MINING PRODUCTION, MARKETING AND ENTERPRISES

3.1. Characteristics of Production

According to the 1988 Mining Survey, 36 different ores are mined in Colombia, although the mining activity is focused on gold, coal and another 12 ores specifically related to the construction sector.

At present, coal is the most relevant mining resource both in terms of quantity and quality of the reserves (for more than 200 years), with a very broad margin of national coverage and important prospects in the international market. The vast majority of mines are underground, but the largest unit under development (El Cerrejón) is an open pit mine on the North Coast.

Almost all the gold mined comes from alluvial deposits, which represent over 85% of the developed mines. Therefore, there is a predominance of surface mining which is the method used in 78% of the country's mining operation, whereas the remaining 22% are underground operations, mainly of coal and gold.

Hand tools are used to remove the ore in 36% of the operations and explosives are used in 16% of the mines. The main method used for mining gold is that of bank terrace where heavy machinery and hydraulic equipment (monitors and pumps) are used to remove the ore. The second most widely used method is alluvial mining in which the ore is removed using small suction dredges known and minidredges. The quarry system is used mainly for non-metal ores.

At Cerromatoso, nickel is extracted in an open pit operation using large hydraulic shovels and then processed at the neighbouring ferronickel production plant.

According to survey data, there are a total of 8.278 mine units in the country but, of these, only 805 are formal mining operations. The rest include 5.836 small subsistence operations based on primitive practices for mining precious metals and ores for construction.

The survey also revealed that mining provides 90.278 jobs in 1988.

In terms of the organizational structure of the mining sector, in 1988 there were 243 firms, 94 corporations, 17 public enterprises, 3 collective partnership and 3 cooperatives.