

Summary Document: Reinforcing EU-Africa cooperation on raw materials supply within the context of the new EU Critical Raw Materials Act

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Purpose and Objective of Document

This document offers an overview of insights from an Expert roundtable on enhancing EU-Africa cooperation regarding raw materials supply, within the framework of the new EU Critical Raw Materials Act (CRMA). The discussion took place on November 14, 2023, and was hosted by the International Raw Materials Observatory.

The Expert roundtable served as a follow-up to the Responsible Sourcing and Traceability of Critical Raw Materials (CRM) workshop, organised as a satellite event during the EU Raw Materials Week 2023. This workshop was jointly organised by the International Raw Materials Observatory, the Initiative on Forensic Geology at the International Union of Geological Sciences, and the European Federation of Geologists. It convened a select group of invited experts to deliberate on strategies for strengthening EU-Africa cooperation in the context of the European CRMA.

This document summarises the findings from the roundtable, conducted under the Chatham House Rule.

Background Information

In her 2022 State of the Union Address, EU Commission President Ursula von der Leyen announced the CRMA with the aim of securing the supply of essential materials. The CRMA was approved by the EU Parliament and endorsed by the EU Council in the last quarter of 2023. This legislation was designed to enhance supply chain resilience and production capacity for materials critical to Europe's industrial and technological competitiveness. Notably, materials such as lithium, graphite and rare earths are facing increased supply risks, which could potentially undermine goals related to battery manufacturing, renewable energy systems, defence applications, and advanced electronics.

To address these risks, the CRMA adopts a multifaceted approach that includes policies to strengthen domestic mining capabilities, promote recycling, provide funding for research and innovation, enforce responsible external sourcing requirements, and engage in diplomatic efforts. This comprehensive strategy aims to diversify reliable supply sources while maintaining ethical standards.

In this context, African countries present significant opportunities as external partners. The continent possesses abundant mineral resources and currently accounts for over half of the world's production of platinum, diamonds and cobalt. As Europe transitions its energy, transportation, and manufacturing sectors, the demand for these and other metals readily available in Africa is expected to increase further. Furthermore, Africa's geological potential remains largely untapped, offering substantial opportunities for the responsible exploration and development of new resources. By embracing

sustainable and socially equitable models from the outset, there is room for innovative governance approaches. The European Union and its Member States can contribute to this responsible development by transferring knowledge and technologies to its African partners, aligning with their own high standards.

Summary of findings

Key discussions

The roundtable delved into critical aspects of responsible sourcing, addressing topics that included the roles of investors and industry, the challenges encountered, and solutions that integrate modern technology with crime-fighting methods.

Participants recognised the subjectivity inherent in defining responsible sourcing, with the certification process often serving merely as a symbolic badge. Additionally, a significant obstacle arises when attempting to implement responsible sourcing policies in African countries, primarily due to weak institutional structures that foster corruption and low standards for the rule of law in many countries.

Nonetheless, a unanimous consensus emerged among participants: responsible sourcing stands as the cornerstone for achieving equitable and sustainable resourcing of CRM, thereby driving Europe's transition to green energy. The imperative is clear — establishing transparent, traceable, and ethics-based practices across mineral value chains, spanning from exploration to the production of intermediate and final products such as smartphones, wind turbines and electric vehicles.

Pathways for reinforcing EU-Africa cooperation on raw materials supply

The participants have put forward five potential pathways that, when combined, can establish effective and enduring EU-Africa partnerships that strike a balance between economic development, environmental stewardship, good governance and social equity:

1. Establish joint working groups that bring together EU and African government agencies, industry associations, and civil society organisations. These groups will collaborate on responsible mining development, sustainability standards, and innovation priorities. Such cross-stakeholder platforms can enhance mutual understanding and coordination.
2. Increase EU development funding and provide technical assistance for capacity-building programmes focused on governance. These programmes should emphasise transparency in resource management, environmental monitoring, community engagement, and anti-corruption measures. Strengthening the training of public sector oversight bodies and officials in partner countries lays a more solid foundation.

3. Extend preferential trade terms and simplify market access for CRM and intermediate products produced in African countries that demonstrate robust social and environmental protections. Encouraging good practices through trade policy can be highly effective.
4. Launch EU-Africa investment funds aimed at financing responsible mining projects. These funds should prioritise proper Environmental, Social, and Governance risk management and support the development of upstream processing and refining capacity within the continent. Facilitating sustainable partnerships within the private sector is essential.
5. Allocate funding for research collaboration through European innovation programmes, specifically focusing on areas such as mining automation, electrification, waste valorisation, recycled CRM, and responsible sourcing certification schemes. Collaborative innovation endeavours to align the interests of both regions.

These pathways collectively contribute to the establishment of mutually beneficial EU-Africa partnerships that address the complex challenges and opportunities in the field of CRM.

However, more emphasis may be needed on building processing and refining capacity within Africa itself, given the EU's constraints around skills, know-how, energy costs and existing infrastructure that pose significant barriers to domestic processing capacity expansion. Responsible mining development should prioritise downstream activities on the African continent.

Additionally, while EU development funding and assistance provides a foundation, far greater investment is required for transformative change. Europe's Global Gateway strategy faces intense competition from Chinese and other external powers. Significant EU investment in African nations and partnerships with allies can offer an alternative model supporting good governance.

Creating economic opportunities and improving education and training in African countries will help level out the North-South divide and counteract economic migration to the North. Africa has the potential to become a robust trading partner and not merely a source for raw materials.

Way forward

Collaboration between the EU and African countries presents a prospective win-win partnership by allowing bilateral access to Africa's mineral wealth, fostering good governance, and promoting local value addition. To achieve this vision and uphold sustainability principles subscribed to by Africa and Europe, the CRMA offers channels to cement shared objectives, provided that cooperative visions prevail over narrow selfish interests. Forging these partnerships involves the following key stakeholders, each playing crucial roles in ensuring success and effectiveness:

1. EU Institutions such as the European Commission, Parliament, and Council are central in shaping policies, including those related to raw materials sourcing and international partnerships.
2. African Governments are essential partners, setting policies, regulations and standards for mineral extraction and trade within their countries.

3. Industry and Trade Associations representing European and African businesses engaged in raw materials contribute with expertise, advocate responsible practices and facilitate private-sector engagement.
4. Civil Society Organisations focused on environmental protection, human rights, and responsible sourcing provide oversight, promote ethical practices and raise awareness about social and environmental concerns.
5. Academic and Research Institutions contribute to knowledge sharing, innovation and capacity-building related to responsible sourcing and sustainable development.
6. Investors and Financial Institutions are essential for funding responsible mining projects and infrastructure development.
7. International Development Agencies such as the World Bank and the African Development Bank provide technical assistance, funding and capacity-building support for sustainable development projects.
8. Intergovernmental Organisations such as the United Nations and the African Union provide frameworks and support for regional cooperation and sustainable initiatives.

The path forward necessitates translating dialogues into actions. While agreements and working groups raise awareness, concrete collaborative projects are imperative to actualise responsible sourcing and sustainable development. The EU must expedite cooperation with African partners to tackle raw materials gaps, especially given the narrow timeframe to secure supplies vital for the energy transition.

Success rests on a broad base of stakeholders aligning interests and applying complementary capabilities at each phase of the mining value chain: governments set the policies; miners operate responsibly; civil society oversees practices; academia enhances knowledge; investors fund projects and infrastructure; and multilateral agencies provide technical support. By coordinating efforts across sectors, a holistic enabling environment can emerge organically based on comparative advantages.

All parties must progress from theoretical concepts to tangible on-the-ground initiatives. Pilot projects focused on transparency, ESG standards, infrastructure connectivity, innovative technologies, and local capacity building provide proof cases to inspire broader adoption.

Collaborative action is the only way to activate the full potential of EU-Africa partnerships.