The most significant and ambitious reform is the government's commitment towards a new development strategy based on the transition between the old import-substitution model to a modern competitive foreign trade system which will serve as the basis for future growth.

MINING IN COLOMBIA

2.1. Economic significance

During the 80's the mining sector in Colombia showed an unprecedented growth in the country's economic history. This growth was reflected mainly on the sector's share in the Gross Domestic Product and the overall export figure, but it had a major effect on the generation of fiscal resources both for the central government as well as for the regions.

Mining activities in Colombia had traditionally revolved around the production of gold, salt, emeralds and coal using mainly manual methods in regions with little or no physical or social infrastructure. Most of the mining activities were artisanal, of little productivity and very hazardous, and had detrimental effects for the environment and the quality of life of those living in the mining areas.

The Cerrejón Zona Norte coal project and the Cerromatoso nickel project were the dawn of a new mining era in which these products would achieve an important share of the world markets and the mining activities would enter the modern age. These projects implied high production levels, long maturation periods, scale economies and a strong participation of foreign technology and funding, hence the government's need to implement those projects under a mixed investment-development system in association with important international companies such as EXXON - for the Cerrejón coal project - and Billiton Overseas - Dutch affiliate of Royal Dutch Shell - for the Cerromatoso nickel project.

While mining activities accounted for only 2% of the added value during the 80's, they now account for nearly 8% of the national production of goods and services, thus becoming an important economic growth factor.

This growth has been especially significant in the case of coal, nickel, gold, emeralds and crude oil extraction in the Eastern Plains which has led the country to become a net exporter of hydrocarbons with enough proven reserves to ensure self-sufficiency until the end of this century.