

# Bettercoal Colombia Working Group 2021 work plan progress

# Background

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 12 principles of the Bettercoal Code 2.0. The independent assessments result in a Continuous Improvement Plan (CIP) on any possible findings. Bettercoal expects the coal producers to improve their performance through addressing the findings in the CIPs.

Established in 2018, the Colombia Working Group (CWG) aims to facilitate a more coordinated approach to the monitoring of Continuous Improvement Plans for Bettercoal Producers, as well as build knowledge and measure impact. The CWG is formed of Bettercoal Members EnBW, Enel, ESB, RWE, Vattenfall, and chaired by Uniper.

Bettercoal has been working with Colombian coal companies since its inception and we are proud to be working with two of the three large coal exporters in the country (Cerrejon and Drummond, with ongoing engagement with Prodeco since it relinquished its mining licences). 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 CWG has detailed its purpose in the <a href="Terms of Reference">Terms of</a> Reference for the group.

# Progress in 2021

Three key objectives were set for 2021, which build on the work programmes over previous years:

- 1. Monitoring of the Continuous Improvement Plans of Bettercoal Colombian Producers.
- 2. Develop and implement actions on prioritised contextual issues.
- 3. Virtual engagement with Colombian stakeholders.

The CWG continued to focus on three contextual issues that were originally identified and prioritised in 2020. These prioritised issues are based on the main risks identified through the Bettercoal Assessment Process, other relevant sources of information and input from stakeholders. Though captured



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in the individual CIPs of Bettercoal Producers the CWG is using its leverage to contribute to the mitigation of these contextual issues.

#### Priorities for 2021:

- 1. Fostering increased dialogue in the peace building process
- 2. Access to clean water
- 3. Mine closure

Bettercoal addressed some of the following issues throughout 2021:

- Bettercoal public statement on the allegations against Drummond Colombia's President
- <u>Bettercoal public statement on the complaints submitted to the OECD against Cerrejón and the ESB</u>

Furthermore, a document was published explaining the Bettercoal process and how its work relates to producers in Colombia.

Bettercoal and due diligence in Colombia

# Monitoring CIPs

CIP monitoring continues to be a key part of the CWG's agenda. In 2021, the CWG held a webinar with the Lead Assessors of Bettercoal's Colombian Producers to better understand progress and issues in the CIPs.

## Actions on prioritised contextual issues

This year, the CWG have continued to work on three prioritised contextual issues.

#### 1. Fostering increased dialogue in the peace building process

Bettercoal and its members have continued to support the Regional Center for Responsible Businesses and Entrepreneurship (Centro Regional de Empresas y Emprendimientos Responsables or CREER) multiple stakeholder dialogue project <u>Building Trust In Cesar</u>. In 2021, the building trust project was extended into another mining region. Like Cesar, La Guajira is a key coal mining region in Colombia and the CWG was pleased to see the extension agreed within the project.

Engagement with producers and external stakeholders has continued to progress throughout 2021, aiming to build trust and encourage relevant parties to continue or enter the dialogue about the past armed conflict.



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#### 2. Access to clean water

The CWG has identified access to clean water as a key issue and one that is linked to trust building in Colombia. It has identified a pilot water stewardship scheme, with potential application in La Guajira, and is working with stakeholders to explore whether the project can be funded and progress.

#### 3. Mine closure

The topic of responsible mine closure and economic diversification continues to grow in importance. The CWG are keen to engage further on this topic and explore additional activities. A number of members of the CWG already support a project on economic diversification with CREER and are looking to launch phase 2 of the project in 2022.

The Group's engagement on this topic has helped to inform the development of a webinar, being held early in 2022, on the issue of responsible closure.

### Virtual engagement with stakeholders

Despite travel plans continuing to be disrupted by the COVID pandemic, the CWG was able to engage virtually with key stakeholders, keeping up our engagement and remaining informed on current local developments.

Bettercoal and the CWG took part in a virtual engagement programme, holding meetings with a range of stakeholders:

- Asaemblea Campesina del Cesar and PAX Netherlands
- Regional Centre of Responsible Business and Entrepreneurship (CREER)
- National Federation of Christian Trade Unions in the Netherlands (CNV)
- Sintraminergetica, Sintracarbon, Sintradem, Sintradrummond and Sintracerrejon
- The Department of National Planning (DNV)
- The National Environmental Licensing Agency (ANLA)
- Drummond
- Cerrejon

The input received throughout these meetings helped identify further specific areas and actions which Bettercoal and CWG can look to focus on in the future

The CWG is currently planning the group's work and objectives for 2022, building on the progress made in 2021, and hoping to incorporate in-person engagement into the programme.