



POSITION PAPER

SUSTAINABLE RAW MATERIALS FOR EUROPE

EFG Panel of Experts on Minerals – September 2020

The European Federation of Geologists (EFG) and its Panel of Experts on Minerals support the European Raw Material Alliance (“ERMA”) and its mission to help diversify European sources of raw materials supply and to develop our indigenous raw material resources in accordance with the United Nations Sustainable Development Goals and in compliance with Environmental, Social and Governance (ESG) standards.

To that end, we encourage ERMA to avail of EFG’s expertise in matters relating to mineral raw materials and their availability and to expand on the brief commentary below.

By extending the invitation we wish to emphasise that we consider mineral exploration as a fundamental building block, essential for the supply of ethically-sourced raw materials production. Exploration is a very high-risk financial endeavour with odds of success in the order of 1:1000. Even when successful, it may take several decades to develop a project to the production phase. Thus, the implementation of exploration programmes requires a considerable investment in time, energy and financial resources and a long-term vision – we need to explore these challenges now to meet our demand in 2050.

We note, in particular, the many policies at EU and national level that conflict with the vision expressed in the Green Deal, but recognise the steps being taken, in the Horizon 2020 programme and by some Member States, to identify and address these conflicts. Notwithstanding that, it is a concern that many of the initiatives being taken have such a low impact on influencing public attitudes and policy development within the Member States, even to the extent that some of them are adopting policies that have an adverse impact on raw material supply and production.

The Panel identifies the following key issues to address in order to safeguard raw materials for society:

- **The difficulty to access known deposits**

The growing concern and significant polarisation that already exists between promoters of exploration and mining and civil society must be urgently addressed at EU, national and regional level. The European Union must encourage its Member States to exchange and adopt “best practice” policies that support professionally-managed, responsible, ethical, national mineral exploration programmes and mining development projects. In particular, it must be recognised a key success factor in the achievement of social acceptance (“social licence to operate”) must be significant improvements in social performance and related governance at all project stages, with the foundations at the exploration stage.

- **The need to balance raw materials supply with environmental imperatives**

Responsible extraction of raw materials must take into account the net value after accounting for the full environmental costs of extraction, processing, and end-use. These costs arise from, for example, limiting emissions that contribute to climate change, the need for adaptation to climate change and limiting impacts on biodiversity. European environmental regulations are generally more rigorously applied than those in many other parts of the world. Thus, encouraging the development of our indigenous resources will have a positive global environmental impact.

- **Weak integration of land-use planning and exploration/mining**

Undiscovered resources are, by definition, situated at unknown locations. The prospectivity mapping studies that are conducted through EU programmes and by some of the Member States, help address this issue. The results should be considered as a critical factor in developing on-



shore and off-shore planning policies to ensure that areas prospective for discovery are not sterilised. In other instances, deposits are known but are not developed due to a lack of public confidence in the regulatory systems, misinformation, or a lack of public understanding. Requiring a professional and transparent management of programmes by both regulators and operators and a closer and more effective/integrated relationship between mineral and spatial planners will allay these concerns.

- **Lack of public awareness of the importance of raw materials for everyday life, the environmental impact of their transport to Europe, and lack of acceptance of production operations**

Despite a long mining history in much of Europe, the general public is largely unaware of the critical importance of raw materials to society, the need to develop domestic European production and resources, and the socio-economic benefits of sustainable and ethical mining. Programmes and political and public engagement and trust building initiatives highlight the benefits to society are urgently required.

- **Constraints in exploration investments**

Mineral exploration is the basic research arm of the minerals industry, essential to ensuring a continuing identification of advanced projects for future development. Exploration investment funds are mobile and migrate to jurisdictions with the best perception of getting a positive return. Hence, it is essential that the EU, and its Member States, develop policies that ensure transparency and reliability in the permitting process, and investor protection through adoption of public reporting standards, such as described in the Pan-European Reporting Code ("PERC").

- **Risk of supply: dependence on a limited number of external sources for raw materials critical for Europe's industry**

Most of the intensively consumed minerals in Europe are imported, some of them from few sources, with the associated supply risk and potential economic impact in the event of trade disruption. The geological terrains of the European Union hold the potential to de-risk this problem and the geological community has the ability to meet the challenge. However, without the vision to implement the necessary policies, the risk for future supply will be exacerbated.

In summary, the Panel emphasises that enhancing an ethical and sustainable European mineral production is critical to European society and achieving the vision expressed in the Green Deal. Importing raw materials and neglecting domestic production should be considered as being equivalent to exporting our waste materials to other, often less developed nations.

The **European Federation of Geologists (EFG)** is a professional organisation representing geoscientists from 27 national member associations all across Europe. It awards the internationally-recognised European Geologist ("EurGeol") professional title to suitably qualified candidates. More information: www.eurogeologists.eu

The **EFG Panel of Experts on Minerals and their Sustainable Use**, contributes to the development of European Policies by preparing advisory documents to the European Commission and EU Parliament. The Panel consists of approx. 40 experienced professionals from various European countries, many of them holding leading positions in the public and private sectors.

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