



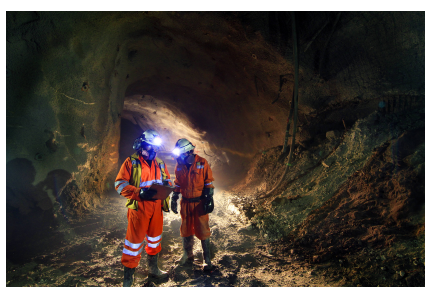
Extractives and Development Newsletter



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 2nd 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!

Sincerely,

Your Sector Programme Extractives and Development

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- » OECD Forum on Responsible Mineral Supply Chains

DID YOU KNOW...?



UNEA-6 resolution on the environmental impacts of mining



© UNEA

The UN Environment Assembly UNEA-6 has agreed on resolutions, including on dealing with the environmental impacts of mining (UNEP/EA.6/L.8). Representatives of the 193 member states adopted a total of 15 resolutions at the end of the week-long UNEA-6 in Nairobi on March 1. The UNEA is the world's highest decision-making body for environmental issues. With more than 140 ministers and almost 6,000 delegates, the sixth UN Environment Assembly was the largest meeting of its kind to date.

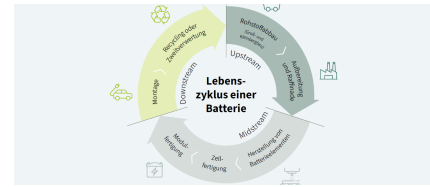
The UN Environment Program (UNEP) published an article on this topic and the importance of raw materials for the energy transition in general.

[Read the UNEP article](#)

[About the UNEA-6 resolutions](#)

FAQ on the corporate due diligence obligations of the EU Battery Regulation

The new EU Battery Regulation (2023/1542), which was adopted in summer 2023, considers the entire supply chain and the complete life cycle of a battery - from the mine to recycling - for the first time. The EU Battery Regulation replaces the so-called EU Battery Directive (2006/66/EC), which focused primarily on the disposal and recycling of batteries.



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The key objectives of the EU Battery Regulation include strengthening the EU internal market, reducing environmental and social risks at all stages of the battery life cycle, and promoting a circular economy. To achieve these goals, the EU Battery Regulation includes corporate due diligence obligations for the supply chains of the minerals cobalt, natural graphite, lithium and nickel required for batteries, as well as for their chemical compounds.

Find out more about the corporate due diligence obligations set out in the EU Battery Regulation in the FAQ, which has been recently published by the Sector Programme Extractives and Development (BGR and GIZ):

[Click here for the FAQ](#)

BGR cooperation with Peruvian company for the reprocessing of mining waste dumps

The BGR has successfully collaborated with the mining company SMRL Acumulación Los Rosales (SMRL ALR) in Peru to reuse mining waste and reduce environmental pollution. Efficient technologies for extracting gold from an old dump site were developed. The project promotes local development and demonstrates a sustainable approach to the management of mining waste in the Andean region.

[The final report \(in Spanish\) can be downloaded here](#)

Training in Peru on the use of drone technology in mountain and environmental monitoring



© BGR

The MinSus (BGR part) programme successfully organised an international workshop on drone technology in Lima, Peru. Participants from four countries in the region were trained in remote sensing methods and drone and sensor technologies for mining. The training, which took place from December 11 to 15, 2023, strengthened the skills of regulatory and permitting authority personnel in monitoring mining operations and environmental contaminants. The

training was organised in collaboration with the Ministry of Mines of Peru and conducted by an international team of experts, including from BGR's Research and Development Centre for Mining Impacts (FEZB).

[More information in Spanish](#)



EPRM: Background article on artisanal small-scale mining and the energy transition



© Daniel Kariuki

In this article, Dr. Titus Sauerwein from the European Partnership for Responsible Minerals (EPRM) highlights the need for continued public and private sector engagement in the ASM sector to support responsible mining for sustainable energy technologies. The article highlights the valuable role of small-scale mining for critical minerals.

[Read the full article](#)

EU Council and Parliament agree on CSDDD compromise text

After the first draft legislation for the EU Corporate Sustainability Due Diligence Directive (CSDDD) of 14.12.2023 failed, mainly due to Germany's abstention, the Council and Parliament have now been able to agree on a compromise text. This contains some weakening of the scope and target group of the supply chain law. For example, it will only apply to very large companies.



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The EU member states have two years after the CSDDD comes into force to transpose it into national law; in Germany, this means adapting the German supply chain act LkSG. From 2027, the scope of the EU directives will then be extended annually until it applies to companies with 1,000 employees or more and a turnover of more than EUR 450 million from 2029. The law also applies to non-EU companies that generate turnover in the EU.

However, a published version of the specific agreement is currently only available as a draft.

Release of Guide to Manage Social Conflicts

With the support of MinSus, the Ibero-American Ombudsperson Federation (FIO) launched the "Ombudsperson's Guide for the Prevention, Management, and Transformation of Social Conflicts". In an effort to make a significant step in strengthening the work of the National Ombudsinstitutions and promoting a culture of peace and dialogue, the document compiles experiences in Latin America where social conflicts around mining projects were managed successfully. By systematizing these experiences, the tool aims to help Ombudsinstitutions to monitor the evolution of conflicts, identifying steps to transform conflicts into peaceful dialogues and develop prevention strategies.

The document includes inputs of various representatives from Ombudsinstitutions from the region, including from Brazil, Colombia, Ecuador, Panama, Mexico, Peru, the Dominican Republic, Uruguay, Venezuela, and Argentina.

[Learn more about the guideline and download it here](#)

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EITI and USAID strengthen cooperation

On February 26, the EITI and the United States Agency for International Development (USAID) signed a Memorandum of Understanding to strengthen strategic engagement at the global level.

The agreement has a term of five years and aims to support the most important EITI activities. These include the global implementation of the EITI standard, EITI participation in regional and global platforms and the commitment of countries to enhance transparent and accountable governance of the extractive sector. A key focus of the agreement is on reducing corruption risks in the implementing countries.



USAID
FROM THE AMERICAN PEOPLE

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[Find out more](#)



The German EITI has published the 6th D-EITI report on the [D-EITI reporting portal](#) in 2023. The 6th D-EITI reporting has also been available as a complete PDF since the end of March. The D-EITI MSG has also published short versions of the report in German and English.

© D-EITI

[The documents are available via the D-EITI media library](#)

EITI Board opts to delist Myanmar

The EITI Board decided on February 29 to exclude Myanmar from the EITI due to ongoing political instability and conflict. The situation in the country has made it impossible to uphold key aspects of the EITI, including multi-stakeholder governance and data disclosure. The Southeast Asian state had already been temporarily suspended since 2021 after a military coup undermined key freedoms essential to EITI reporting. No independently verified information on the extractive sector had been published for three years.

Should the civil society situation improve in the future, Myanmar is free to apply for re-entry into the EITI.

[More on the reasons for the delisting](#)

Chile joins the IGF

Chile became the 84th member of the Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development (IGF) on March 3rd. The South American country is the world's largest producer of copper and also holds significant reserves of lithium, boron, molybdenum and silver. Coming from a long mining tradition, Chile now has a key role to play in the global supply of raw materials for the energy and mobility transition due to these deposits. According to Chile's Mining Minister Aurora Williams Baussa, joining the IGF is part of a strategy aimed at making the sector more environmentally sustainable and climate friendly. The country can already point to some successes in this area, for example 54% of the mining sector's energy requirements are now met by thermal energy.



© IGF

[Find out more](#)

ICMM announces three new members

The International Council on Mining and Metals (ICMM) welcomes the Canadian Institute of Mining,

Metallurgy and Petroleum (CIM), the Economic Community of West African States (ECOWAS) Federation of Chambers of Mines (EFEDCOM) and the International Chromium Development Association (ICDA) as new association members.

CIM is a not-for-profit technical institute comprised of professionals from Canada's minerals, metals, materials and energy industries. It is dedicated to advancing knowledge, innovation and sustainable practices across the whole spectrum of the mining and energy industries. CIM was founded over 125 years ago and has more than 10,000 members nationally and internationally.

EFEDCOM is a sub-regional chamber of ECOWAS that advocates for effective policies to promote sustainable and responsible mining in West Africa. It serves as a platform for its members to exchange knowledge and experience and to settle disputes.

ICDA is a non-profit trade association representing the chrome industry along the entire value chain. Through market research, conferences, scientific studies and technical support, the ICDA works with its corporate members to make the sourcing and use of chrome more sustainable.

[Find the full article here](#)



Latest "State of the ASM Sector Report" focuses on gender equality

This year's "State of the Artisanal and Small-Scale Mining Sector" Delve report highlights the obstacles faced by women in the ASM sector as well as SDG 5 (gender equality). The report, published by the World Bank and its multi-donor fund Extractives Global Programmatic Support (EGPS) and the organisation Pact, examines the ongoing legal, social and economic challenges and presents opportunities for a gender equitable ASM sector. It reveals that gender discrimination in the ASM sector is deeply rooted in the laws and regulations governing the mining sector, resulting in a lack of visibility and understanding of women's contributions.



Without targeted gender-specific data, legislative reforms are challenging and development interventions remain

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gender-blind. Implementing the recommendations presented in the report will be an important step towards gender equality in the ASM sector and the empowerment of women in the sector. The report is a valuable resource for policy makers, industry representatives and organisations working towards sustainable development.

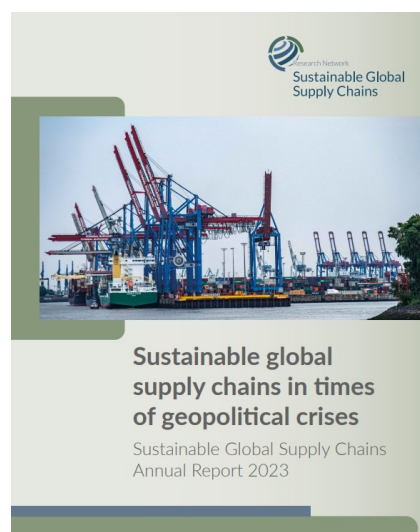
[The full report is available here](#)



Global supply chains are under the growing influence of geopolitics

The latest edition of the Sustainable Global Supply Chains research network's annual report focuses on the overarching theme of "Sustainable global supply chains in times of geopolitical crisis". The report highlights how recent geopolitical and geo-economic developments are shaping and influencing current debates and policy processes around global supply chains. As one of the most important dynamics in this context, the research center highlights the renewed competition for critical raw materials. For many countries, secure access is a crucial prerequisite for the energy and mobility transition and for maintaining prosperity. In order to remain competitive with China and the USA, the EU needs a strategy that takes greater account of the needs of producing countries. This also means that environmental and human rights protection must no longer be perceived as being at odds with economic development.

[Read the full report](#)



© Forschungszentrum Sustainable Global Supply Chains

UNCTAD: New opportunities for diversification for commodity-dependent countries

Decades of over-reliance on the export of a few commodities such as oil, copper, cocoa and wheat expose countries to volatile commodity markets and make them more vulnerable to global shocks such as the COVID-19 pandemic and the war in Ukraine. Falling prices mean less revenue for companies and countries, which in turn leads to job losses. The UNCTAD report "Commodities and

Development 2023" therefore shows ways in which commodity-dependent developing countries could strive for inclusive economic diversification in the context of the global energy transition.

[Read the full report](#)

Implementing the Local Procurement Reporting Mechanism Framework in Peru



With the support of MinSus, Mining Shared Value and the Andean Mining Cluster (SAMMI) released the pilot study "Access to Procurement Data in the Southern Peruvian Mining Sector". It examines the procurement practices of four mining operations in southern Peru and identifies trends over the last decade of companies adopting new tools to foster backward linkages with local suppliers. The study highlights the need to align procurement practices amongst companies and increase transparency to further empower local actors and mitigate corruption risks in the procurement process. Challenges in the bidding process are identified, such as barriers to access, varied and unclear evaluation criteria, and missing feedback mechanisms to unsuccessful bidders to improve practices. Apart from identifying gaps, the document provides recommendations for governments, mining companies, and local suppliers that can foster

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collaboration within the sector, reduce corruption risks in the procurement process and promote local value addition.

[To the report](#)

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Past Events

Challenges and measures of the mining sector in Chile in dealing with climate change



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The UN Economic Commission for Latin America and the Caribbean (CEPAL), the Chilean Geological Survey SERNAGEOMIN and BGR's MinSus project jointly organised a seminar on "Measures taken by mining companies to deal with climate change in Chile". The focus was on preventive measures in the planning and closure of mines and the importance of public-private cooperation for

sustainable solutions in the country's mining industry.

The aim was to identify standards, information and best practices for the implementation of climate change criteria and risks on the country's mining activities. The event began with an opening speech by leaders such as Suina Chahuán, Undersecretary of Mining, and Maximiliano Proaño,

Undersecretary of Environment. Bárbara Salinas from the Ministry of Mines also presented the progress of the sector plan for climate change in the mining industry, which aims to achieve carbon neutrality by 2050.

The seminar concluded with an expert discussion involving the Director of SERNAGEOMIN Patricio Aguilera and other professionals from the fields of ecology, geophysics, engineering and environmental economics, who analysed the measures presented by the mining companies and reflected on the adaptation of the mining industry to current and future challenges.

[A recording of the seminar is available on YouTube](#)

[Link to the article in Spanish](#)

30th African Mining Indaba

The annual African Mining Indaba took place in Cape Town from 5-8 February, this year under the theme "Embracing the power of positive disruption". The central topics were the importance of African raw materials for meeting global demand, technological progress, local value creation and the socially just energy transition.

Our sector programme was pleased to participate at the 30th Mining Indaba and gained valuable insights into promoting sustainable development in the mining sector. In addition to fruitful discussions with various stakeholders as part of the main programme, we held two side events:

BGR, in collaboration with the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF), organised a side event entitled "Navigating Change: Gendered Impacts of Mine Closure". The event focused on the social and economic impact of mine closures on gender equality and presented the findings of the IGF report "Gender Equality in Mine Closure: Actions for Governments".

In addition, the GIZ part of the sector programme, together with Mining Shared Value and Engineers Without Borders Canada, organised a side event on "Local Procurement meets Human Rights Due Diligence: New Requirements for the African Mining Sector". The event focused on the impact of the increased demands on human rights due diligence in the mining sector.

[To the Indaba highlights](#)

PDAC and EITI Board Meeting in Toronto

The PDAC Convention took place in Toronto from 2-5 March with over 25,000 participants. The world's largest mining trade convention brought together representatives from companies, governments, non-governmental organisations and practitioners.

The EITI Board Meeting took place from 29 February to 1 March in Toronto before the PDAC. In this context, the sector programme (GIZ part) advised the BMZ on its role on the international EITI Board, where decisions were made on country validations and the strategic direction of the EITI, among other things. During the PDAC, the representatives of the sector programme participated side sessions, e.g. on benefit sharing in the extractive sector or consultations with industry on the use of the GIZ-financed Local Procurement Reporting Mechanism (LPRM).

[More about PDAC](#)



Upcoming Events

Webinar by Delve: "Rights and Resources: Fostering Gender Equality in Mining Legislation"

09.04.2024, Online

On April 9, Delve will present the exciting findings of the latest edition of the annual "State of the ASM Sector Report" in a webinar. The main focus of this year's report is on SDG 5: Gender Equality. The study has examined gender inequalities in the ASM sector and makes recommendations for creating a more inclusive sector.

All information on the agenda and registration, whether on site or online, can be found [here](#).

RBA Conference "From Policy to Action: Collaborative Approaches to Raw Materials Due Diligence"

11.04.2024, Berlin

The Responsible Business Alliance (RBA) is hosting a conference on "MHRDD and Raw Materials Due Diligence" on 11 April 2024 in Berlin. Svenja Schulze, Minister of the Federal Ministry for Economic Cooperation and Development (BMZ), and Hubertus Heil, Federal Minister of Labour and Social Affairs, will open the conference with keynote speeches. The conference is organised by the RBA in cooperation with the Global Solidarity Initiative (IGS) of GIZ on behalf of the BMZ.

All sessions will be held under the Chatham House Rule. Registration is available [here](#).

Sixth edition of the EIT Raw Material Summit

14.-16.05.2024, The Egg, Brussels

The main theme of the 6th edition of the Raw Material Summit is the crucial role of raw materials for the EU's energy security and a clean energy transition. Although the raw materials market has already doubled in the last five years, it is expected to double again by 2040, driven by global demand and increased competition for minerals. The Summit aims to foster innovation and collaboration for a more sustainable and resilient extractive sector.

More information about the Summit and registration can be found [here](#).

OECD Forum on Responsible Mineral Supply Chains

21.-24.05.2024, OECD Headquarters, Paris

The 17th edition of the OECD Forum on Responsible Mineral Supply Chains will reflect long-standing and emerging priorities in promoting responsible mineral supply chains, with sessions on often overlooked conflict risks, development minerals, regional sessions on gold supply chains, policy cohesion in an evolving regulatory landscape and the role for responsible business conduct in transition minerals governance arrangements. A key theme will be linking long-standing focus areas such as the risks of conflict finance with opportunities to enhance the sector's contribution to sustainable development through the increasing strategic profile of transition minerals.

More information about the forum and registration can be found [here](#).



Did you know...?



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... that the first solar cell was developed back in 1883 in New York by inventor Charles Fritts. Fritts used selenium as the semiconductor material, which was coated with a thin layer of gold. It was not yet suitable for generating light energy on a large scale, but was used as a light meter in photography, among other things. Due to their significantly better

efficiency and availability, modern photovoltaic systems use silicon instead of selenium cells. Instead of the thin gold layer, polymers such as ethylene vinyl acetate (EVA), polyvinyl butyral (PVB) and polyolefins are now mainly used for cell encapsulation due to their better light transmission and heat-regulating properties.

Quelle

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