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# Changing global rules? The impact of EU's raw materials strategy

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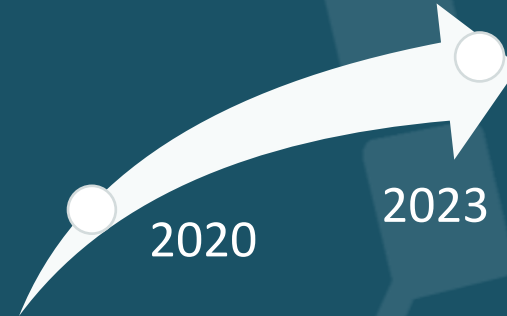
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RE-SOURCING Project

Advancing Responsible Sourcing in Mineral  
Value Chains



## H2020 project



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## The EU Raw Materials Strategy

- Supply for critical minerals & green growth supply chains
- Responsibly sourced & sustainable mining, refining & recycling practices



# Directives & Principles

## 2008: The Raw Materials Initiative

- Fair and sustainable supply of raw materials from global markets
- Sustainable supply of raw materials within the EU
- Resource efficiency and supply of 'secondary raw materials' through recycling





# Directives & Principles

2008: The Raw Materials Initiative

2021: EU Principles for Sustainable Raw Materials (non-binding)

- Social principles: Human rights, engagement with communities of interest, employment, health & safety
- Economic & governance principles: Business integrity, transparency & wider economic contribution
- Environmental principles: Environmental management & impact mitigation





## Directives & Principles

- EU importers of 3TG (tin, tungsten, tantalum and gold) meet international responsible sourcing standards, set by the OECD;
- Ensure that global & EU smelters and refiners of 3TG source responsibly;
- Help break the link between conflict & the illegal exploitation of minerals,
- Help put an end to the exploitation and abuse of local communities, including mine workers, & support local development.

The regulation requires EU companies in the supply chain to ensure they import these minerals & metals from responsible & conflict-free sources only.





## Directives & Principles

- Rules on obligations for large companies regarding actual and potential adverse impacts on human rights and the environment, with respect to their own operations, those of their subsidiaries, and those carried out by their business partners.
- Rules on penalties and civil liability for violating those obligations.
- Obligations for companies to adopt a plan ensuring their business model and strategy are compatible with the Paris Agreement.
- Applies to large EU companies and to non-EU companies active in the EU.







## Directives & Principles

Large companies (+ 500 employees) have to publish information related to:

- environmental matters
- social matters and treatment of employees
- respect for human rights
- anti-corruption & bribery
- diversity on company boards (in terms of age, gender, educational and professional background)

Takes over from the non-financial reporting directive





## Directives & Principles

- Focusing on **strategic applications**: which critical raw materials are particularly strategic.
- A network of **European agencies**: develop monitoring and stress testing abilities to allow industry to anticipate risks of disruptions, price hikes or shortages and take appropriate diversification, stockpiling and investment decisions.
- A more **resilient supply chain**: supporting projects and attracting more private investment from mining to refining, processing & recycling - ensuring the highest social & environmental standards
- EC empowered to **list Strategic Projects** –labelled as of European interest –could benefit from streamlined procedures & better access to finance.
- **A strong & sustainable level playing field**: Europe could take the lead for rationalising and consolidating international sustainability certification schemes.



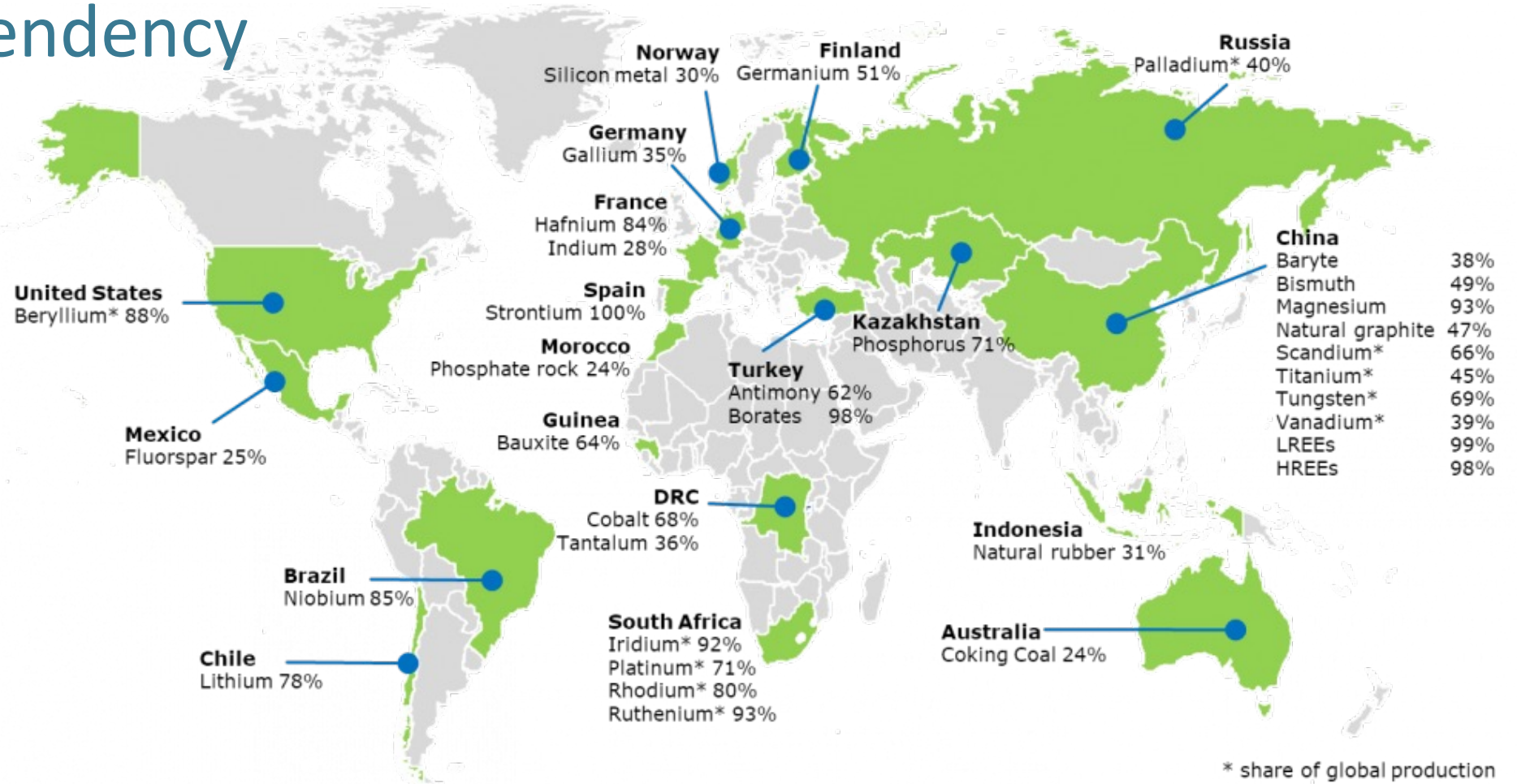
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## Why does this matter for exploration & mining companies?

- Securing supply from within the EU – Rules of engagement
- Securing supply from outside the EU – Sustainability standards & reporting

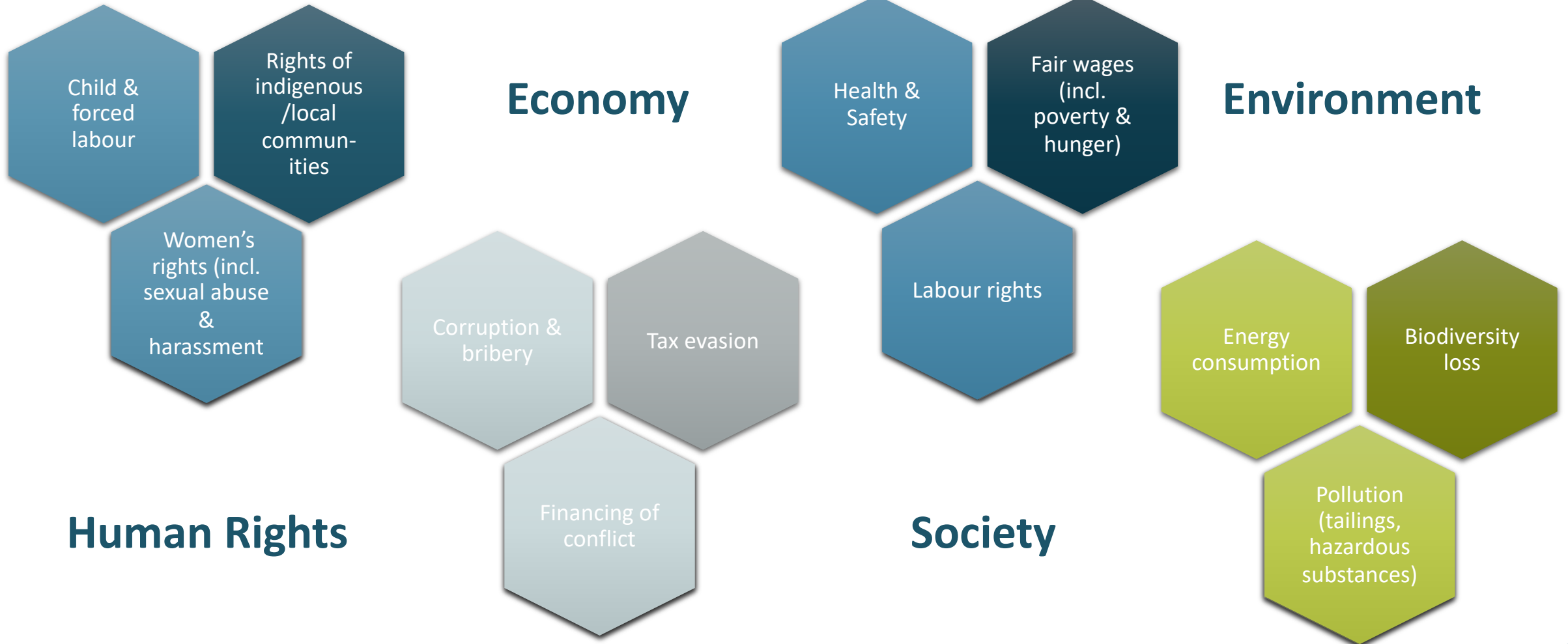
# Supply dependency

Countries accounting for largest share of EU supply of CRMs





# Sustainability concerns





## Changing global rules? The impact of EU's raw materials strategy

### The Panelists

- Madalina Ivanica – *Deputy Head DG Internal Market, Industry, Entrepreneurship & SMEs, European Commission*
- Jonathan Dunn: Head of International Policy and UK Government Relations at Anglo American
- William Nottage Mason: Senior Mining Research Analyst at S&P Global Market Intelligence
- Mark Camilleri: Camilleri Law

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## Mining Investments in the EU Member States

- Where are the potential mineral projects?
- What internal policy considerations support these investments?
- What international policy considerations support these investments?
- What practical considerations should investors be aware of?



## Supply chains entering the EU

The importance of sustainability principles & impacts in partner countries



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## Mineral supply chains entering the EU

- On site practices – implications of EU directives & principles
- Operating in certain jurisdictions – standards requirements
- Reporting & transparency – evidencing sustainable practices
- Lead firms – the governance requirements from EU manufacturers

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Final thoughts



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RE-SOURCING is an EU-funded project building a Global Stakeholder Platform to connect and assist policy-makers, businesses, and civil society to advance responsible sourcing of raw materials in mineral value chains.

We are developing a globally accepted definition of responsible sourcing and roadmaps for the Renewable Energy, Mobility and Electronics Sectors.

Interested to know how you can feed into this process further?

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