Update on the implementation of the Raw Materials Strategy

A Swedish and Polish contribution to the EU Raw Materials Initiative
27 November 2012

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DG Enterprise and Industry
1. Review of critical raw materials list
2. Update on Raw Materials Dialogues
3. Second pillar
4. Third pillar
5. Transparency of payments
6. Conflict minerals
7. EIP
Review of critical raw materials list

- Update list of critical raw materials at least every 3 years
- Expand scope to other materials
  - Nearly critical raw materials: rhenium, tellurium
  - Selected additional materials (e.g. hafnium, selenium, tin – JRC study on critical metals in energy technologies)
- Progress regarding statistics
  - General data & information on minerals and metals (input geological surveys)
  - Statistics on value-added manufacturing chain
  - Analytical progress in the area of land-use planning
- Technical work to start in September 2012
  - Expanded scope
  - Fine-tuning methodology
  - Expert group
- Ad hoc working group on criticality
  - Same composition as in 2010 with new expertise on board (wood, rubber sectors)
- Adoption of new list by Commission end 2013
Agenda

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EU raw materials diplomacy with a view to securing access to raw materials through strategic partnerships and policy dialogues with partners such as:

- United States
- Japan
- Russia
- Latin America (Chile, Uruguay, Argentina, Mexico and Colombia)
- China
- Greenland
- Morocco and Tunisia
- Euromed countries
- Canada

Memoranda of Understanding marked green
Development policy

- **Sustainable supply needs and development goals** => creating win-win situations to translate resource wealth into sustainable growth

- Cooperation under Africa-EU Joint Strategy Union (2011-2013) with focus on three areas:
  1. Governance
  2. Investment
  3. Geological knowledge/skills

- Recent deliverables of this cooperation:
  - **High Level Africa-EU conference on Raw Materials**, Brussels, January 2012
  - First **capacity building workshop on Mining Taxation**, Addis Ababa, December 2011
  - **Presentation of recommendations** of the Mining Taxation Workshop to the AU Mining Ministerial expert meetings in December 2011

- **Forthcoming projects**:
  - Scoping study on cooperation between African and European geological surveys (2013)
  - Capacity building workshop on contract negotiation (2013)
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The Working Group on the exchange of best practices in land use planning, permitting and geological knowledge sharing set up in 2009 in order to encourage improvements of the current framework relating to the activities of extractive industries.

June 2010 report which served as a basis for the follow up under the 2\textsuperscript{nd} pillar of the RMI.

The Commission proposed to assess with the MS, in full respect of subsidiarity principle, the feasibility of establishing a mechanism to monitor actions by MS in the above area, including the development of indicators.
Indicators

Types of indicators
- National Minerals Policy indicators
  - Legal framework indicators
  - Information framework indicators
- Land Use Planning indicators

- Indicators were identified through a stakeholder consultation process during the preparation of the report on best practices.

First results:
- Positive directions are recognizable
- Information sharing is good and useful
- Need for additional and more data
- Stakeholder engagement on voluntary base versus stakeholder benefit

Follow-up
- Commission to propose a scoreboard of indicators for MS performance
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Certification study

- An action foreseen under the 3d pillar “Boosting resource efficiency and promoting recycling” of the RMI in the Communication of February 2011.

- The Communication stresses the problem of illegal shipment of waste to non-OECD countries and proposes measures in order to strengthen the enforcement of the Waste Shipment Regulation, so that EU waste would always be treated in facilities in an environmentally-sound manner.

- A measure proposed is to examine the feasibility of applying a global certification scheme for recycling facilities to the export of waste streams, building on environmentally-sound management criteria.

- Study launched in 2011
Therefore the purpose of the study was to assess how such demonstration and verification can be achieved through a certification process; how this process might function; what legal and operational instruments and resources would be needed to put it into practice.

The study should further elaborate on how the EU could put forward such a certification system (or equivalent), compatible with international rules.
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The proposal for Country-by-Country Reporting adopted by the Commission in October 2011 is a milestone to increase transparency of payments to governments in the extractive industry.

The EU proposal:
- Mandatory disclosure of payments to governments on a country and project basis by listed and large unlisted EU companies with activities in the oil, gas, mining and logging sectors.

Objective:
- Promote good governance by providing civil society information needed to monitor how governments use money earned from the extraction of natural resources.

Update:
- The EP Legal Affairs Committee (JURI) voted on 18 September 2012 on own amendments to the Commission proposal EP Legal Affairs Committee (JURI) voted on 18 September 2012 on own amendments to the Commission proposal
- Trialogues began
- EP vote in the plenary in expected in the beginning of 2013
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European Innovation Partnership on Raw Materials
COM(2012) 82 final - 29 February 2012

Objectives:

- Reduce import dependency
- Provide alternatives in supply
- Push Europe to the forefront in raw materials sectors
- Mitigate negative environmental impacts
2020 targets

- Up to 10 innovative pilot actions, e.g. demonstration pilot plants → exploration, mining, processing, collecting and recycling

- Substitutes for at least 3 applications of critical raw materials

- Network of Research, Education and Training Centres on sustainable raw materials management

- EU standardised instruments for the survey of resources/reserves and 3-D geological map

- Dynamic modelling of trends: link demand and supply with reserves and complete LCA

- Pro-active strategy of EU at bilateral and multilateral level
Key components

- **Technology-focused policy areas**
  - WP1 - Exploration, extraction, processing, recycling ...
  - WP2 - Substitution, alternative functionalities and materials

- **Non Technology policy areas**
  - WP3 - Improving Europe's **raw materials** regulatory framework conditions, knowledge base and infrastructure
    - e.g. data interoperability and availability
  - WP4 - Improving Europe's **recycling** regulatory framework conditions and excellence
    - e.g. public procurement, private initiatives

- **WP5 - International cooperation**
  - Promoting appropriate international cooperation
    - various policy issues possible e.g. geology, research, trade, competitiveness and investment conditions
Governance
3 levels of EIP groups

High Level Steering Group (24 members)
+ Sherpa group

Orientation level
Planning / Monitoring

Actions/Projects
Operational groups
Way forward EIP

NB: If Council conclusions in December 2012

• First steps foreseen: setting HLSG, Sherpa group and operational groups

=> call for expression of interest closed

• HLSG to prepare Strategic Implementation Plan (SIP), for adoption ~ Sept. 2013

• Communication on SIP, late 2013

=> SIP implementation to start