

Consolidating leadership in mining

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AURORA WILLIAMS holds a postgraduate degree in Business Administration from the Universidad Catolica del Norte and a Master's in Business Management and Administration from the Universidad de Leida in Spain. Over the course of her 26-year career she has held senior executive positions at various companies in the North of Chile, especially in her hometown of Antofagasta. Prior to her appointment as Minister of Mining in March 2014, she was Business and Finance Manager of Antofagasta Terminal Internacional, where she was responsible for around 60% of the private mining shipments from the Antofagasta region.

As a mining country we are bringing together all the stakeholders to focus on the concept of productivity as a powerful reference.

The end of the copper super-cycle has certainly impacted Chile's mining activity but gives us an opportunity to reflect on the challenges that lie ahead for the sector. Years of experience help Chile and the industry to maintain a strategic orientation towards carrying out improvements in the sector. With that perspective and looking forward to 2020-2030, Chile has established a self-imposed target of maintaining its leadership in copper production; increasing investment in the mining sector, as well as maintaining future fiscal income, and generating more sophisticated employment, such as specialists and technicians, in order to maximise the productivity and efficiency of our human capital.

We are the worldwide leader in copper production, and accordingly we seek a model of development that is more immune to price fluctuations of raw materials.

In this context, we created a *Mining Technological Roadmap 2015-2035*, which is the result of a public-private alliance leading to the High Grade Programme.

President Michelle Bachelet values the implementation of this initiative, which identifies the potential of our sector and, as Minister of Mining, I can only highlight the importance of its content.

The impact of copper production in the country has increased significantly in the last two decades, having a decisive influence on the macroeconomic stability of the country. But at the same time, naturally, we question how much longer copper will be able to remain as the main engine of the Chilean economy. Our conviction is that copper can expand its value if it is linked to technological innovation.

As a government, we have embarked on a bold venture, which involves innovation, the use of new technologies and the development of ground-breaking initiatives, which in turn would contribute by showcasing to the world this industry as an example of Chile's expertise.

Although Chile still leads the world in copper production, with 30 per cent, and has 28 per cent of the world's known reserves, the conditions that enable the industry's development have changed. Costs have increased, productivity has diminished, ore grades have decreased and social and environmental sustainability have become essential.

The vision that inspires the above was taken from the

agenda: *Mining: A Platform for Chile's Future* in which a series of strategic priorities are defined to consolidate the aspirations of the Chilean mining industry, to reaffirm its leadership, to generate a virtuous cycle of innovation in its surroundings and to become a sustainable and inclusive model.

At the same time, through the *Productivity, Innovation and Growth Agenda*, the government of President Michelle Bachelet is focusing on productivity and competitiveness at all levels that modern mining requires, thereby creating a high level of efficiency, and at the same time deploy the best ways to coexist with the environment and local communities.

Chile, the biggest producer of copper in the world and owner of the largest geological reserves on the planet, has an industry capable of reinventing itself and we recognise that it is necessary to develop strategies that go beyond the bonanza of the mining cycles.

In this way, we find ourselves faced with a new challenge following the implementation of the reforms introduced at the beginning of our period in office. Today, we place much emphasis on productivity, as it holds a powerful meaning for the organisations that want to turn Chile into a more inclusive country, a country whose growth generates opportunities for Chileans, as an example of a truly modern and advanced society.

What we have, at all levels, is a solid foundation that provides us with a platform that can allow us to achieve our goals as a country. We should therefore be able to take advantage of this platform as a means to boost our growth. One option would be to strengthen investment. For mining, this is an exciting challenge, because even though we already have the prestige of solid and reliable institutions, the growth and development of the sector over the years has provided the stimulus to establish a new level of improvement. Today we project a sector that binds efficiency and technology with a beneficial relationship with the environment and its communities.

The growth potential for Chile's mining in the coming years is enormous, benefitting from the important macroeconomic stability, the existing mining institutions and to the confidence and optimal conditions that we have established with foreign and national investors. We still currently face a complex period in the mining world, but we must look beyond the super-cycle of the price of copper, and think about the future of mining – one that is innovative and sustainable. **F**