

Colombia | Coal Sector Update to the 18th Session of the Global Methane Initiative (GMI) Coal Subcommittee

19-20 November 2013

Ministry of Mines and Energy | Colombia



MinMinas
Ministerio de Minas y Energía



Colombia | Coal Sector Update

- **Low price, low production, high risk**
 - Decrease in production, below Government goal (7 mm/tons)
 - Meanwhile, besides CSR programs, Colombia is not promoting emissions reductions.
- **The sector is aiming to develop new production schemes around coal, namely CBM/CMM and liquefaction**
- **In terms of regulation the Colombian Government is discussing a new non-conventional law**
 - Higher environmental provisions, no authorization for miners
- **A new bidding process for CBM is expected in 2014**

CMM Project Outlook

- Challenges to emission reduction projects in Country Colombia:
 - Regulation
 - Government expectations
 - Miners expectations
 - Oil & Gas sector, expectations.
 - Insufficient technical instruments to develop projects
 - Trust among parties
 - Baseline and benchmarking (energy requirements and financial structure)
 - Weak coal prices

CMM Project Outlook (2)

- **Approaches to overcoming challenges**
 - Legislation and regulation
 - Policies and incentives
 - Specific sector studies defining:
 - Type of extraction (underground, open pit)
 - Size
 - Energy requirements
 - Access to finance
 - Capacity building
 - Technology transfer
 - Training and workshops
 - Agreements and/or partnerships (FENALCARBON, ANDI, CCM)
- **ECDBC Sector Action Plan for mining (SAPm)**

Colombia Coal Sector Methane Action Plan

- **Status of Coal Sector Methane Action Plan development.**
 - In August 2013, the Ministry of Mines gave green light for the development of the SAPm
- **This plan includes the CMM & AMM, energy efficiency program and non-compensatory reforestation**
- **Barriers/Assistance Needed/Information Needed**
 - No regulation for CMM/AMM
 - No technical background
 - No benchmark studies
- **This program aims to a reduction of XXXX mm tons by 2040, the regulation phase should be finalized by 2014.**

Contact Information and Announcements

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www.mapsprogramme.org/projects/colombia-projects/colombia-project