

INTERVIEW

TBY talks to **Miguel De La Torre**, General Manager of Geoservice Ingeniería, on the Peruvian market, mineral prices, and the company's competitive advantages.



**What made Peru an interesting market for Geoservice Ingeniería?**

We have been providing engineering services for two decades, and our clients include mining firms such as Volcan, and Antamina, and energy industry players like Electroperu. We design the hydraulic systems in dams, canals, tunnels, and similar structures. Meanwhile, a sister company exclusively handles environmental projects for mining operations. We developed an environmental impact project for Tia María, which was approved by the Ministry of Mining. Furthermore, we supervise the construction and realization of our designs, working closely with the companies involved in this, but do not pursue our own construction activities.

**Has the drop in mineral prices impacted your business activity?**

We work with certain mines that have been significantly impacted by the drop, and have been obliged to discontinue operations. Some projects have been completely paralyzed by these developments. Fortunately, this has not impacted our activities and we remain actively engaged in large-scale projects, such as the ones developed for Consorcio Minero Horizonte.

**Does the company plan to expand activities in the construction management segment by taking advantage of the foreseen rise in infrastructure investment?**

We are trying to expand our activities in this segment in order to diversify our business portfolio. There is interesting potential in the transport and energy industries. For example, we have major studies underway for hydroelectric power projects and national development will bring many opportunities for us as an engineering company. Our strategic planning for 2015 will focus on servicing the needs of large mining operations, while diversifying our business portfolio. We have created a sister company that specializes in the studies of hydroelectric facilities to meet the domestic energy demand. Peru is set to become a leading constructor of hydroelectric energy and gas terminals. We are currently working on four hydroelectric

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**Environmental reports, design and engineering, and hydroelectric projects**

**8-10% average annual growth rate**

involved in running our own social programs, but we also encourage our clients to invest in programs that will benefit the communities and people in the areas in which we jointly operate. We also provide detailed and comprehensive studies on environmental impact and propose the most efficient and environmentally friendly alternatives for our partners. One of the main social challenges we face in the sector is the lack of effective communication between communities and the public and private sectors, resulting in the former having little knowledge of ongoing projects. This engenders higher levels of opposition from marginalized, or isolated communities, especially in the Andean regions. In these cases, we offer awareness programs to local communities so they are convinced of the benefits that would mean the implementation of a project.

**What are some of your key projects of 2015?**

In our strategic plan for 2015, we will continue working with large and medium-sized mines, as we see such companies propelling the development of the industry here in the near future. There are many potential projects to be pursued with such companies. In fact, we fully expect the mining and energy industries to drive the broader economic growth of Peru over the coming years. Peru has energy projects that will contribute to economic growth as they come online. We are set to play an important role in this context. I expect Peru to exhibit impressive levels of growth over the coming decade, but we first need to solve particular social problems in order to meet the real potential of the country. ✱

plant studies that are currently at the design stage.

**What are the company's competitive advantages?**

Our competitive advantage is our detailed knowledge of the geography and topography of Peru, and our employment of state-of-the-art hydraulic technology. This allows us to offer our clients competitively priced solutions, and puts us at an advantage against foreign firms, which generally have higher costs. We have seen an average annual growth rate of 8-10% as a result.

**What are the highlights of the company's social program?**

Not only are we actively in-

**BIO**

Miguel De La Torre is a dam and hydraulic engineering consultant. He is the General Manager of Geoservice Group, which is compounded by Geoservice Ingeniería, Geoservice Energía, and Geoservice Ambiental. He is also former President of the International Geosynthetics Society affiliate in Peru and the Peruvian Geotechnical Society.