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
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
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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