



Strategic Dialogue on Sustainable Raw Materials for Europe



STRADE Newsletter – 01/2018

January 2018

- STRADE Workshop in Beijing: September 2017
- STRADE Workshop in Johannesburg: November 2017

STRADE Workshop in China in September 2017

The STRADE project hosted a workshop on Cooperation on Sustainable Raw Materials for China and Europe in Beijing on 26 and 27 September in cooperation with the China Nonferrous Metals Association (CNIA), the Ministry of Land and Resources, the China Mining Association and the China Geological Survey. During four sessions Chinese experts and the STRADE team discussed possible fields of collaboration, responsible mining, strategies to increase the net-benefit of developing countries and options for bilateral investments. The discussions were very many misunderstandings fruitful. were cleared out and common interests were identified. The workshop set а aood foundation for a strong and ongoing dialogue with the Chinese experts during the STRADE project and beyond. The detailed programme and presentations are available on the STRADE-website.



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The main findings of the workshop will be summarized in two upcoming STRADE policy briefs on Chinese responsible mining and Chinese raw material policy.

Responsible mining in and outside of China is ranked highly on the Chinese agenda. This fact is still underestimated by Western countries. China did not only launch a due guideline for foreign mining diligence activities, it also aims at further developing their domestic Green Mine initiative with 600 pilot mining & processing sites to a national responsible mining standard. The China Chamber of Commerce Metals, Minerals and Chemicals (CCCMC) is a key driver in the Responsible Cobalt Initiative and also joined the newly launched Global Battery Alliance. These initiatives are pioneers for global and East-West cooperation in responsible mining. The Chinese company Huayou Cobalt reported about their experiences with the implementation of Due Diligence in the cobalt supply chain on the ground in the DRC. According to the latest Amnesty International report on cobalt mining in Congo, they improved their responsible sourcing within short time and engaged with local miners and the communities. Instead of simply avoiding the sourcing of cobalt from Congo, they take on the challenge by addressing local improvements and job generation.

Considering securing their supply, both the EU and China have higher demand for bulk commodities than they are able to mine domestically. Accordingly similar import dependencies exist.

The Chinese raw material policy has strong linkages to the Belt & Road Initiative, an ambitious five-year program that charts out China's foreign investment strategy. It was one key topic of the China Mining Congress and Expo in September 2017, and it was outlined that green mining and sustainability will have a major influence on the Chinese mining sector, both in domestic and foreign investments. This includes the promotion of sustainable development, particularly as laid out by the UN Sustainable Development Goals. Overall the message from China was continued about international one engagement, directed investments and a cooperative strategy for mineral production.

STRADE Workshop in South Africa in November 2017

On the 15th and 16th of November, the STRADE team hosted a workshop in Johannesburg, South Africa, on renewing sustainable partnerships in the extractive sector between African countries and the European Union with over 30 participants from government agencies, exploration and mining companies and international government organizations.



Six sessions focused on the following issues, as priorities set by African stakeholders.

Enhancing backward linkages

To promote industrialisation and growth in African countries, the session looked at the importance of smelters and refineries to promote growth. Possible areas for Africa-EU partnership considered creating business opportunities for companies in this industrial segment.

Side-stream Linkages: Knowledge & Skills Gap

Taking each stage of the mineral value chain (from exploration to closure), as well as minerals governance, the session identified long term strategies that focus on university and academic centres for excellence to address knowledge and skills gaps that are most evident.

Assisting Africa in developing Key Minerals for Local Development

Acknowledging the growing domestic consumption and importance of African industrial minerals for construction. agriculture, power and manufacturing, the session discussed the importance of partnerships in increasing standards and adding value through business to business partnerships.

Mitigating environment, human rights and social impacts

The importance of protecting the environment as well as community rights was considered essential for the future of the African mineral sector. Given the number of initiatives already in place, the session concluded that while a lot has been achieved, these efforts need to continue and expand. The performance of mining companies on international standards needs to be closely monitored and sanctioned if breeches take place.

Support for Artisanal and Small Scale Mining

Given the importance of the ASM sector for many countries, and further improvement is required for the environmental, social and human rights aspects of ASM. Market access and finance are two areas which can be further developed through Africa-EU partnership.

Setting an Africa-EU Agenda for Dialogue

The session focused on differentiating between issues that are challenging within the mining sector and those that are suitable for Africa-EU partnerships. The distinction was drawn on areas that can continue to benefit from development assistance programs. others ioint and where collaborations and solutions can vield benefits for both regions.

The <u>detailed programme</u> is available on the website, and the main findings of the workshop will be summarized in an upcoming STRADE policy brief. In advance, two important messages for consideration in EU policy are as follows:

Firstly, there is the need for global recognition that African growth will become a major consumer of its own mineral resources. The continent will shift from a net exporter of minerals to a consumer, and African mineral producers will need to start focusing on domestic consumption in the future. This consumption requires smelting and refining capacity to be set up in African countries. The building of African capacities materials is a pressing issue from African perspective, not only for producing for the domestic consumption but also for benefiting to a higher degree of the value chain.

Secondly, the EU, as well as Australia, Canada, China and Japan, must be partners to Africa and not follow the traditional donorrecipient relationship. The continent has matured over the past decade, although it still faces a number of challenges. African leadership is now ready to take on these challenges and its wishes must be centre stage. STRADE is funded by the Horizon 2020 Programme of the European Union.



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