

Codelco's production remained stable in October, while Escondida's grew by more than 22%

With this result, the country's total production grew 6.4% to 488,900 tons, according to Cochilco data.

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Tuesday, December 10

The production of Chile's main copper mines showed mixed results in October, with Escondida, owned by BHP, posting a remarkable performance, while the state-owned Codelco remained stable.

According to figures released on Tuesday by the Chilean Copper Commission (Cochilco), Codelco, the world's largest copper producer, saw its total production unchanged in October at 127,900 tons.

Data showed that Codelco's own production increased by 0.5% year-on-year, exceeding its projected output for the month. The company is making efforts to accelerate its copper production in an attempt to meet its annual goal and recover from the historic lows it marked in the past two years.

On the other hand, Escondida's extraction—the world's largest copper deposit—rose by 22.2% year-on-year, reaching 108,000 tons in October.

Meanwhile, Collahuasi—a joint venture between Glencore and Anglo American—recorded a 9.7% year-on-year decrease in its production for the month, with 49,500 tons.

As a result, the country's total copper production grew by 6.4%, reaching 488,900 tons, according to Cochilco data.

Entrepreneurs from Iquiuca, Mamiña, Parca, and Quipisca receive support from BHP to strengthen their businesses

The company trained and advised 24 residents from these areas in developing their initiatives, which were showcased at the Entrepreneurship Fair.

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Tuesday, December 10

Adventure tourism, flavored goat cheese, pink stone souvenirs, jams, and handmade liqueurs were some of the initiatives presented by the 24 entrepreneurs from Iquiuca, Mamiña, Parca, and Quipisca at the Entrepreneurship Fair organized by Cerro Colorado | BHP. This event was part of the Developing Territories Program, which aims to contribute to the socio-economic prosperity and autonomy of communities near the mining operation.

The fair's opening, held in Mamiña on Friday, December 6, was attended by the regional director of Sercotec, Guillermo Vicentelo; the president of the Mamiña Neighbors' Association N° 7, Bernardo Cautín; the executive director of the Northern Corporation for Development and Integration (Cordenor), Marco Hernández; and the vice president of Corporate Affairs and Communications at Pampa Norte | BHP, Lorena Ramírez.

One of the beneficiaries, Elizabeth Jaque, who runs the adventure tourism business Kunzacabur, appreciated the program's support: "I had several shortcomings in my business, and through the workshops, I learned a lot about administration, accounting, and pricing. Now, I can manage it much better," she said. Ana Mora, owner of the Holistic Center Encuentro de Luz, which specializes in alternative healing therapies, also expressed satisfaction with the experience: "It's been a very rewarding experience. This funding provided by the program complements the modules and everything we've learned because one without the other wouldn't work very well. So, it's an excellent initiative by the company," she emphasized.

During the three months of training, participants learned about circular economy, business models, and how to ensure the long-term sustainability of their initiatives. To help strengthen their productive capacity, the company provided two million pesos to each entrepreneur for the implementation of their projects.

"We congratulate Cerro Colorado | BHP for creating these spaces where micro and small business owners can showcase their products, build networks, and boost sales, which is what we aim for as a service. It's very important for us to foster public-private partnerships to strengthen territorial development, so we're very happy and available to continue this collaborative work," said the regional director of Sercotec, Guillermo Vicentelo. In addition to Sercotec, the fair featured stands from the Tamarugal Business Development Center (part of Sercotec); Corfo, through its Fortalece Pyme program; Sernatur; and the Admissions Office of the University of Tarapacá.

Program

The Developing Territories Program began in May of this year with a call for 50 entrepreneurs, of which 24 were selected to present their projects at the fair, thus concluding a training period that included five in-person workshops and 120 on-site consultations provided by the Technoserve consulting firm.

"This program represents our commitment as Cerro Colorado | BHP to the territory and its future. It involves significant efforts related to public-private partnerships that we can create, as well as the collaboration between the community and the networks available to us. I also want to highlight that 62.5% of the selected projects are female-led initiatives, which we are very proud of, as the empowerment of women is one of BHP's key focuses. We thank all the public organizations that have supported this effort," said Lorena Ramírez, vice president of Corporate Affairs and Communications at Pampa Norte, the BHP business unit encompassing Cerro Colorado in the Tarapacá region and Spence in the Antofagasta region.

Reactions to Villarino's Apology and Invitation: "The mining sector is committed to continuing to contribute to the quality of life in the areas surrounding its operations"

Industry. There is consensus that the development and issues of cities depend on better public management, but also on greater support for mining activities.

El Mercurio de Calama

In a letter, the executive president of the Mining Council, Joaquín Villarino, emphasized that it is also the responsibility of the mining sector to contribute "to the quality of life in the surroundings of its operations." This statement came after the controversy generated by his comments regarding the effort in Antofagasta to attract more workers, as well as the case of Calama, a city with a large number of commuting workers.

Last week, in a radio interview, the executive stated that "Antofagasta has not made an effort to transform itself into a more attractive city to live in," which sparked a series of reactions from local actors.

As a result, Villarino issued a letter on Monday in this newspaper, in which he apologized for the "unfortunate misunderstanding" and reiterated that "the Mining Council, along with its partner companies, is undeniably committed to the development of Antofagasta." He added that this commitment is reflected in numerous initiatives implemented collaboratively in areas such as education, infrastructure, culture, local supplier development, and entrepreneurship.

Pedro Araya, Senator

"The mining activity should take responsibility for the negative externalities it generates; in this regard, I believe it should primarily support public safety matters, with backing for long-term programs and policies, in order to significantly increase investment in technology and human capital to address this citizen priority. Additionally, substantial contributions are needed in the construction and improvement of public spaces and roads. A large part of the region's well-being depends on raising standards in these areas, which directly and immediately impact the quality of life of our neighbors. Another line of support should undoubtedly focus on education, aiming for much deeper partnerships with this sector to achieve improvements not only in infrastructure but also in human capital formation."

Cristina Araya, President, CChC Calama

"To make Calama a more attractive city and encourage the settlement of foreign workers, it is essential to improve the quality of life by creating affordable housing, ensuring access to quality public services, and developing recreational spaces. Likewise, strengthening a local and inclusive identity, promoting cultural and community activities that integrate new residents, is crucial. In the labor sphere, companies should play a role by offering competitive benefits, flexible working hours, and training programs that can increase commitment to the region. These measures will create an environment conducive to living, working, and fostering lasting bonds with the community."

Paulina Núñez, Senator

"The duty of those who impact (both positively and negatively) is a matter of responsibility towards what we expect them to understand as their own community. Connectivity, support for improving the quality of education, and the recovery of public and open spaces seem to me to be the right direction."

Manuel Medel, Bussinesman

"We must align public and private policies to transform our region into a global hub for exportable mining technologies."

Ricardo Campusano, Councilor PS

"The first and most important step for miners and their families to be interested in staying in the city of Calama is to improve the quality of life and the quality of the environment. This is where the role of mining is fundamental in

terms of improving air quality and reducing the incidence of diseases such as cancer, which obviously make many families prefer to live outside the city. It is also essential to improve areas such as green spaces, public spaces, recreational activities, and mass events."

Sebastián Videla, Congressman

"Mining in the Antofagasta region has the opportunity to be a driver of sustainable development, but it must be done in a responsible manner, committed to the well-being of the communities involved. For mining activities to improve the quality of life in the Antofagasta region, they must focus primarily on: Local development, investing in infrastructure, education, and health for nearby communities; sustainability, economic diversity, citizen participation, and innovation."

Elicier Chamor, Mayor of Calama

"It is worrying, especially these numbers and what has happened in our community, and the negative effects that these types of phenomena have had in Calama, aside from the inherent negatives of mining extraction, which affect the quality of life in the city itself as they leave nothing behind. There must be a labor policy for permanence, one that also promotes settlement. It's not just about a shift system; it also involves promoting settlement and ensuring that the city doesn't end up becoming a camp. We expect greater incentives for workers to stay in the community and energize the city."

Alberto Muñoz, Councilor and Leader of union n°1

"It is certainly a concern because we see how more and more workers do not want to live in the city or cannot. In a few days, we will begin collective bargaining with Codelco, and we will raise the issue of housing, especially for young workers who come from other regions to provide services. The most important thing for us is to promote them staying and living here. We cannot allow Calama to become a camp where people only come to work and where nothing is left behind from all that this area offers."

José Miguel Castro, Congressman

"Mining should bring benefits to people who want to stay and live in Antofagasta, also helping public and private healthcare by bringing more specialist doctors, supporting educational institutions, which are the things that improve people's quality of life and make cities more attractive. In that sense, they are deeply in debt."

Erika Pacheco, Businesswoman

"There has been tremendous damage caused by mining in Calama with the 4x3 and 7x7 shifts. This has negatively impacted all sectors of the community and its various activities and businesses. Calama has nothing left. Only the negative externalities of mining, and the sector itself has not fostered the value of local labor and its services."

René Piantini, Entrepreneur

"Antofagasta and its current development are thanks to mining activities, but we cannot deny that if all investments from large-scale mining were executed in Antofagasta, the city would be different. We would have more population, more services, and we could project ourselves to have a population of one million inhabitants. This would imply much progress, services, etc. Our future lies in sustainable development, and that depends today on mining."

Valentín Volta, Vice Chancellor, U. del Alba

"The industry can contribute more to the quality of life in our cities. The first thing they should do is prioritize local labor and the hiring of local companies. A few years ago, the number of commuting workers was 70,000, and today it is 90,000, and that number should decrease. The industry should then make more efforts... Despite the power of the Regional Government, we should think about a new perspective for Creo Antofagasta and Calama Plus. Both experiences have a lot to say."

Felipe Lerzundi, Former Minister of Environment

"I believe it is essential to establish their headquarters in the region, especially in supply areas that negotiate contracts with suppliers, in order to foster the establishment of service companies in the region. Encourage high executives to live in the region, which will help enhance high-quality spaces for their employees."

The number of commuting workers has increased from 70,000 to 90,000 in recent years in the region. This is one of the main complaints.

Dominga: Key Points of the Ruling That Revived the Project, What Comes Next, and Its Path to the Supreme Court

■ The First Environmental Tribunal was clear: the Committee of Ministers acted illegally, must issue a new decision within 15 days with new members, and dismissed technical evidence.

Diario Financiero, December 11, 2024
By Patricia Marchetti

The Dominga mining-port project by Andes Iron, linked to the Délano Méndez family, has regained prominence in public debate. The First Environmental Tribunal (1TA) overturned the Committee of Ministers' rejection of the initiative, citing "irregularities" and challenging several of its justifications.

The unanimous ruling, spanning nearly 250 pages, outlined why the ministerial committee acted "illegally," violating principles of res judicata, legitimate confidence, reasonableness, and administrative impartiality.

The court reinstated the project's Environmental Qualification Resolution (RCA) and ordered the Committee of Ministers—excluding those who participated in the January 2023 decision—to issue a new resolution within 15 days.

The ruling mandates full compliance with the tribunal's prior decision, which had already reviewed the project's technical and legal aspects, as well as evaluations by State environmental agencies (OAECA).

After 10 years in the environmental review process, this marks the third intervention by the tribunal regarding Dominga. Andes Iron is led by Chairman Carlos Alberto Délano Méndez and General Manager Pedro Ducci, with legal representation by Patricio Leyton of FerradaNehme.

Dominga's stakeholders called for "certainty to materialize the project as soon as possible," emphasizing that "in three different instances, the Antofagasta Environmental Tribunal—comprising a total of nine judges—has confirmed that Dominga complies fully with environmental regulations."

The statement also underscored that the project "has been validated in every technical and judicial instance it has faced."

Key Points of the Ruling

The tribunal found the Committee of Ministers acted illegally by accepting 12 appeals from individuals and organizations who raised citizen objections on matters already addressed in the tribunal's April 16, 2021, ruling, which was final and binding.

These appeals contested the Regional Environmental Evaluation Commission's (COEVA) second vote, which approved the Dominga project with conditions and deemed its Environmental Impact Assessment favorable in 2021.

However, the tribunal ruled that the committee revisited issues where the tribunal had already ruled there were no flaws warranting an unfavorable evaluation. The ruling also criticized the committee for reaching conclusions contrary to those of the tribunal, even after the Supreme Court had dismissed related cassation appeals.

Additionally, the tribunal determined the ministers acted unlawfully by resolving administrative appeals beyond the statutory 60-day deadline, taking 577 calendar days instead.

Another key issue was the failure of some committee members to recuse themselves despite having previously expressed opinions on the project. For instance, the tribunal praised Minister of Economy Nicolás Grau for recusing himself in a similar situation involving the Los Bronces Integrado project, thereby avoiding challenges to his impartiality. In contrast, it criticized former Ministers of Mining Marcela Hernando and Environment Maisa Rojas for voting despite prior public statements against Dominga.

Although Chile's Comptroller General ruled that prior opinions by ministers did not constitute a conflict of interest, the tribunal deemed these actions a "substantive breach of impartiality."

On technical matters, the tribunal concluded the ministers' rationale for rejecting the project was unfounded. It determined that the project's area of influence, baseline characterization, and environmental impact predictions—including sedimentable particulate matter emissions, water resources, marine ecosystems, and tourism value—met legal and technical standards.

Environmental litigation attorney Lorenzo Soto remarked that “it is unsurprising that the Committee of Ministers acted illegally, as it is a highly politicized and discredited body.” He added that the tribunal “acted within its jurisdiction” by annulling the committee’s decision.

What Comes Next?

The tribunal ordered a reconstituted Committee of Ministers to re-evaluate the appeals against Dominga’s RCA within 15 days. Meanwhile, opponents have the same timeframe to file cassation appeals with the Supreme Court against the tribunal’s ruling. Environmental groups Oceana and Alianza Humboldt have already announced plans to do so.

Cassation appeals alone will not suspend the tribunal’s order for a new vote, so opponents must also request a stay of the ruling’s effects.

In the Supreme Court, three potential scenarios may arise: declare the cassation appeals inadmissible due to pending administrative steps (the committee’s vote); reject the appeals, as it did previously; or accept the appeals, declare the tribunal’s ruling illegal, and reject the project.

Experts estimate the Supreme Court’s decision could take 8 to 12 months.

Mario Marcel, Minister of Finance

“This demonstrates that the institutional framework works as intended, signaling positively to other investment projects.”

Nicolás Grau, Minister of Economy

“This vote needs to be repeated. Regarding SEA reform, our proposal is to eliminate the Committee of Ministers.”

Maisa Rojas, Minister of Environment

“In the Committee of Ministers, we always base decisions on SEA recommendations. My role is to protect the environment, especially high-value areas like the Humboldt Archipelago.”

Jaime Gajardo, Minister of Justice

“The environmental tribunals operate within their jurisdiction. We’ll review the ruling to determine any necessary actions.”

Joaquín Villarino, Executive Chairman of the Mining Council

“There are no substantive reasons to keep litigating this project. Authorities should abandon judicial disputes and pursue a definitive agreement balancing environmental care and growth.”

Jorge Riesco, President of SONAMI

“It’s clear Dominga is environmentally viable. We urge authorities to comply promptly with the tribunal’s decision.”

Ricardo Mewes, President of the CPC

“Dominga meets all requirements. We hope future decisions adhere to the law, prioritizing technical standards over political considerations.”

Supreme Court’s Third Chamber: A New Composition

If Dominga’s case reaches the Supreme Court, it will mark the third time its Third Chamber reviews appeals related to the project. However, the composition has changed since the chamber last rejected cassation appeals in May 2022.

In that decision, ministers Ángela Vivanco, Adelita Ravanales, Mario Carroza, and Jean Pierre Matus voted to dismiss the appeals, arguing that administrative steps—such as the committee’s vote—remained pending. The chamber president, Sergio Muñoz, dissented, favoring a ruling on procedural flaws and legal errors raised by third parties.

With Judge Muñoz’s removal and Vivanco’s recusal, the Third Chamber now includes Adelita Ravanales (current president), Jean Pierre Matus, Diego Simpertigue, and attorneys Angélica Benavides and José Miguel Valdivia.

Trolley technology reduces 50% of carbon dioxide emissions from haul trucks

SOLUTION. Mining companies in the region, including Escondida, Lomas Bayas, and Antofagasta Minerals, are working to implement this technology in their operations. This system also cuts fuel costs by 35% and increases power.

El Mercurio de Antofagasta – December 11, 2024

By Cristián Venegas M.

In recent years, some of the leading mining companies operating in Chile and the Antofagasta region have announced plans to incorporate trolley technology into their haul trucks (CAEX), accelerating the decarbonization process of these heavy-duty vehicles, which are significant consumers of fossil fuels.

Companies like Lomas Bayas, Antofagasta Minerals, and Minera Escondida have made announcements regarding this initiative. Notably, Minera Escondida has submitted the Environmental Impact Declaration (DIA) for its "Implementation of Mine Truck Electrification System in Escondida Norte" project to the Environmental Assessment System (SEA). The project aims to introduce the trolley system within the mine.

With an investment of USD 250 million, the initiative aligns with the company's goal of achieving net zero greenhouse gas emissions by 2050. Construction is expected to begin in June 2026, pending the necessary approvals, with operations commencing in 2027 and running until 2049.

A Transformative Impact

According to Equans Chile, a service provider to the mining and energy sectors, the trolley assist technology utilizes an electrification system with overhead catenaries to power the electric motors of haul trucks. This system is transforming the industry by delivering higher performance, lower operating costs, and a reduced carbon footprint, particularly in uphill sections of mines.

Already in use in other countries and industries, this technology electrifies mining trucks in areas of high diesel consumption, saving approximately 35% on fuel by utilizing electricity from catenary lines installed in these zones.

The system doubles the trucks' power and range, significantly improving operational efficiency, especially over long distances or steep inclines. It also reduces mechanical wear, lowering maintenance costs and extending the lifespan of the vehicles.

Lower Emissions

A key advantage of this system is its ability to cut diesel consumption, thereby reducing the carbon footprint of mining truck fleets by 50%. By using electricity instead of fossil fuels, the trolley system directly supports sustainability goals and the transition to more environmentally responsible mining practices.

Diego Clavería, Commercial Director at Equans Chile, highlights the transformative potential of the technology:

"This system is a clear example of how technological innovation can reshape the mining sector. Its ability to enhance operational processes, reduce costs, and boost productivity underscores that mining operations can and should advance towards a more efficient and environmentally respectful model."

This system is part of broader efforts to integrate technological solutions that optimize the energy transition within the mining industry. Electrifying operations not only reduces reliance on fossil fuels but also promotes cleaner and more competitive mining practices.

"This system is a clear example of how technological innovation can transform the mining sector. Its ability to enhance operational processes, reduce costs, and boost productivity underscores that operations can and should advance towards a more efficient model."

— **Diego Clavería, Equans Chile.**

Copper Production at Codelco Through October Fails to Take Off, Market Share Drops to Historic Low of 25% Nationally

Cochilco reported an increase in national copper production driven by Teck and Escondida. However, the state-owned miner showed no variation compared to the same month in 2023 and has accumulated a 4.4% decline so far this year.

Pulso

By Víctor Guillou

Codelco, the world's largest copper miner, continues to struggle in 2024, risking failure to emerge from the deepest point of its production trough. This was highlighted by figures released Tuesday by the Chilean Copper Commission (Cochilco), which also revealed that the state-owned miner's share in Chile's copper industry has fallen to a new historic low.

In October, Codelco's total copper production reached 127.9 thousand metric tons of fine copper (TMCF). Although this marked the best monthly performance of 2024, it represented zero growth (0.0%) compared to the same month in 2023. Year-to-date production reached 1,115.7 thousand metric tons (1.1 million tons), a 4.4% drop from the 1,167.5 thousand metric tons (1.1 million tons) recorded during the January-October period of the previous year.

Nonetheless, Cochilco's report partially corroborated the remarks of Codelco's Chairman, Máximo Pacheco, at a European Union-Chile seminar in November. Pacheco stated, "October was the best month so far this year. We managed to exceed our monthly production target as well as that of the same month in 2023." However, the actual difference for October was a negligible negative variation of 0.055 tons compared to the previous year. Pacheco also suggested at the seminar that October's performance "confirms the trend we have observed since August and hope to maintain through the end of the year." In August, Codelco showed a significant recovery, surpassing its performance from 12 months prior by 10.1% with 125.3 thousand tons produced. However, the annual trend has since plateaued. In September, the recovery pace slowed to 5.2% growth with 123.1 thousand tons. Now, the stagnation observed in October casts doubt on Codelco's ability to leave behind the lowest point of its production slump.

"This quarter, we broke the trend and began recovering production," said Rubén Alvarado, Codelco's CEO, when the state-owned company reported its accumulated results through September.

So far this year, total copper production in Chile reached 4,457.8 thousand metric tons (4.5 million tons), reflecting a 3.3% increase compared to the 4,313.9 thousand metric tons (4.3 million tons) registered in 2023. Codelco accounted for 25% of Chile's copper output in 2024, marking a new historic low in its market share. Nationally, the increase was driven primarily by two private mining operations. The first is Quebrada Blanca, operated by Canada's Teck, which recorded a 344.1% rise in production between January and October, contributing an additional 126.4 thousand tons of copper.

The second is Minera Escondida, operated by Anglo-Australian company BHP. During the first ten months of 2024, Escondida increased its production by 11.6%, reaching 1,035.7 thousand metric tons (1 million tons)—a year-on-year increase of 107.7 thousand tons.

Buenaventura Sees Opportunities in Argentina and Guyana

■ The company has signed confidentiality agreements in these markets, with a strong focus on gold mines.

Diario Financiero, December 11, 2024

The Peruvian mining company Buenaventura is evaluating options beyond its natural market, having signed confidentiality agreements in Argentina and Guyana in search of new projects.

This was confirmed by the company's CEO, Leandro García, during its Investor Day held in Lima. "We are exploring some projects in three South American countries; of course, Peru, then Guyana, and also Argentina, but we are still in an early stage," García responded to financial analysts.

"The idea is to evaluate these projects and make a decision in the future on whether or not to move forward," he added.

The rationale behind this plan, he said, is to increase coverage in gold production, for which they foresee a reduction compared to copper estimates.

The objective "is to remain in gold, silver, and copper. Most likely, we will invest more in gold than in the other two, and not yet in lithium," he commented.

A few years ago, Buenaventura had explored options in Mexico and Chile, and today it continues to view mergers and acquisitions as an alternative to boost metal production and cash flow, "as well as to replace production and revenues from older mines," García detailed.