



TPSD Training Seminar

***A short walk into the minerals value -
chain and what the EU is doing to make
it sustainable***

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Mineral Value Chain

1: **Exploration** : *on shore and off shore exploration, sand containing minerals , sea-beds ,*

Transparency - Socio-environmental concerns - Access to geological data – Mining Rights – Community Rights ...

2: **Exploitation** : *sourcing (ore), mineral content*

Responsible Mining Practices, Environmental, Social , Governance – Informal sector – Traceability - Certification

3: **Importing** : *Refining – Smelting (importing semi-finished product) - due diligence in the supply chain, compliance schemes , EU Regulation on Conflict Minerals*

4: **Incorporation of minerals in the final product** : *i.e. tantalum in energy-defence equipment*

Lithium - European Battery Alliance..

5: **Recycling – circular economy** *broadly satisfying 10% of the demand*

What sustainable mining practices can bring

Governments

- Increased revenues, royalties, taxation... to finance sustainable development.
- Attraction of capital investments to the country
- Tapping in the informal sector (40% of the sector) - Fighting illegal trafficking.
- Developing skills, working capacity, infrastructure, energy supply...

Investors

- Stable, efficient , transparent , predictable regulatory and administrative frameworks (contracts).
- improve policy and investors certainty, long terms needs (10-15 years) in a sector vulnerable to price fluctuations.
- Access to services, energy, logistics, and local qualified workforce
- Access to geological data (upstream)
- Certification, supporting due diligence

The mineral value chain in the green and digital transition: the case of tantalum – critical raw material strategic for the green and digital transition , also for aeronautic and space industry

- EU promotes : **sustainable business practices** through cooperation and partnerships : *a level playing field*
- EU promotes: **good governance** based inter alia on
 1. **Transparency** – Extractive Industries Transparency Initiative
 2. **Due Diligence** – application of OECD Guidelines - certification
 3. **ESG Environmental , Social and Governance**

Minerals – EU policy and regulatory initiatives

- The European Green Deal ,The comprehensive Strategy with Africa
- **New Action Plan on Critical Raw Materials COM (2020) 474 of 3/9/2020**
 - Key element of the new **EU industrial strategy**
 - Aims to make Europe's raw materials supply more **secure and sustainable**.
 - Covers 30 critical raw materials including Lithium and **conflict minerals** such as Tantalum
 - **Create an Alliance to secure sustainable supply of raw materials**
 - Commits the Commission to **promote partnerships on good governance and sustainable and responsible mining practices** through international cooperation.
- **Conflict Minerals Regulation (EU) 2017/821 of 17/05/2017**
 - Ensures that EU importers of 3TG (tin, tungsten, tantalum and gold) meet OECD Due Diligence Guidance on responsible sourcing, bringing obligation of proof to EU importers.
 - Helps break the link between conflict and the illegal exploitation of minerals.
 - **Enter in force on 1 january 2021**
 - Apply OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

Minerals EU dev. cooperation experience

Actions on conflict minerals and sustainable management of extractives:

- Support to the **European Partnership on Responsible Minerals** (EUR 7 Mio.)
 - Accompanying measure to the **EU Conflict Minerals Regulation** to enable more mines to comply with the standards required under the OECD Due Diligence Guidance.
 - Supports and links between artisanal and small-scale mines, and downstream actors with focus on tin, tantalum, tungsten and gold (3TG) from conflict-affected and high-risk areas.

[Europeanpartnership-responsibleminerals.eu](https://europeanpartnership-responsibleminerals.eu)

- **EU ACP Development Minerals Programme** (EUR 23 Mio, with UNDP)
 - Capacity-building support to the informal, artisanal and small-scale mining actors.

www.developmentminerals.org

- **Extractive Industries Transparency Initiative (EITI)** (EUR 0,75 + 1 + 0,5 Mio.)

www.eiti.org

- **Extractive Global Programmatic Support** (EUR 5 + 2,5 Mio. To WB SDTF) with WB
- www.worldbank.org
- **CONNEX Programme** (EUR 1 Mio.) to assists partner countries negotiate fair and stable investment contracts for the extractive sector.
- www.connex-unit.org
- **PanAfGeo-EuroGeoSurveys** : access to geological data trough cooperation with European geological surveys.
- www.eurosurveys.org

What we propose to the Delegations in order to promote efficient partnerships in the sector with their partner countries

EU provide support on:

- Transparency (good governance): EITI (support provided)
- Data access on PANAFA / JRC
- Due diligence guidance based on OECD and the African Union, for the certification in support to due diligence (example Great Lakes Region)
- EPRM, UNDP, EGPS, to promote responsible mining practices both at industrial and artisanal level
- CONNEX : assistance in investment contracts negotiation.

Thank you



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