

Extractives and Development Newsletter



Information on current topics and trends in the extractives sector
A service of GIZ project Extractives and Development

Dear readers,



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welcome to the English issue of our extractives newsletter.

Every month, the Extractives and Development Sector Programme sends you a selection of articles and links that may be of interest to you. We would like to inform you about key developments in the sector and draw your attention to new findings. If you find additional topics interesting or have event information for us, please do not hesitate to let us know so that we can include them in our newsletter!

Kind regards,
Your GIZ Sector Programme Extractives and Development

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DID YOU KNOW...?



MinSus: Training on environmental impact assessment in Ecuador

In Ecuador, the industrial mining sector is currently experiencing strong growth. In order to mitigate the associated environmental impacts and reduce their hazards, adequate environmental impact assessments (EIAs) are of great importance. To improve technical capacity in environmental impact assessments of mining projects in Ecuador, representatives of the BGR-MinSus project conducted a series of activities in Quito targeting staff of the country's Ministry of Environment, Water and Ecological Transition (MAATE). In addition to sharing best practices for environmental impact assessments and their implications, the course addressed challenges and problems faced by other countries in the region so that they could be avoided in Ecuador in the first place.



Participants from the Ecuadorian Ministry of Environment MAATE, BGR staff member Jacob Mai (6 f.l.) and lecturer Ana Luisa Morales (8 f.l.). © MinSus

[Find out more](#)

Procurement of drilling equipment and training in equipment management for INGEMMET for the investigation of mining waste deposits in Peru

In Peru, there are more than 7000 registered mining waste sites. Here, especially the tailings dams, catch basins of fine-grained processing waste, pose a major threat to the environment and the health of the local population. An



Handover of the drilling rigs to the geological service of Peru. ©MinSus

assessment and detailed investigation of this infrastructure is of utmost importance for a restoration plan. BGR is supporting this effort as part of the MinSus project by procuring drilling equipment that can be used for this purpose for Peru's geological service (INGEMMET).

In addition, INGEMMET and Peruvian Ministry of Environment (MINEM) personnel have been trained in the operation of the equipment to conduct sampling campaigns to enable evaluation of environmental risks and potential for reprocessing (secondary mining - circular economy).



Participants of the training from the Ministry of Mining of Peru (MINEM), the National University of Engineering (UNI) and the INGEMMET. @MinSus

MinSus and ECLAC: Regional conference on sustainable mining



From left: Dr. José Schulz, German Ambassador to Bolivia; Magin Herrera López, Vice Minister of Environment, Biodiversity and Climate Change; Víctor Saúl Arancibia Llano, Director General of Environment and Public Consultation of the Ministry of Mines and Metallurgy of Bolivia; Mauricio Pereira of the Sustainable Development Department of ECLAC; Jose Luis Lewinsohn Castro, Natural Resources Department, ECLAC; and Achim Constantin, Director of the MinSus BGR Project. @MinSus

A two-day regional conference was held in La Paz, Bolivia, organised by ECLAC, MinSus, the Ministry of Environment and Water, the Ministry of Mining and Metallurgy, and the Geological Service of Bolivia. Experts discussed challenges and solutions on sustainability standards, circular economy, mine closure management and environmental liability in mining. On-site visits were also made to the Milluni Basin, which is the main source of drinking water for La Paz and is subject to severe environmental impacts due to uncontrolled mining activities, and to the Colquiri mining company.

The activity strengthens the responsible use of mining resources and promotes the exchange of experiences and cooperation for long-term sustainable mining development through improved citizen participation and environmental protection.

[Find out more](#)

Last-minute agreement reached at ISA meeting in Jamaica to discuss moratorium at next year's talks

An international meeting in Jamaica to negotiate rules over deep-sea mining has ended with no green light to start industrial-scale mining and with an 11th-hour agreement to hold formal discussions next year on the protection of the marine environment.

The agreement ended intense week-long negotiations at the International Seabed Authority (ISA), an intergovernmental body based in Kingston that regulates sea-bed extraction, over a proposal spearheaded by Chile, France and Costa Rica and backed by a dozen countries to discuss a precautionary pause on deep-sea mining to ensure the protection of the marine environment.

[Continue reading](#)



Civil Society Position Paper on the EU Critical Raw Materials Act

On 16 March 2023, the European Commission presented a proposal for a European Critical Raw Materials Act (CRMA). The regulation aims to secure the supply of critical raw materials for the energy transition, digitalisation, defence and space industries within the EU.

However, several civil society organisations state that the Commission's draft threatens to undermine human rights, indigenous rights and environmental standards. Together with 40 European development, environmental & human rights organisations, World, Economy, Ecology and Development (WEED) formulated concrete demands to better protect human rights and the environment with the CRMA.

The position paper advocates that the negotiators in the EU Commission, Parliament and the Council of Ministers should strengthen the law in order to integrate targets and measures for the reduction of primary raw material demand for critical raw materials as well as the circular economy. Moreover, human rights and the environment in connection with mining must be protected.

[To the full Position Paper](#)

Article in OpenDemocracy: “Cobalt Red: a regressive, deeply flawed account of Congo’s mining industry”

The book “Cobalt Red: how the blood of the Congo powers our lives” by Siddharth Kara was released in April and has quickly become a bestseller. The book centres on the mineral cobalt, currently sought after the world over for the production of high-end batteries. Kara’s project, he says, is to expose the trade’s dirty secrets for all of us to see.

However, the article by Sarah Katz-Lavigne and Espérant Mwishamali Lukobo published in Open

Democracy argues that the book rehashes old stereotypes and colonial perceptions of the DRC, for example by ignoring Congolese voices and disregarding ethical research practice.

[Find out more](#)



New BMZ Video: Responsible Mineral Supply Chains for the Just Transition



©BMZ

the sustainable development goals?

As the world strives towards climate-neutrality, raw materials play a crucial role for renewable energy technologies and e-mobility. Raw materials pass through complex supply chains which bear economic opportunities but also social and environmental risks. How can development cooperation support responsible mineral supply chains for a Just Transition? And how can mineral supply chains contribute to

This new video published by the BMZ takes a look at mineral supply chains and shows how development cooperation works towards minimising the risks of the mining sector and realising its potential for local development.

[Watch the video](#)

[Find out more](#)

New issue of MinSus Newsletter

The Regional Cooperation Project for the Sustainable Management of Mining Resources in the Andean Countries (**MinSus**) has released **a new issue of its newsletter** with the latest activities and publications.

Among the highlights of this issue is the support for the **internationalization of Perumin Hub**, an initiative that promotes open innovation in mining. MinSus joins this initiative to expand the “Jóvenes que Transforman” contest

to the Andean Region. This activity, which is part of PERUMIN 36 -a leading mining convention in Latin America-, promotes the connection of future professionals with the mining sector from the perspective of innovation and sustainability. Furthermore, the newsletter highlights the work of the project with the Alliance for Responsible Mining to develop and pilot a financial model that assesses formalization barriers for small-scale mining operations in Peru and Colombia; the co-organization of the event where Chile announced its adhesion to EITI; and the results of the Regional Mining Conference in La Paz (Bolivia) to address sustainability challenges in the sector.

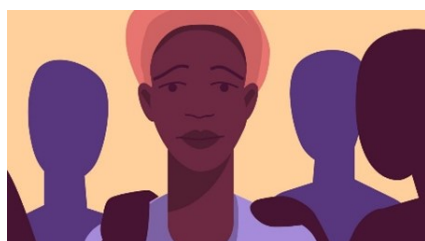


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IMPACT: #Meet Gloria and new report on women's livelihoods and child labour in the DRC Cobalt Sector



©IMPACT

IMPACT recently launched its sensitization-campaign #MeetGloria on women's security & child labour in critical minerals, namely cobalt in the DR Congo, alongside a report on the issue. The report reveals how families in DRC's artisanal cobalt communities depend most on women's income, but mothers are struggling to make ends meet. This leads to a reliance on income from child labour to cover basic needs like food, clothing, or school fees.

[#MeetGloria campaign](#)

[Read the full report](#)





The 'new geopolitics' of mineral supply chains: A window of opportunity for African countries

This new open-access publication written by Dr. Melanie Müller highlights current geopolitical dynamics in relation to mineral supply chains and opportunities for African economies and European-African cooperation.

Following the COVID-19 pandemic and the Russian invasion of Ukraine, the focus of many industrialised states has shifted regarding where they secure raw materials; a revised geopolitical perspective has impelled states to reduce strong dependencies on certain countries. For the European Union, its proposed Critical Raw Materials Act could have a crucial impact on the economic relationship of EU countries with China, currently the most important source of processed minerals to the EU, causing them to set ambitious diversification targets. How will this rise of a 'new geopolitics' of mineral supply chains shape the relationship between the EU and other trading partners, such as mineral-rich countries on the African continent? And how might African economies work to maximise their own benefit from this refocus? The article explores current geopolitical dynamics as they relate to the restructuring of supply chains, as well as opportunities for African economies.

[Read the full article](#)

IEA: Tracking Clean Energy Progress 2023 and Critical Minerals Market Review 2023

The annual update of the International Energy Agency (IEA)'s report "Tracking Clean Energy Progress" revealed remarkable gains in the past year. Electric car sales reached a record high of more than 10 million in 2022, a nearly tenfold increase in just five years. Renewable electricity capacity additions rose to 340 gigawatts (GW), their largest ever deployment. As a result, renewables now account for 30% of global electricity generation. Investment in clean energy reached a record USD 1.6 trillion in 2022, an increase of almost 15% from 2021, demonstrating continued confidence in energy transitions even in an uncertain economic climate.

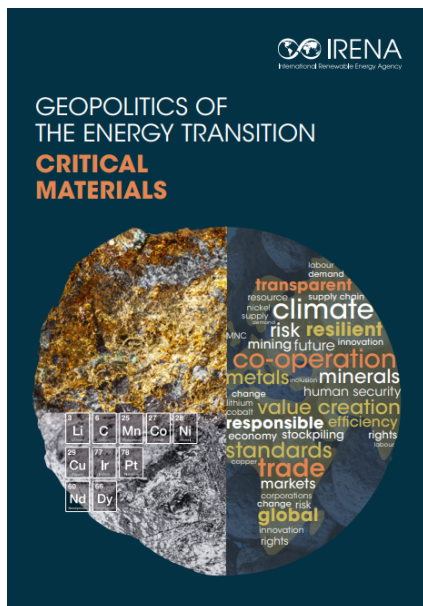


©IEA

Thus, the demand for raw materials such as lithium, cobalt and nickel has picked up strongly in recent years. The market for these raw materials, which are so important for the energy transition, reached a volume of \$320 billion last year, doubling since 2017, the IEA said in the context of its first annual "Critical Minerals Market Review".

[Tracking Clean Energy Progress report](#)

IRENA: Geopolitics of the Energy Transition - Critical Materials



©IRENA

Critical materials are today the focus of much international dialogue and diplomacy. Their production and processing are highly concentrated geographically, posing challenges related to resource security and geopolitical dynamics. This concentration creates vulnerabilities and uncertainties for both consuming and producing countries that may affect the deployment, cost and sustainability of energy transition technologies. Strategies to diversify the supply and production chains for these materials are starting to emerge, reflecting multiple economic, political and social priorities and considerations.

The IRENA report offers a forward-looking examination of the geopolitical and geoeconomic aspects and implications associated with the anticipated increase in the demand for, and supply of, critical materials. It investigates the evolving landscape of supply chains and trade patterns, as well as

the socioeconomic and sustainability factors surrounding extraction and processing. Additionally, the report assesses the strategic significance of critical materials for economic competitiveness and the acceleration of renewable energy transitions.

[Read the full report](#)

New Nature article: The global fight for critical minerals is costly and damaging

It's an all-too-familiar statement: in a zero-carbon world, certain chemical elements will be as important as oil and gas are to a fossil-fuel-powered world. These include the nickel, lithium and cobalt used in batteries, as well as rare-earth elements such as neodymium and samarium, which are essential to the magnets of wind turbines and electric motors.

The world is struggling to work out how to equitably meet demand for these elements. In its inaugural Critical Minerals Market Review, the International Energy Agency counted nearly 200 national policies and strategies surrounding the 'critical minerals' needed to keep the lights on and the wheels turning in a low-carbon world. National strategies are necessary, but they should not exclude international cooperation and coordination — which need to happen fast.

[Read more](#)



Upcoming Events

[IEA Critical Minerals and Clean Energy Summit](#)

28.9.2023, Paris

The International Energy Agency will host the first ever international summit on critical minerals and their role in clean energy transitions on 28 September 2023 in Paris.

Further information

19th Annual General Meeting IGF 2023 – Sharing Mining Benefits in the Energy Transition

07.-09.11.2023, Geneva

The IGF's 19th Annual General Meeting is scheduled for November 7–9, 2023, at the Palais des Nations in Geneva, hosted by the United Nations Conference on Trade and Development. The theme for 2023 is Sharing Mining Benefits in the Energy Transition. Registration is now open through the United Nations Office in Geneva.

More information on registration



Did you know...?

... that the extraction of raw materials in 2020 in Germany resulted in about 7.7 hectares of land per day being dredged? This corresponds to about 6 football fields or 800 car parking spaces. 4.4 hectares of the area were used for construction and industrial minerals, 1.9 hectares for peat and 1.4 hectares for brown coal.

Source



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