
Ecuador setting budget for national mining company

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BNamericas quoted a sector executive as saying that Ecuador's mines and oil ministry has signed an agreement officially creating the national mining company and is now in the process of setting a budget and organizing the new company.

The startup of the company will cost USD 21 million. The company is the product of a new mining law passed in Ecuador this year. The ENM is to have its own capital and economic and administrative autonomy.

ENM will have the power to develop its own projects and also to engage in JV with other companies. The company will be regulated under Ecuador's law on state companies, which is still pending approval.

In June, Chile's state copper miner Codelco signed an agreement with MMP to explore the south central portion of Ecuador. If Codelco finds enough mineralization to warrant production, it will form a JV with ENM in which the Ecuadorian company will be the operator.

(Sourced from Business News Americas)

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