



Comisión
Nacional de
Evaluación y
Productividad

EXECUTIVE SUMMARY

Baseline Survey Report on Mining
Investment Projects and Monitoring Proposal

2023

Baseline Survey Report on Mining Investment Projects and Monitoring Proposal

Background

In the context of Law N° 21.591 on Mining Royalty, a protocol agreement was signed to promote the advancement of the mining sector and regional development. As part of this agreement, a technical roundtable was established in July 2023, tasked with identifying budgetary, administrative, and legislative measures to reduce by one-third the time required to process the permits needed for mining investment projects. In this context, the National Commission for Evaluation and Productivity (CNEP)¹ was commissioned to build a baseline that includes the critical path timeline of the necessary permits for these types of projects, as well as to monitor and report on the progress in reducing processing times.

Methodology

The construction of the baseline was structured in 4 stages:

Firstly, 11 categories of projects were defined based on their representativeness for the mining industry, including metallic and non-metallic exploitation projects, both in their exploration, exploitation, new works, expansion, and continuity phases.

The analysis considered projects of various sizes, including small, medium, and large mining, as well as support infrastructure for the development of the mining industry, such as ports and desalination plants.

Then, the applicable permits were identified to select the most relevant ones based on their criticality, i.e., their potential to halt the project's critical path. This allowed the identification of 43 diverse permits that, while not constituting the total number of permits required to develop a mining project, correspond to those with the highest degree of impact on its critical path.

Subsequently, quantitative evidence was gathered to determine the actual processing times of the permits of interest, as well as other variables considered relevant for this exercise, such as their rejections, judicializations, and the presence of unforeseen procedures.

Finally, the information was organized in a sequential flow from mapping the entire process, from its earliest phases to the start of operations.

This approach established the accumulated timeline of processing times for the permits identified as critical, from which a baseline proposal was constructed.

The methodology used provides a clear and objective comparison basis that will serve to monitor progress toward the established goal of reducing processing times for mining projects by one-third.

Conclusions

¹ Presidential Office N° 1.670, september 13th. 2023.

The study provides an overview of the approval process for mining investment projects. By incorporating updated quantitative data associated with its most relevant variables, it offers a fundamental tool for evaluating the regulatory burden of mining investment projects and monitoring progress toward the goal of reducing their processing times by one-third. This provides a solid basis for assessing the implemented measures and their impact on the efficiency and agility of the mining project approval process in Chile.

The study highlights the need for a systematic approach to updating variables and gathering evidence on the impact of implemented measures. This monitoring process, led by the CNEP, seeks to continuously evaluate the impact of the budgetary, administrative, and legal measures implemented within the framework of the Royalty Technical Table, with the shared objective of streamlining and optimizing the approval process for mining investment projects in Chile.