Ospina,
Director of Mining for Antioquia

OUR IMPACT

Power and water use are two significant issues in mining, and on the radar of governments, investors and communities. In Antioquia, resources are scarce, and it is crucial that any new project strikes a balance between economic development and environmental preservation.

The government's willingness to deploy renewable energy, as much as possible, is an important part of “doing mining differently”. It makes a great deal of common and financial sense, particularly when one looks at the peripheral economies that are characteristic of mining projects throughout the world. Autonomous sources of energy, independent of any grid, are increasingly becoming the norm. Renewable energy also reduces the carbon footprint of a mining operation.

CONNEX's experts led to better decision making, contributing also to the government's National Authority of Environmental Licenses (ANLA) to demand the company to provide missing environmental information.

The result was a more carefully thought-out project, with a lifetime of at least 25 years.

Imprint

This publication was produced with the financial support of the European Union and the German Federal Ministry for Economic Cooperation and Development. Its contents are the sole responsibility of GIZ and do not necessarily reflect the views of the EU or the Federal Ministry for Economic Cooperation and Development.

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Design: DIAMOND Media GmbH, Neunkirchen-Seelscheid

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