**OECD - DG-Reform TSI 10 EU Regions Project**

**Takeaways of the OECD mission to Andalusia, Spain**

**Introduction**

This OECD visit to Andalusia during 27 and 30 November 2024 was the first mission of the OECD - DG-Reform TSI 10 EU Regions Project. The peer reviewers to the mission were Saija Tikkanen and Jari Joutsenvaara from Oulu region (Finland) and Joa Matos from the region of Alentejo (Portugal). A main policy focus for the region is improving the skills and labour market for mineral supply. Therefore, an OECD expert on local skills also accompanied the mission.

**Current state:**

The region is a top EU producer of copper, with a mining culture that date back to Roman times.

Despite a slowdown since the late 90s due to an environmental accident, recent years have seen a resurgence, playing a pivotal role in offsetting the economic impact of the COVID-19 pandemic.

The government of Andalusia has supported the resurgence of the sector by updating its mineral strategy and implementing measures to better coordinate permitting for mining projects.

Currently, Andalusia is on the verge of opening new mines, presenting an opportunity to generate employment in high-unemployment municipalities and tackle environmental issues from abandoned mines. Yet, shortages of skilled workers, misinformation about moder mining and funding obstacles for innovation are risks for sustainable mining development.

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| Strengths | Bottlenecks |
| Key European producer of copper with a relevant refinery capacity, offering smelting services for the entire Iberian Peninsula. | Lack of coordination across national government’s institutions to improve mining information. |
| Single contact point to coordinate mining projects, the Project Accelerator Unit, has help to approve an exploitation permit in less than 3 years. | Shortages of professionals and operators for new mining projects. - |
| Strong business ecosystem with competitive mining companies and providers. | Lack of clarity for entrepreneurs and providers to identify and apply for funding for mining innovation. |
| Existing supply of high-level education for mining with investments in innovation | Training and certification for technical mining skills are not easily accessible for individuals. |

**Key takeaways**

**Skills and innovation :**

* Municipalities can organize formal training to address the shortage of skills for the mining sector. Mayors of municipalities that will host the forthcoming mining projects expressed that there is not resistance to work in mining from local population.
* Enhance collaboration with primary and secondary schools to better explain the importance of minerals from an early age.
* Increase focus on the training of geologists and geophysicists to support exploration in the region. Stronger partnerships with mining companies to share non-sensitive geological information can benefit the entire sector.
* Improving channels for providers and entrepreneurs to test their innovations and connect with mining companies to better tailor solutions. A coordinating body for innovation within the government, supported by a regional development agency, could assist..

**Permitting and Strategy:**

* The permitting process can be further improved if there is a clearer focus on the benefits of mineral sector in the regional government’s growth plan and Smart Specialization Strategy (SP3).
* Create incentives and support for municipalities to make the final decision at the beginning of the permitting process. Municipalities are also involved at the end of the decision-making during the construction permit phase. Furthermore, many municipalities are not well-equipped for zoning and construction permits, which causes delays.
* Increase attention to permitting for metallic mining, as currently these permits do not fall under the Project Accelerator Unit and face a more complex process.
* Staffing and capacity of the National Geological Institute need to be improved to relaunch exploration in mining and enhance dissemination of mining-related information. Currently, there is no clear exploration campaign in the country.

**Social perception, community and environmental impact:**

* Improve coordination with national agencies to better clarify information about modern mining, including its benefits, and the actions to mitigate environmental risks. Entities like the Mining Observatory, endorsed by national ministries, publish information about mining projects without consultation with the relevant mining institutions.
* Establish a clear and long-term strategy to secure funding sources (e.g., EU funds) to continually improve information on the environmental liabilities of abandoned mines and accelerate their rehabilitation.
* The information on environmental and social impacts (e.g., Environmental Impact Assessment) needs to be also reported in a way that is understandable for the public. Transparency and easy access to information are what some communities demand from the mining sector.

**Good practices:**

**Rehabilitation of abandon mines and environmental liabilities.**

* The regional government has included in the agreement for the new mines the obligation for companies to rehabilitate the environmental liabilities in the areas where new operations will take place.
* The regional government has accessed EU regional funds to help finance the rehabilitation of abandon mines.

**Permitting process and improved support for moder mining**

* The Project Accelerator Unit is a benchmark practice of coordination and high-level guidance to accelerate permitting process in metallic mining.
* The mayor of Aznalcóllar has promoted the re-opening of the mine, updating the vision towards mining after the historic accident in the area and set plans for diversification based on future mining revenues.. It has brought support from inhabitants and local companies, preparing the ground for the arrival of the new company.
* The forthcoming national mineral strategy will help clarify the strategic goals for the sector, improve synergies across regions and clarify benefits of hosting municipalities, among others.

**ESG**

* Most metallic mining companies in the region have invested in renewable energy projects and in activities to reduce environmental impact, especially on water. .