

Project Management Update from Chile



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PMIEF is already in Chile

The PMI Educational Foundation has reached Chile. This is a non-profit organization whose main objective is the dissemination of project management in the field of education and social welfare with a focus on three areas:

In the educational area, helping students, both primary, secondary and university graduates as teachers, to achieve their dreams through scholarships, research grants, project management courses, among other things.

For Nonprofit organizations, to learn how to use available resources more efficient and effective in order to increase their capacity to lead.

Post Disaster, disasters and crises are by nature, accompanied by uncertainty. The reconstruction priority list is longer than a person can tackle alone and unsupported. To fix this, the PMI Educational Foundation has developed Project Management Methodology for Post Disaster Reconstruction, aimed at those in the field of disaster recovery, providing the kind of leadership and clarity of thought necessary to help in the reconstruction effort.

For more information on the role of Liaison PMIEF visit: PMIEF Liaison and FAQs.
And www.pmi.cl

Investment in the Chilean mining industry

Investment in the Chilean mining industry stands at US\$112.5 billion. Mining companies have announced 49 projects involving upwards of US\$90 million each. Most are in progress or undergoing review, with investment decisions slated for no later than 2017 and start-up by 2021. The project portfolio is as follows:

PROJECTED MINING INVESTMENT (US\$ MN)											
SECTOR	Prior to 2013	2013	2014	2015	2016	2017	Subtotal 2013-2017	After 2017	TOTAL	Share	
1) Copper (1.1 + 1.2 + 1.3)	10,386	7,701	10,401	10,977	12,805	13,024	54,908	21,425	86,718	77.0	
1.1) CODELCO	3,397	3,969	4,623	4,757	4,552	4,565	22,466	4,683	30,546	27.1	
1.2) Large Private Miners	6,765	3,613	5,390	5,586	7,454	7,735	29,778	16,357	52,899	47.0	
1.3) Medium-Scale Miners	224	119	388	634	799	724	2,664	385	3,273	2.9	
2) Gold & Silver	3,394	813	1,529	2,825	4,125	4,052	13,344	5,050	21,788	19.4	
3) Iron & Industrial Minerals	673	1,069	925	553	318	183	3,049	329	4,050	3.6	
Total (1+2+3)	14,452	9,583	12,855	14,355	17,249	17,259	71,301	26,803	112,556	100.0	

Source: Cochilco, based on published reports.

The portfolio is led by copper mining, with 28 projects and two additional investment lines. These include Codelco's six structural projects, expansion of megadeposits such as Escondida, Pelambres and Collahuasi, concentrate operations replacing depleted SX-EW operations (El Abra, Quebrada Blanca, etc.), and new undertakings by medium-size miners.

Second in line is gold mining, with ten projects accounting for 19.4 percent of investment. Three major gold projects (Caspiche, Cerro Casale, El Morro) will also produce copper while two other replacement projects will help revitalize major gold mining operations. Iron, titanium and nitrate are also attracting fresh investment.

Most investment targets are in northern Chile. While Antofagasta leads the way with US\$43 billion or 38 percent, new large-scale gold mining operations in Atacama are attracting a healthy US\$34 billion or 30 percent.

Fully 46 percent of all investment comes from Chilean companies, including majors such as Codelco and Antofagasta Minerals and medium-size Copec and Pucobre. Accounting for the balance are eleven countries, notably Canada (27%) in gold mining and Japan with a wholly-owned operation (Caserones) and a minority stake in several companies. India and China are venturing into iron mining.

Due to the nature of the mining business, all investment forecasts are subject to change. In the industry, projects in progress are considered highly certain while those

under review are noted for varying degrees of uncertainty. As development moves forward, projects undergo changes that tend to impact expected production capacity, investment amounts, and time frames.

For more information please visit [Cochilco](#)

About the Author



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Jaime Videla, PMP, is the Managing Director for [Videla Montero Consultores](#) a project management consultant firm based in Santiago, Chile. He is also senior partner of [AccuFast! Cubicaciones](#), a company provides material takeoff estimating services and engineering projects in Chile. Mr. Videla has 20+ years of project management experience leading utilities, mining and industrial projects (totaling US\$222 millions) for large multinational companies like Siemens and ABB, or as a consultant for BHP and Anglo American. Jaime is a certified Project Management Professional (PMP®) since 2007, has formal studies in Civil Engineering from Universidad de Chile. He has professional experience working/training in Argentina, Brazil, Chile, Mexico and Germany. Since 2006 has been an active member of the Project Management Institute (PMI®), assuming the role of director and vice president of communications and publicity of the [PMI Santiago Chile Chapter](#) in 2010. His areas of activity today include PMO development; contracting, claim, risk and project management services; project management training and coaching. Author of the e-book “Los 7 pasos para salvar un proyecto (The 7 steps to project recovery)”, he also writes about project management themes on [PMOChile](#) blog. In addition, he works as volunteer at Fundación Trascender, an innovative institution that manages a network of volunteer professionals through social projects. Jaime Videla is fluent in English, Portuguese and Spanish, lives in Santiago and can be contacted at contacto@jaimevidela.cl.

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