



BETTERCOAL COLOMBIA WORKING GROUP 2020 Revision

Bettercoal is working towards a global responsible coal supply chain. We were established by a group of major coal buyers to promote the continuous improvement of sustainability performance in their coal supply chain. We do this by independently assessing the performance of coal mining operations against the ten principles of the Bettercoal Code through the Supplier Assessment Process. The independent assessments results in a Continuous Improvement Plan (CIP) on any possible findings. Bettercoal and Bettercoal Members expect the suppliers to improve their performance through addressing the findings going forward.

Bettercoal Members purchase coal from across the globe and therefore connect with mine operators in many different countries. While the long-term goal of Bettercoal is to engage with all its Members' coal suppliers and more, the organization developed a Country Prioritisation Strategy and established the country working groups in 2018. The objectives were to facilitate a more coordinated approach to the monitoring of Continuous Improvement Plans for Suppliers as well as build knowledge and measure impact. The first two groups to be set up were Colombia and Russia.

Bettercoal has been working with Colombia coal companies since the inception of the organization and we are very proud to now be working with three of the four large coal exporters in the country. One of the aims of this group is to foster better relationships with all stakeholders involved in this complex environment, from business to government, to international NGOs and local communities. The Colombia Working Group is formed of Bettercoal Members Enel, ESB, RWE, Vattenfall, Fortum and chaired by Uniper.

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The Colombia Working Group (CWG) has detailed its purposes in the [Terms of Reference](#), including addressing the following: develop a coordinated approach to the monitoring of Continuous Improvement Plans (CIPs), grow country and context expertise, communication and the identification of complex/systemic issues related to mining in Colombia that go beyond the individual CIPs and require specific action .

Progress in 2020

Taking on the experiences and learnings of its [first year of work](#) the CWG developed a set of ambitious objectives to pursue in 2020 that included:

- a. Monitoring of the Continuous Improvement Plans (CIP) of Bettercoal Colombian Suppliers (Drummond Ltd, Prodeco and Cerrejón)
- b. Engage with Colombian mining companies that are not part of Bettercoal
- c. Develop a list of prioritised contextual issues
- d. Delegation visit to Colombia

The Covid-19 crisis has forced us to adjust the planning and implementation of the original 2020 Work Plan, particularly with regards to in person engagements with stakeholders through the delegation visit to Colombia. Despite being unable to travel, we have engaged virtually with as many of them as possible, to keep up our engagement and remain well informed of current local developments. In certain circumstances Bettercoal publicly addressed some of these issues:

- [Sintracarbón strike at Cerrejón and on its resolution](#)
- [Bettercoal response to Christian Aid Report 'Undermining Human Rights: Ireland, the ESB and Cerrejón coal'](#)
- [Bettercoal Support to CREER multi-stakeholder dialogue Project "Building Trust in Cesar"](#)
- [Bettercoal coal procurement and trade 2020 - Colombia](#)

The global pandemic posed additional challenges for the operations all Bettercoal's Colombian Suppliers – Cerrejón, Drummond Ltd and Prodeco. Nevertheless, we engaged with all three of them to follow up on their Continuous Improvement Plans as well as discuss other relevant contextual topics e.g. increasing threats against social leaders, challenging negotiations with trade unions and of course the implications of the Covid-19 pandemic on the Suppliers' operations. The CWG appreciates the engagement of Suppliers and openness to comment on the challenges they are facing and seeking advice from Bettercoal and its Members to implement the proposed actions with the objective of continuously improving their operations.

The CWG has also held online conversations with other relevant stakeholders to gather insights and have a better understanding of broader topics relevant for the mining industry, including PAX, the National Federation of Christian Trade Unions in the Netherlands (CNV), the Human Rights and Business Resource Centre, the Development and Peace Programmes (PDP in Spanish), Regional Centre of Responsible Business and Entrepreneurship (CREER in Spanish),

National Union of Ill, Disabled, Mining Workers (SINTRADEM in Spanish), Sintracerejón and IndustriAll.

The input received throughout all these meetings has helped the CWG refine its original 2020 Work Plan and identify specific actions where Bettercoal can add value. The updated version of the Work Plan can be found [here](#).

We have also focused our work on the three prioritised contextual issues the CWG had defined to contribute to. These issues were prioritised based on the main risks identified through the Bettercoal Assessment Process and captured in the individual Continuous Improvement Plans (CIP) as well as from other relevant sources of information. Bettercoal then engaged with the relevant external stakeholders to receive their feedback on the approach and relevance in the Colombian coal mining context.

i. Fostering increased dialogue in the peace building process

As part of Bettercoal's commitment to support the peace building process in the mining regions the Colombia we are pleased to announce that members of the CWG have agreed to support the Regional Center for Responsible Businesses and Entrepreneurship (Centro Regional de Empresas y Emprendimientos Responsables or CREER) multi-stakeholder dialogue project [Building Trust in Cesar](#), one of the most important coal mining regions in Colombia. We are also pleased to see that CREER have begun to work also in La Guajira.

ii. Access to clean water

Given the relevance that water has not only as a basic human need, but also for economic activities and its cultural and religious relevance, the CWG believes that in such a context a holistic approach to water management would be beneficial. In this line, the CWG has started to explore how such a project would be developed in the region of La Guajira in Colombia in close collaboration with third parties that have vast experience in these type of projects.

iii. Mine closure

Apart from addressing this topic in discussions with the coal mining companies, the CWG has identified the "just transition" project which has recently formally applied for subsidy under the Dutch FVO Partnerships program as an opportunity for Bettercoal to further address and contribute to the long-term regional development as overarching goal. This project aims to support the transition in Colombian mining regions from coal mining dominance towards a more diversified local economy and to reduce the negative impact of a declined coal demand. It perfectly fits with the outcomes of the Bettercoal Code review process, which is one of the reasons why the CWG is engaging with the



consortium of Dutch energy companies and other members to explore how the group can contribute to the project and to transfer it into specific actions.

The CWG is currently working on the planning of the group's work and objectives for 2021, building up on all the progress made in 2020 and adapting it to the new global circumstances.