

BETTERCOAL COLOMBIA WORKING GROUP Working Plan 2020¹

Note: Due to the Covid-19 pandemic that has shook the world since February 2020, the original plan detailed in this document, published at the beginning of the year, has been altered to adapt to these new circumstances.

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 Prioritization Strategy and established the Country Working Groups in 2018. Their objectives are 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 Colombian 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 local and international organisations, NGOs and local communities. The Colombia Working Group is formed of Bettercoal Members Enel, ESB, RWE, Vattenfall, Fortum and chaired by Uniper.

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.

¹ Updated on XX 2020.



Key objectives for 2020

Taking on the experiences and learnings of its [first year of work](#) and looking forward to building up from the work and stakeholder engagement commenced in 2019 and gain more in country experience to explore and develop actions where Bettercoal can add value to the local issues, the CWG develop a set of objectives to pursue in 2020.

The CWG main objectives are:

- 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

Monitoring of the Continuous Improvement Plans (CIP)

Throughout the year the CWG will arrange at least two bi-annual calls with Bettercoal Colombian Suppliers-Drummond Ltd, Prodeco and Cerrejón- to discuss their progress on their respective CIP as well as addressing other relevant contextual topics. This is also an opportunity for Suppliers to comment on roadblocks they might be facing and seeking advice from Bettercoal and its Members to implement the proposed actions with the objective of continuously improving their operations.

Engage with Colombian mining companies that are not part of Bettercoal

Bettercoal believes that the more coal companies within a country are involved in the assessment process, the more impactful the initiative can be. Whilst our Members encourage all their coal suppliers to participate in the Bettercoal Assessment Process, we would like to see the 4th largest coal exporter in the country, Colombia Natural Resources (CNR), fully participate in our process too in order to promote a more responsible coal supply chain.

Develop a list of prioritised context issues

Taking on the experiences and learnings from its first year, the CWG prioritised a number of more broad context issues to contribute to. These prioritised issues have been developed based on the main risks identified through the Bettercoal Assessment Process and captured in the individual Continuous Improvement Plans (CIP) of Bettercoal Suppliers as well as from other relevant sources of information. Due to the broad range and complexity, the identified issues were narrowed down based on a defined criterion:

- Urgency and relevance of the topic of the local stakeholders;
- achievable impact that the CWG can have on the matter;
- level of influence the CWG can have as part of Bettercoal and also through its Members; and
- limited resources.

Based on these criteria, topics have been narrowed down to: building trust; fostering increased dialogue in the peace building process; mine closure and access to clean water.

This list was shared for consultation with external relevant stakeholders, including mining companies, NGOs, international organisations and dialogue institutions, to receive their feedback on the approach and relevance in the Colombian coal mining context. Considering the comments and recommendations gathered, the CWG decided to restructure the focus issues into the following ones:

a) Fostering increased dialogue in the peace building process

To support the peace building process in the mining regions the Colombia Working Group has defined the following objectives:

- Contribute to build trust amongst relevant stakeholders (as a precondition for dialogue) in mining regions, e.g. by supporting the CREER multi-stakeholder dialogue project “Building Trust in Cesar”. Bettercoal welcomes and encourages the extension of the initiative into the mining area of La Guajira, with the support of the Swiss Embassy and Cerrejón.
- Contribute to truth finding by encouraging mining companies to engage with the Truth Commission.
- Promote the strengthening of the protection of human rights defenders e.g. by organizing a virtual roundtable with key stakeholders to address and discuss the issue (e.g. mining companies, PDP, CREER, Fiscalía, local community representatives).
- Support mining companies and victims to create a shared vision of how to reconstruct the social fabric and contribute to peacebuilding in the Cesar mining region.

b) Access to clean water

Some mining areas in Colombia, as La Guajira, have a semi-arid and arid weather where for many centuries water always has been a scarce resource. On top of this natural context, mining operations and developments have been made accountable for making the problem more acute. This has been an ongoing issue between communities and mining companies in the area.

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. This Water Stewardship approach would bring together the main stakeholders affected, as communities, pertinent authorities, other main water users and other stakeholders, to address the issue of future water security in this region. To enhance the sustainability of water as a shared resource, the CWG has started to explore how such a project would be developed in the region of La Guajira in Colombia.

c) Mine closure

The decline in the price of coal together with the implications the Covid-19 pandemic had for the Colombian mining operations highlighted the relevance of the issue of 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.

Delegation visit to Colombia

The CWG was planning an engagement visit to Colombia for the week of the 9th-13th March 2020. During that week the delegation had planned to engage in individual meetings with Governmental organisations, mining companies, dialogue institutions, international organisations, communities and unions. During these meetings we had hoped to discuss in depth the prioritised issues defined, identifying opportunities for developing specific actions where Bettercoal could add value and have an impact on the ground. We also expected to be addressing other contextual topics relevant to the Colombian mining context.

For reasons explained above, this item had to be suspended. However, the CWG commitment with Colombian stakeholders continued in a virtual way, and the group was able to advance on all the objectives planned for the year.