



EU-Latin America Dialogue
on Raw Materials

Diálogo UE-América Latina sobre
materias primas

Diálogo UE-América Latina sobre
Matérias-primas

Argentina, Buenos Aires
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STAKEHOLDER MAPPING AND COUNTRY FICHES

MDNP

A PRELIMINARY VISION

EDUARDO CHAPARRO ÁVILA

“
EU-LATIN AMERICA DIALOGUE ON RAW MATERIALS:
CONSOLIDATING THE COOPERATION”



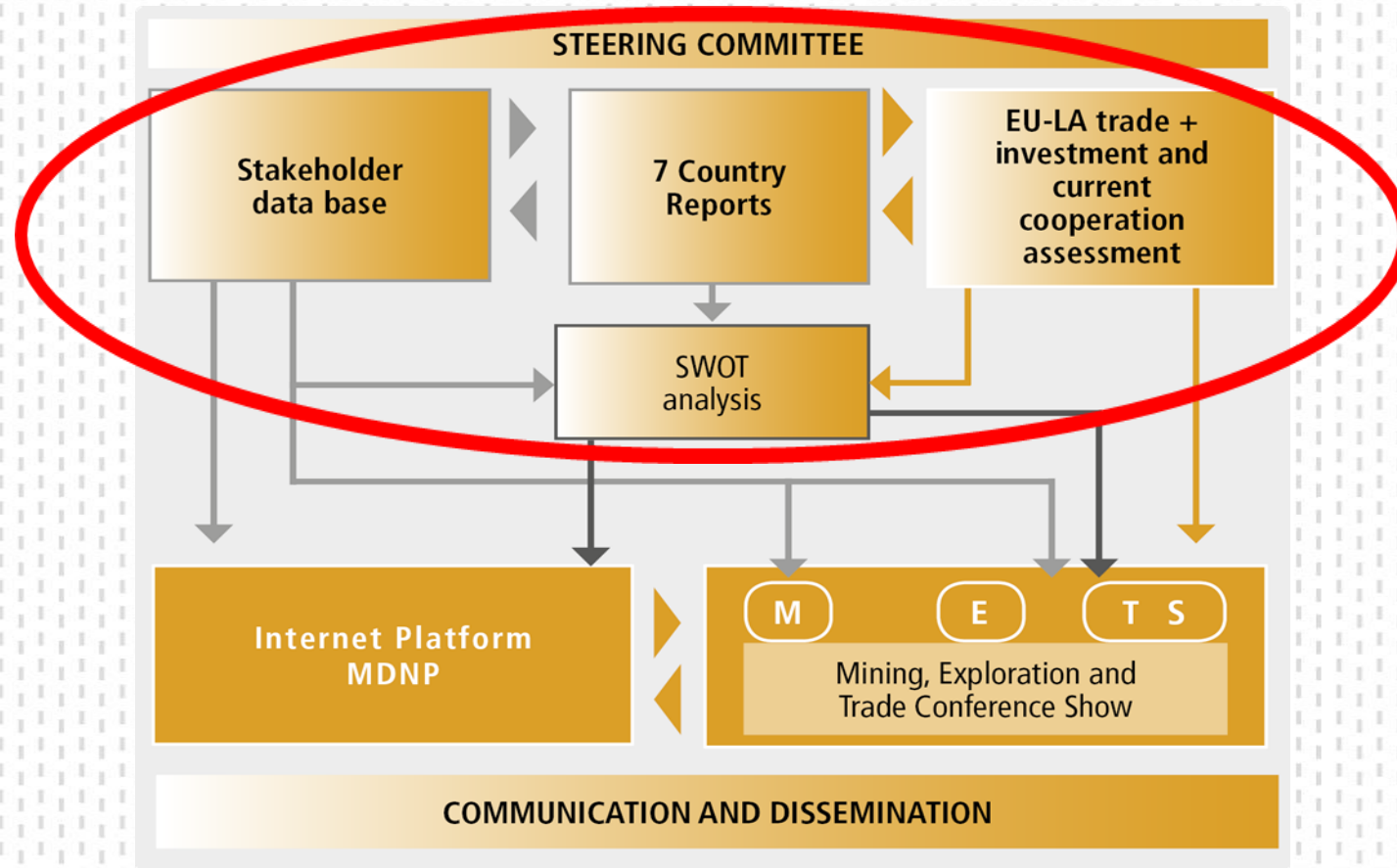
9 MAY 2017, BUENOS AIRES (ARGENTINA)

THE PRESENTATION

- **1. STAKEHOLDER ENGAGEMENT STRATEGY**
- **2. STAKEHOLDERS DATA BASE**
- **4. COUNTRY FICHES**
- **5. SWOT**

COMPONENT I: COMPREHENSIVE ANALYSIS OF THE EXTRACTIVE SECTOR, RELATED TECHNOLOGIES AND SERVICES: EU - LATIN AMERICA

- **Component I:** Comprehensive analysis of the extractive sector, related technologies and services: EU - Latin America



- **1. STAKEHOLDER ENGAGEMENT STRATEGY**

TASK 1 TO 5: BASELINE – INFORMATION GATHERING

- **Task 1**
 - ❖ Comprehensive database of partners & stakeholders
 - ❖ Establish a direct contact network & promote engagement,
- **Task 2**
 - ❖ Provide a status-quo assessment of the EU investment baseline
- **Task 3 to 5**

Comprehensive description of:

 - ❖ EU-Latin American cooperation and business relationships
 - ❖ The non-energy extractive sector of each addressed Latin American country
 - ❖ Potential funding instruments and tools

STAKEHOLDER ENGAGEMENT STRATEGY

The project will establish a network platform for continuous and structured cooperation on a mutual benefit basis between:

- EU and LA authorities, industry,
 - business (including SMEs),
- Academia; Geological Surveys and other relevant entities for the mining sector

In the fields of:

**-Technology
-Consulting services,
-Infrastructure,**

-investment

**-Trade,
-Training and skills,
- Health and safety,**

-Good governance and other relevant areas of the mining value chain (from exploration to mining rehabilitation and post closure).

THE STAKEHOLDER MAP

- **The analysis of the list of stakeholders should show the objectives, motivations, impact and influence of the various stakeholder groups and the results of that should be recorded on a platform so that the user has a real understanding of the state in Which is the activities of each of the interested parties**
- **After completing the stakeholder map, a communication plan will be developed focusing on each group / And its potential impact on the project**

- **2. STAKEHOLDERS DATA BASE**

STAKEHOLDER GROUP

- Private operators
 - Contractors
- Goods and services suppliers
- Specialized consulting Services
 - Traders
 - Mineral users
- Mining Authorities
- Environmental authorities
 - Academia

- **Big companies**
- **Medium companies**
- **Small companies**
 -
- **Senior companies**
- **Mining associations from the EU (at Member State level and EU level)**
 - **Mining associations from Latin America**

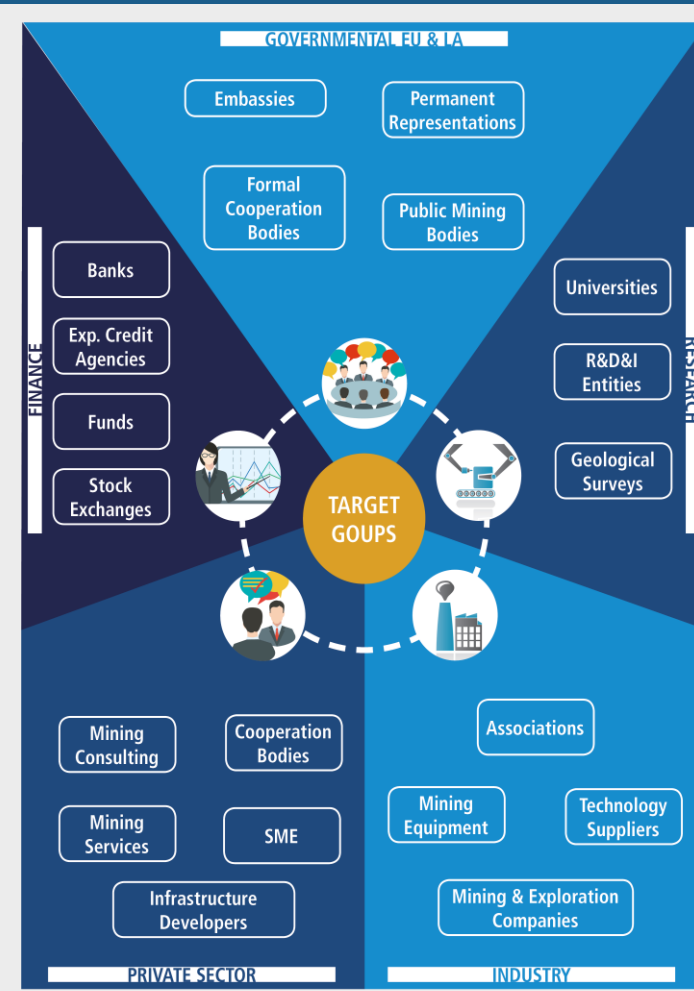
GOODS AND SERVICES SUPPLIERS, CONTRACTORS & TRADERS

- Mining Equipment
- Technology Suppliers
- Mining Consulting
 -
- Services Companies (including SMEs)
- Latin American national companies
- European Companies

- As an essential part of the comprehensive analysis of the extractive sector, related technologies and services: EU - Latin America , different information fiches have been elaborated for each of the countries studied :

- ❖ -Argentina
- ❖ -Brazil
- ❖ -Chile
- ❖ -Colombia

- ❖ -Mexico
- ❖ -Peru
- ❖ -Uruguay



- **COUNTRY FICHES**

ANALISYS TOPICS PER COUNTRY

- **1. Socio- economic framework**
 - **2. Indicator Rankings**
- **3. Regulatory framework related to extractive activities**
 - **4. Mining Tax Regimes**
 - **5. Infrastructure**
- **6. Countries global merchandise trade relationships**
- **7. Focus: EU – Country’s trade and investment**
 - **8. Community and environment**
- **9. Relevant International Commitments**

ANALISYS OF 51 INDICATORS PER COUNTRY

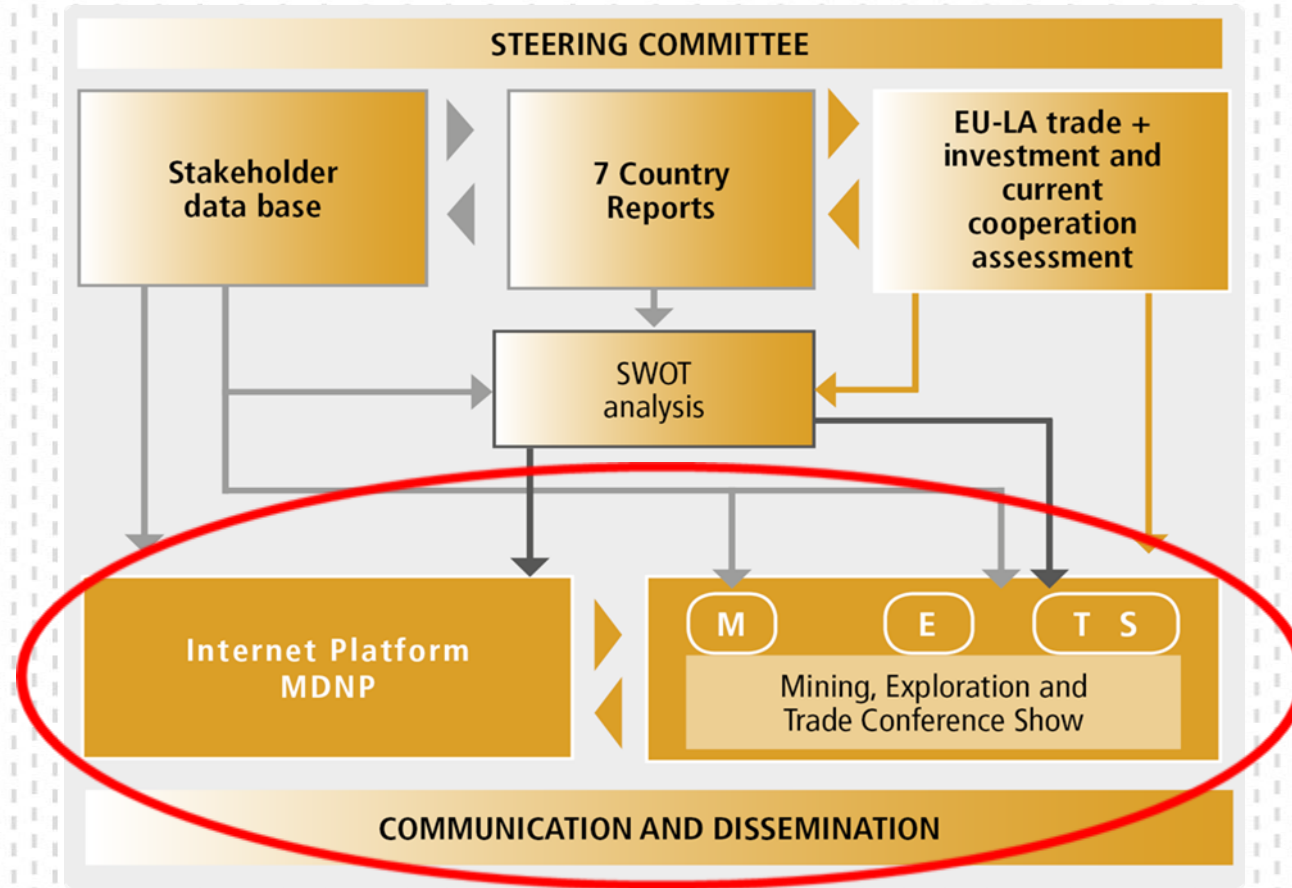
Mining Companies (domestic) non exhaustive
 Mining Companies from EU
 Current account balance (% GDP)
 HDI Human Development Index
 Government and judiciary systems
 Currency
 Location
 Transport Infrastructure
 Principal Export Destinations, Year(us\$)
 Principal imports/Year
 Exports –Value
 Imports –Value
 Relevant Governmental Institutions

Protected Areas
 Macro relevance of the extractive sector
 GDP per capita (GNI per capita)
 Capital
 Land Area
 Global Competitiveness Index
 Corruption perception
 Mining sector in GDP
 Mineral Production
 Government Support for the Mining Industry
 Water resources
 European Union Trade with Country
 Universities (curriculum related to Extractive Sector) No exhaustive
 Relevant actors from the third sector
 Exploration Licenses
 Geological* / Metallogenic Map*

Mineral Reserves
 Mining Legacies
 Economic Freedom -Fraser Institute
 Survey of Mining Companies : Investment Attractiveness Index
 Main Resource/Mining related exports to country
 Main Resource/Mining related Imports from country
 Population
 Inflation rate
 Doing Business
 GDP
 Geology and Commodities
 EU investment relationship with country
 Mining Code
 Permitting Procedures
 Community Issues related to the sector
 Environmental Issue


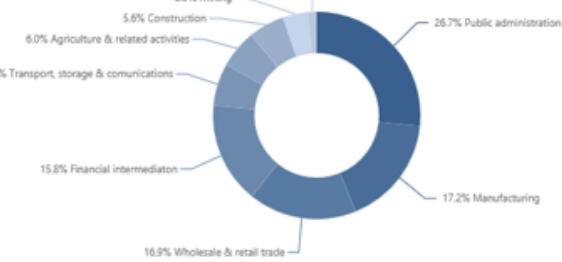
GDP growth
 Mining Licenses
 Unemployment Rate
 Stakeholders in Mining
 Total / FDI
 Mining Code
 Permitting Procedures
 Community Issues related to the sector
 Environmental Issue

ESTABLISHMENT OF SUSTAINABLE COOPERATION





COUNTRY FICHE EXAMPLE: ARGENTINA

Country: ARGENTINA			
Socio- economic framework			
Capital	Buenos Aires	<p>Total value added of GDP by economic activity at current prices</p> <p>Year 2015</p>  <p>Source: CEPALSTAT- Argentina Economic Profile</p>	
Land Area	Total Surface 3.761.274 km ² continental: 2.791.810 km ² ; Antarctic:969.464 km ²		
Official Language	Spanish		
Population	40'117,096		
Location	https://ide.ign.gob.ar/portal/apps/webappviewer/index.html?id=e66ef5c11937442fbaab3f79bc841c6d		
Currency	Argentinean Peso; 1 ARG 0,059450€; USD/ARS = 0,064430US\$		
GDP	\$US 583.2 billion (2015, WB)		
GDP per capita (GNI per capita)	\$12,460 (2015, WB)		
Mining sector in GDP	\$US 20,713,9 Million (2015, CEPALSTAT)		
GDP growth	-1,343 (2015, WB). -2.1% (2016, Banco Central de Argentina)		
Current account balance (% GDP)			
Inflation rate	23,7% (2015, WB)		
Unemployment Rate	8,2 % (2016, Trading Economics)		
Macro relevance of the extractive sector	<ul style="list-style-type: none">The mining industry contributes with US\$ 15.2 million to the GDP, accounting for a Compound Annual Growth Rate (CAGR) of 117% since 2003; 6% of employment, 7.4% of exports and 1% of companies based in Argentina.Between 80% and 85% of that contribution to GDP corresponds to the extraction of fuel, followed by non-metallic minerals, and metallic minerals. Nine out of ten companies in the local mining are SMEs.Mining is a source of work for approximately 94,164 people, directly and hint. In 2014; Mining was one of the main source of foreign exchange to the country US \$ 3,905 million of the National economy, which represents 5.8% of the total exports. (2016. DELOITTE)		



COUNTRY FICHE EXAMPLE: BRAZIL



BRAZIL

Socio- economic framework

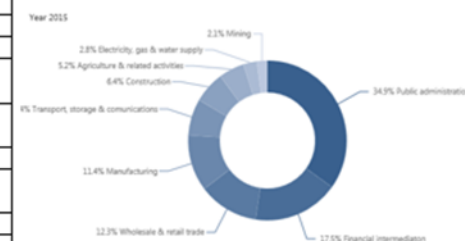
Capital	Brasilia
Land Area	8.515.770 Km
Official Language	Portuguese
Population	207'847.528
Location	https://goo.gl/maps/suRhImcaDR12
Currency	Brazilian Real (BRL, R\$); 1 BRL= 0,28€; 0,31 US\$
GDP	\$US 1.775 Trillion (2015, WB)
GDP per capita (GNI per capita)	\$9, 850 (2015, WB)
Mining sector in GDP	\$US 32664.5 Million (2015, CEPALSTAT)
GDP growth	-3.32% (2015); -1.30% (2016, Banco Central Do Brasil)
Current account balance (% GDP)	-1.30% (2015, Trading Economics)
Inflation rate	9.0% (2015, WB)
Unemployment Rate	12.9% (2016, Trading Economics)

Macro relevance of the extractive sector

- Mining and Quarrying represent 2,1 % of the Brazilian GDP (2015, CEPALSTAT)
- Iron ore and concentrates (excluding roasted iron pyrites) is the second leading export product, representing 7.5 % of Brazilian total exports (2015; CEPALSTAT). It remains by far the most important mineral in Brazil's mining industry
- Price of iron ore has plummeted from \$180 per metric ton (mt) in January 2011 to below \$50/mt by the end of 2015.
- The mining sector is currently facing an international crisis that, affecting not only iron ore producers, but also those involved in mining copper, bauxite and gold, Brazil's second largest mineral export (its price fall from over \$1800 per ounce (oz) in early 2011 to roughly \$1200/oz at the beginning of 2016). (Global Business Report, 2016)
- The solution is oriented towards technology improvement in



Total value added of GDP by economic activity at current prices





Source: CEPALSTAT- Brazil Economic Profile

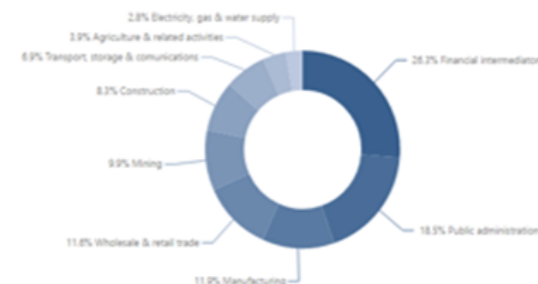




COUNTRY FICHE EXAMPLE: CHILE

	
<h2>COUNTRY FICHE CHILE</h2>	
Socio- economic framework	
Capital	Santiago de Chile.
Land Area	Total Surface 756.945 km², Chile claims sovereignty over 1,250,000 km² of Antarctic territory
Official Language	Spanish
Population	17,650,114
Location	http://www.bcn.cl/siit/nuestropais/mapas-de-chile/
Currency	Chilean Peso: US \$ 1Cl = \$ 663,97; 1 Dollar = S/. 3,25 Soles € = Cl \$709,37 (2017, Central Bank)
GDP	\$US billion 38.022 (2016, Central Bank)
GDP per capita (GNI per capita)	\$23,367.0 (2015, WB)
Mining sector in GDP	\$US 37. 0437 Million (2015, CEPALSTAT) 14.1%
GDP growth	2.3 (2015, WB)
Current account balance (% GDP)	-2.0 (2015, WB)
Inflation rate	3.8 % (2016, WB)
Unemployment Rate	8.2 % (2016, Trading Economics)
Macro relevance of the extractive sector	<ul style="list-style-type: none"> The proportion of contracted workers with respect to the total mining labour force is over 60% (Fundación Chile, 2011). The evolution in mining companies' organisation has allowed a number of Chilean companies specialising in the provision of services to develop competitively. Chile is leader in the production of copper and <u>uranium</u>, in non-metallic mining is leader in the production of natural nitrates and iodine. In 2015 mining exports represented 56% of the total country, equivalent to US \$ 39,000 million. It employs 205,000 direct workers, 9,000,000 indirect workers and pays in taxes US \$ 3,044,014 (2016, <u>Sonami</u>)

Total value added of GDP by economic activity at current prices



Source: (2017, CEPALSTAT- Chile Economic Profile)


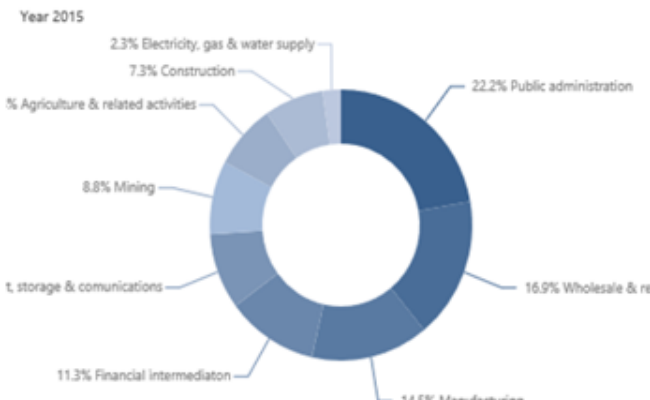
- Mining has averaged 13% of GDP over the past 10 years
- The share of mining exports over totals represents an average of 57.3% in the period 2003-2015. Today it is estimated that 229 thousand people work in the industry, which is divided into 155 thousand suppliers and 74 thousand mining companies (2013, SERNAGEOMIN), and that their share of national employment is 2.9% in 2014
- The contribution on tax revenues represented, on average, almost 20% of total contributions in the period 2003-2014 Source (2015, BBVA)



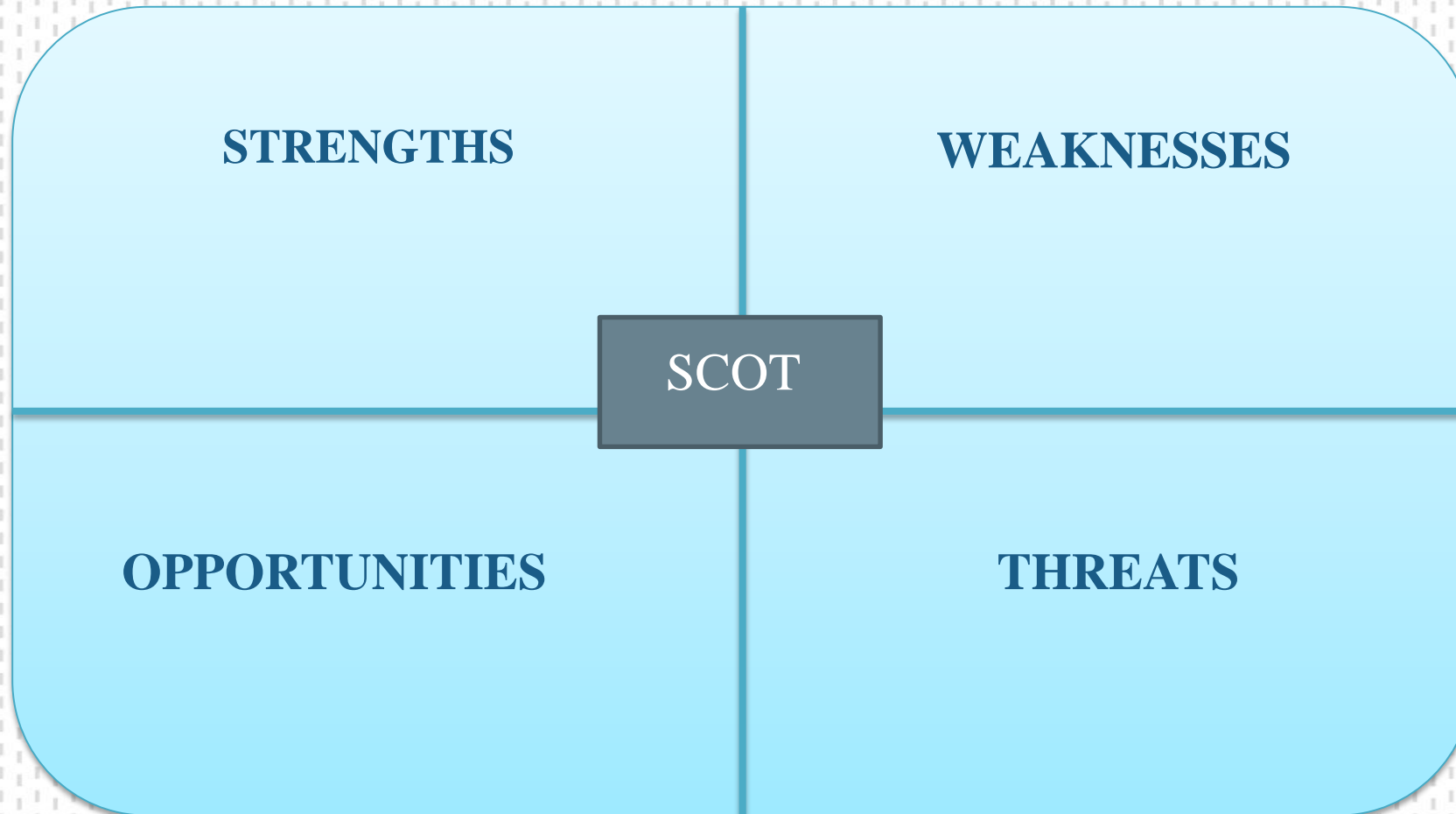


COUNTRY FICHE EXAMPLE: PERU

Member of GFA Consulting Group

PERU		
Socio- economic framework		Total value added of GDP by economic activity at current prices
Capital	Lima	<p>Year 2015</p>  <p>Source: (2017, CEPALSTAT- Chile Economic Profile)</p>
Land Area	1'285,215, 6 Square kilometres	
Official Language	Spanish	
Population	28'220.764, According to the 2007 census or 31' 488,625 s 11/07/2016 (2017 INEI)	
Location	http://www.mtc.gob.pe/transportes/caminos/normas_carreteras/Mapas%20Departamentales/PERU%20VIAL.pdf	
Currency	1 € (Euro) = S/. 3,53 Nuevos Soles; 1 Dólar = S/. 3,25 Soles	
GDP	US\$ 203,2 Billion	
GDP per capita (GNI per capita)	6,130,0 (2015, WB)	
Mining sector in GDP	\$US 37. 0437 Million (2015, CEPALSTAT) 14.1%	
GDP growth	3,9% (2105) (W. B.)	
Current account balance (% GDP)	-4.9 % (2015, World Bank)	
Inflation rate	3.6% (2016, WB)	
Unemployment Rate	8.2.% (2016, Trading Economics)	
Macro relevance of the extractive sector	<ul style="list-style-type: none">The mining canon represents more than 82% of the contributions made by mining to the Peruvian state,From 1997 to 2015, it totals about 35 billion soleRepresenting in some regions more than 30% of the total budget of the regions (2015, VARGAS MERINO)Mining contributed 22.8% of total taxation in the last ten years (2017,SNMPE)	





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- ¡MUCHAS GRACIAS
- THANK YOU VERY MUCH
- MUITO OBRIGADO!