

Royaume de Belgique

Réponse coordonnée de la Commission Economique Interministérielle et du Comité de Coordination International de l'Environnement

*Consultation publique sur l'avenir de la future Communication sur les matières
premières*

Avec la réponse de :

- Service Public Fédéral Economie, P.M.E., Classes Moyennes et Energie**
- Service Public Fédéral des Affaires étrangères, Commerce Extérieur et de la
Coopération au Développement**
- Service Public Fédéral Santé Publique, Sécurité de la Chaîne Alimentaire et
Environnement**
- Service Public Fédéral Finances**
- Région wallonne**
 - Service Public Wallon, DGO 6 Economie, Emploi et Recherche
 - Service Public Wallon, DGO 4 Aménagement du territoire, Logement, Patrimoine et Energie.
- Région flamande**
 - Flemish government : Environment, Nature and Energy Department
 - Flemish government: Public Waste Agency of Flanders
- Service Géologique de Belgique**
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- Comité de Coordination de la Politique Internationale de l'Environnement**

POLICY AREA: DEFINING CRITICAL RAW MATERIALS

Major issues:

An expert group, chaired by Enterprise and Industry DG, recently released a report the presented a methodology to measure the criticality of raw materials at EU level. A raw material is labelled "critical" when the risk of supply shortage and their impacts on the economy are higher compared with most of the other raw materials. The report provides an analysis of 41 different minerals and metals, and concluded on a list of 14 critical raw materials. It also contained two sets of recommendations: recommendations for follow-up and further support, and policy-oriented recommendations to secure access to and material efficiency of raw materials.

Questions:

1. Do you have any comments on the methodological approach, including the scope, to determine criticality at EU level?

Les différents représentants sondés mettent en avant la qualité des informations recueillies, la robustesse du modèle établi et le travail de fond établi.

Ils mettent aussi l'accent sur certains aspects importants pour la continuité de travail accompli. Dans ce cadre, il faudra veiller à un rythme de révisions fréquent (idéalement moins de cinq ans afin de prendre en compte des activités de recherche dans la substitution ou le développement de marchés porteurs et émergents).

Dans cette optique, il y a lieu de prolonger le mandat du groupe « Matières premières critiques » afin d'assurer la continuité de l'analyse.

Des points d'attention devraient davantage prendre en compte certains aspects :

- Certains interlocuteurs recommandent de développer davantage le recyclage et le potentiel de substitution et des retombées économiques.
- Certain stakeholders considering the relativity of the 'criticality' in temporal terms, and taking into account the modern pace of technological evolution, it deems a necessity to generate a more generic database, containing data for all (relevant) materials, not only for those marked as 'critical'. This would also allow the creation of 4D-models and provide tools to make educated guesses about the necessity expectancies.
- Others expressed that by defining a critical raw materials strategy, it's important to be global and integrate major societal challenges and concerns. Certain variables could therefore take on board new aspects. A reflexion of the environmental dimension could be addressed taking into account e.g. "minimizing the associated environmental risks". Indeed, a risk of supply shortage might be either the fact of environmental protection measures (e.g. protection of rainfall forest in Amazonia and the mining concession) or the risk of shortage might on the contrary endanger environmental and ecological capacity. In this latest matter, we may take the example of oil where there is a necessity to explore deepwater reservoirs to overcome future oil shortage but

the current Deepwater BP Oil Spill in the Gulf (US) shows that it might lead economic damage but also sound adverse effects on the biodiversity and other natural resources.

2. *Do you see any additional raw material that should be considered as critical?*

As far as the critical list of material is concerned, not for the moment.

But some reflexion/thinking should be made on the **supply chain concept and material management**.

For instance, on the concept of criticality in the sense that a closure of one quarry/mine could interrupt of whole supply chain (when these materials origin is highly ranked in the supply risk dimension). This temporary local disruption, could lead to a critical situation for the whole chain.

Moving towards a *Sustainable Materials Management* (SMM)-system would offer the opportunity to take a first step towards more stable material streams, as this would reduce the necessity to import an major part of the materials needed in the production process. It therefore also copes with the dependency on import from perhaps less accessible markets.

The **Sustainable Materials Management**, as the Belgian Presidency wants to promote it, aims at the efficient and environmentally responsible use of materials, independent of whether they are raw materials, products or waste. SMM takes a life-cycle approach as its basic premise and includes sustainable extraction, ecological design, eco-efficient production, sustainable consumption and sustainable waste management. The aim of SMM is to reduce the negative environmental impacts of materials use and preserve natural capital along the whole chain. SMM takes into account ecological, economic and social gains. Because environmental policies cannot be built in isolation from other policy fields, SMM seeks policy integration.

3. *Do you have any comments regarding the recommendations of the report?*

Deux volets sont prioritaires :

Concernant la **recommandation relative au développement du recyclage** de ces matières ou des produits les incorporant, il est crucial notamment de développer des stratégies permettant de renforcer sur le plan mondial le leadership européen en matière de « déchets d'équipements électriques et électroniques » et « véhicules en fin de vie ». Dans ce cadre, la Belgique appuie les recommandations formulées par Eurométaux et Öko-Institut e.V.¹.

Un rapport du groupe d'experts des Nations Unies pour la gestion durable des ressources² tire la sonnette d'alarme : les métaux indispensables pour le développement des « cleantech » ont un taux de recyclage beaucoup trop bas, estimé à environ 1%. Dans ce contexte, il importe de poursuivre l'adaptation de la directive relative aux déchets d'équipements électriques et électroniques (DEEE).

En outre, l'initiative « marchés porteurs » relative au recyclage doit être renforcée et poursuivie dans le cadre d'une stratégie basée sur le cycle de vie des ressources et des produits. En premier lieu, il s'agit d'inviter les entreprises à minimiser, voir remplacer, l'emploi des métaux rares lors de la conception de nouveaux produits.

¹ <http://www.resourcefever.org/news/items/eurometaux-proposals-for-the-raw-materials-initiative-jointly-prepared-with-oeko-institut-ev-now-online.html>

² Cfr <http://www.unep.fr/scp/rpanel/Metals1.htm>

Quant aux **recommandations relatives à l'encouragement de la substitution** en favorisant la recherche et à l'amélioration de l'efficacité matérielle globale des matières premières critiques, il est en effet indispensable de mettre l'accent sur l'innovation et la R&D, notamment en vue de développer des produits de substitution, des modes de production moins consommateurs de ressources, ... En effet, même si le recyclage permet en partie de s'affranchir de la dépendance vis-à-vis des pays exportateurs de métaux et de terres rares ; développer des solutions techniques alternatives qui n'utilisent pas ou peu de ces matériaux est un moyen tout aussi efficace.

Afin d'organiser et financer la recherche dans une optique de réduire consommation des métaux et terres rares (miniaturisation), des actions complémentaires et cohérentes doivent être développées à travers la Stratégie 2020, notamment au sein des initiatives phares suivantes : « Une Union pour l'Innovation », « Une politique industrielle à l'ère de la mondialisation », « Une Europe efficace dans l'utilisation des ressources ».

Il y a lieu aussi de lier la problématique « matières premières » avec les futurs Partenariats pour l'Innovation.

Les répercussions en matière de compétitivité risquent de peser plus lourdement sur les PME innovantes fortement présentes dans le secteur des « cleantech », étant donné leur poids moindre sur le marché (difficultés d'approvisionnement plus importantes, problématique des prix). Cette thématique devrait être davantage prise en compte par la Commission.

Certains interlocuteurs mettent l'accent sur un besoin de recherche de données sur les flux de matériaux, les stocks dormant et le « ressources leakage ».

4. Are you aware of any initiatives in your country that aim to assess the criticality of raw materials? If so, please describe briefly.

Preliminary remark: Within the framework of their competences, the three Belgian Regions develop their own economic policy and land use planning, independent of the national ('federal') government.

Not as such on the concept of criticality of minerals but rather on their recycling potential and especially substitutes for the building industry and infrastructural works (thus rather base raw materials like sand, gravel, aggregates).

The same applies for historical building materials that are in short supply or no longer available for restoration works, leading to attempts to open new quarries.

It should be of importance to conduct surveys in that field in order to assess the needs.

5. The functioning of raw materials markets has not been dealt with. Do you think that further analysis of their functioning should be carried out? What actions should be proposed to increase their transparency?

Oui, de nombreux niveaux d'analyse s'avèrent nécessaires.

En tout premier lieu, *le mode fonctionnement* lui-même. Que cela soit au niveau physique, au niveau des centres de négoce que des dérivés. Il y a en outre lieu de prendre en compte plusieurs marchés complexes car ils diffèrent fortement d'une ressource à l'autre. Le fonctionnement commercial peut en

effet être dans les mains d'agences professionnelles, de bourses ou d'agences commerciales. Différents niveaux, comme les centres de négoce, ne font pas aujourd'hui l'objet de réelles mesures d'encadrement. Or ces marchés sont exposés à des risques d'abus de marché spécifiques. Ainsi, de nouveaux produits financiers, comme les « exchange trading funds » (ETF) spécialisés sur certains métaux précieux et métaux mineurs (platine, palladium, or ou uranium) n'ont d'autre finalité que la spéculation ; l'objectif étant de s'inscrire dans une tendance haussière de la demande de manière à assécher un marché déjà restreint et d'accentuer la hausse des cours.

Des facteurs tels que les ETF, le stockage et les quotas complexifient les équilibres offre-demande sur ces marchés et sont autant de facteurs potentiels de distorsion des marchés et de risques de crise à venir.

Within this framework, BE is actively promoting actions that enhance *good governance and transparency* with special attention given to natural resources, including raw materials. BE therefore supports existing initiatives of the International Community dealing with transparency (EITI, OECD, WB). Measures aiming at increasing transparency of transactions in raw materials/commodities should be further developed like enhancing transparency in physical transactions of non-exchange traded commodities, financial regulation for transactions in exchange traded commodities...

Une communication de la Commission européenne pourrait, par exemple, poser les principes qui devront guider la régulation des marchés dérivés de matières premières au niveau européen.

En second lieu, est visé le domaine de la *concurrence* comme les mouvements de fusions/acquisitions et d'intégration verticale au sein des chaînes de valeur, qui peuvent soulever des problèmes d'abus de position dominante ou des situations de monopole pour l'accès à certaines ressources.

Il y a aussi lieu de prendre en considération les obstacles de certain pays tiers tant dans sa dimension restrictive que des effets induits sur les autres zones d'approvisionnement.

Thirdly, a possible action to increase transparency would be to list the *average retention time* of an element within its product linked life cycle³. In a SMM-system, this would allow the make-up of 'material stocks', which – in turn – could be used as an input for ongoing productions and new production processes.

6. Do you think that the EU should propose a system of stockpiling for the critical raw materials? If so, please indicate whether you consider it more appropriate to do this at Community or alternatively at Member States level.

Plusieurs pays (Chine, Corée du Sud, Japon) ont déjà annoncé la constitution ou l'augmentation de leurs stocks de métaux les plus critiques. Quant aux Etats-Unis, ils reconsidèrent la composition de leurs stocks stratégiques sur la base de leurs métaux critiques. Il en est de même pour certains Etats membres tels que la France qui réfléchissent à l'opportunité de stocks stratégiques nationaux.

Sur le principe, l'UE pourrait s'inspirer de la stratégie japonaise. Le Japon a élaboré depuis plusieurs années une stratégie pour sécuriser son approvisionnement en matières premières devenues indispensables au développement de son industrie. Elle se décline en quatre axes : la sécurisation de l'importation des ressources, le recyclage, le développement de matériaux de remplacement et la constitution de réserves stratégiques. En outre, le Gouvernement japonais a créé en 2004 le JOGMEC,

³ Cell phone batteries for example will have a shorter retention time than photovoltaic cells in solar panels

Japanese Oil, Gas and Metals National Cooperation. Cet organisme est notamment chargé d'offrir une assistance financière aux entreprises japonaises pour l'exploration et le développement de gisements miniers, pour le développement de « l'intelligence minière », et de la gestion de stocks stratégiques de métaux rares et indispensables. Enfin, pour faire face aux fluctuations du marché des matières premières, le Japon a commencé en 1983 à se constituer des stocks de matières stratégiques, parmi lesquelles neuf métaux rares.

Certains intervenants ciblent cette action *uniquement en temps de crise et en collaboration étroite avec l'industrie*. D'autres ont émis l'hypothèse de créer une Agence européenne dédiée aux matières premières critiques dont les activités incluraient par exemple une réflexion de fond, le soutien au développement technologique et technique, le développement de « l'intelligence minière », le contrôle de la pollution minière,... et, éventuellement, la gestion de stocks stratégiques.

Cependant, la constitution de stocks est un moyen d'intervention sur les marchés qui peut avoir des *effets connexes non désirés*. Certains pays européens le proposent actuellement, mais il y a lieu de réfléchir aux différents aspects induits : modalités, conséquences, ...

Others stakeholders pinpoint that a stockpiling is certainly relevant (preferably at community level), although it perhaps only provides a short-term solution, as stocks might be expensive while the technological evolution might overtake the stockpiling or diminish the value faster than stocks might adjust to current developments.

Moreover the 6th question should be linked to the 5th one concerning the "functioning of raw materials markets". In this direction the EC might also envisage the possibility to merge both her Thematic Strategy on Raw materials & Natural resources and Thematic Strategy on Waste and Recycling of waste, and doing so seeking to develop synergies and to optimize market structures in a more sustainable way.

POLICY AREA: TRADE

Major issues:

One pillar of the Raw Materials Initiative consists in developing a *European external strategy in order to guarantee the sustainable supply of raw materials from global markets at undistorted conditions. In this, trade policy plays an important role.*

DG Trade has recently completed its 2009 activity report on raw materials, which summarizes the progresses accomplished along the three axes of the trade raw materials strategy:

- Include, as appropriate, the relevant trade disciplines on sustainable supply of raw materials in bilateral and multilateral trade agreements.*
- Identify illegitimate trade distortive measures taken by third countries and tackle them using all available instruments, including through bilateral consultations, the Market Access Partnership process or, if necessary, the WTO dispute settlement; while delimitating more clearly permissible exceptions for e.g. development purposes.*
- Reach out to third countries to show that the question of sustainable raw materials supply is an issue relevant to all countries, developing or developed, resource-rich and resource-poor alike as the uncontrolled, unregulated multiplication of trade restrictions can lead to a generalized beggar-thy-neighbour policy detrimental to most countries; while recognising the importance of respecting internationally agreed rules on the subject.*

Questions:

7. Do you think that the importance of trade is adequately reflected in the work carried out so far in the Raw Materials Initiative?

L'importance de la politique commerciale en la matière doit être renforcée afin de garantir un accès non faussé aux matières premières.

Un travail plus systématique et structuré doit être réalisé afin d'identifier et dénoncer toutes pratiques de distorsion commerciale prise par des pays tiers au moyen de tous les mécanismes et instruments disponibles, y compris les négociations de l'OMC, le règlement des litiges,...

Les intervenants soutiennent les efforts faits à travers la diplomatie économique et la politique des matières premières. Pour davantage d'efficacité, il a lieu de relayer cette question en haut de l'agenda du futur Service Extérieur de la Commission qui endossera donc une fonction de diplomatie économique-appvisionnement stratégique.

8. Do you have any comment regarding the main findings of DG Trade activity report? What activities should be prioritised? Are there, in your opinion, additional activities not mentioned in the report which should be pursued in this strategy?

Une information plus ciblée à l'attention des entreprises serait opportune. Il importe de mettre l'accent sur le caractère confidentiel des informations transmises par ces dernières afin d'étayer la base de donnée « Market Access » (crainte de rétorsion par certains pays tiers).

Others relevant issues to be addressed could be :

- The link with poverty reduction (as taken up in the Europe 2020-strategy) is not mentioned explicitly and should be further clarified.

- Recycling certificates (proposed as key action within the SMM-strategy) might help to bridge the gap.
- Include, as appropriate, the relevant MEAs provisions (Multilateral Environmental Agreements provisions) concerning sustainable supply of raw materials in bilateral and multilateral trade agreements.
- Pursue the development and the adoption of a global governing framework, based on mandatory tools and provisions, at the crossroads of multilaterally recognized agreements in various disciplines (Trade, environment, industry, etc.) in order to guarantee the “sustainable” supply of raw materials, including “good governance” attitudes to prevent illegitimate trade distortive measures and monopoly power.

9. Please identify trade distortive measures (i.e. export restrictions) concerning raw materials that in your view should be tackled.

Avec une *concentration de la production primaire* de 10 des matières premières critiques sur 14 et des mesures restrictives importantes quant à leur exploitation et exportation, la Chine est sans conteste une préoccupation majeure. En outre, elle applique une stratégie commerciale, fiscale et d'investissement destinée à se réserver l'exploitation exclusive de ses ressources avec la mise en place de nombreuses mesures restrictives, telles que les taxes, quotas, subsides et règles d'investissements étrangers restrictives. L'objectif est clairement de maintenir ces ressources sur le territoire national afin de soutenir le développement de sa filière industrielle « aval ».

De plus, la Chine a annoncé de nouvelles restrictions drastiques (projet d'interdiction d'exporter en 2015) concernant les terres rares⁴, matière première hautement critique dont elle détient 97% de la production mondiale. L'exploitation sera désormais centralisée et restreinte à quelques grandes sociétés nationales avec des quotas à l'exportation ne dépassant pas les 25% de la production. Un système de licence est aussi mis en œuvre et la liste des entreprises habilitées tend à s'amenuiser dans le temps⁵.

En somme, la Chine installe un monopole total sur une matière première indispensable au niveau mondial alors que le recyclage des terres rares reste difficile, coûteux et encore sujet à des projets de recherche et développement (« utilisation diffuse et en petites quantités » et voir question 3 sur la problématique des appareils en fin de vie).

Étant donné cette position dominante, les mesures chinoises influent très fortement la disponibilité et les prix mondiaux et faussent également la concurrence mondiale des industries en aval. Ces mesures sont en violation de plusieurs articles du GATT, et également de plusieurs engagements qu'elle a pris dans le cadre de son protocole d'adhésion à l'OMC. Il est indispensable que le dossier déposé à l'organe de règlement des différends de l'OMC par l'UE (avec le Mexique et les Etats-Unis) avance

⁴ Le 8 juillet la Chine, qui produit 95% des terres rares utilisées dans le monde et dispose des plus grosses réserves connues (estimées à 60 millions de tonnes par les services statistiques du ministère des ressources naturelles), annonçait qu'elle réduisait ses exportations de 72%. Selon le Ministère du Commerce, pour la deuxième moitié de 2010, le total des exportations sera limité à 7.800 tonnes, contre 28 000 tonnes au cours du 2e semestre 2009.

⁵ Entre 2009 et 2010, le nombre d'entreprises habilitées est passé de 22 à 18 (hors Joint-ventures) et le quota a été diminué de 29%. Source : <http://www.asianmetal.com>.

plus rapidement sur les 9 métaux de base actuels tout en étoffant cette liste par d'autres métaux critiques.

Il y a aussi lieu d'être *plus proactif et plus offensif* comme pour les matières premières secondaires métalliques originaires de Russie (taxe à l'exportation).

Dans le cadre de la transparence des revenus miniers (EITI ou système équivalent), il y a lieu de prendre en compte certaines *externalités négatives* d'un tel système notamment dans l'activité minière dite artisanale. En effet, assurer la traçabilité (pour juger de la qualité de la filière d'approvisionnement) n'est pas aisé dans ce type d'opérations. Les petits mineurs, élément de base de la vie économique locale, étant à l'amont de cette chaîne de valeur, pourraient être exclus de cette filière transparence uniquement à cause d'un maillon en aval défaillant (comme le commerçant ou le négociant).

Il y a aussi lieu aussi de réfléchir dans les mécanismes d'embargo qui peuvent avoir un effet direct négatif sur les petits producteurs et l'activité artisanale.

In DRC (and Central Africa), BE defends the view that instituting the rule of law and establishing an environment enabling legal trade is a key issue. However, side effects of rules and regulations that could urge "responsible" industries to leave the field for less scrupulous actors should be carefully analysed, especially with regard to its effects on sustainable development, including the social effects on the "creuseurs" (80 to 90% of the population of "creuseurs" are operating in the informal sector of the economy).

10. Are you aware of any initiatives in your country that have one of the abovegoals in mind such as, for example, developing a raw materials diplomacy, or supporting companies to invest in third countries in the raw materials sector? If so, please describe briefly.

Belgium, Foreign Affairs Department, has initiated in 2006 a Task Force Mineral Resources in Central Africa, in practice the Democratic Republic of Congo, (MIRECA) to strengthen government control on the mining sector, trace minerals from illegal mining and trade (mainly cobalt) and improve mining conditions as a support for a more sustainable local society (www.gecoproject.org). See the chapter "development" for more information.

In the Council Conclusions of May 10 last on enhancing the EU actions in the area of commodities it was pointed out that "commodity related challenges need to be addressed in a holistic and coherent way, while taking into account all relevant policy perspectives and respecting the principles of ownership and partnership". Belgium fully supports this view.

The raw materials initiative raises awareness for the special needs of developing countries in meeting the demand for raw materials. However, issues of transparency, good governance, respect for the principles of sustainable development with its three pillars (economic, social, environment), capacity-building on technical, management and administrative level, health issues, development of infrastructure and financing and risk management throughout the value chain, ... are horizontal aspects not only valid for raw materials, but for the broad spectrum of commodities. The EU needs a comprehensive approach towards commodities/raw materials in order to optimize its leverage and realize a win-win situation for developed and developing countries alike.

Referring to the concept of “raw materials diplomacy” might create a misperception. Nevertheless, commodities issues should be integrated in the external Action of the EU in a more coherent way, taking into account the existing instruments with regard to the horizontal aspects.

POLICY AREA: DEVELOPMENT

Major issues:

The 2008 RMI Communication highlighted that development policies play a relevant role in at three 'levels':

- 'Strengthening States'*
- Promote a sound investment climate that helps increase sustainable supplies of raw materials*
- Promote sustainable management of raw materials*

In 2010, within the context of the EU-African Union partnership, the European Commission and the African Union Commission recently agreed to develop a bilateral co-operation in the field of raw materials and to work together, taking fully into account the Africa Mining Vision of February 2009 and the EU Raw Materials Initiative of December 2008, in particular on issues such as governance, infrastructure and investment and geological knowledge and skills.

Belgian external relations foreword, policy and recommendations

Since the end of 2006, Belgium has dedicated special attention to the question of natural resources in Central Africa and the Great Lakes area. A think tank and a research program are dedicated to the characterization and management of mineral resources in Central Africa, based on the existing expertise in the Royal Museum for Central Africa (RMCA, Tervuren, Belgium) and associated universities, in Belgium and abroad (EU and Africa). Belgium's concerns are very briefly summarized below (pp. 1 & 2); our answers to the proposed questionnaire follow.

1. BE concerns in raw materials (political):

- General framework for dealing with raw materials : framework of sustainable development (with the three pillars : social, economic, environment).
- In external relations with developing countries, take into account the achievement of the Millennium Development Goals.
- Political priority : Overall, political stability and peace in Central Africa.
- Good governance and transparency in the mining sector, especially in Central Africa (Great Lakes region)
- Restore the rule of law and establishment of an enabling environment allowing legal trade.
- Capacity building of State agencies
- Living and working conditions of miners, especially in the artisanal sector
- Multilateral approach, active support to International Community (IC) initiatives, such as EITI, OECD guidelines for due diligence, etc.

2. BE concerns in raw materials (geological):

- Overall, improve the geological expertise on Central Africa resources
- Improve geological mapping and geological info database (DB)
- Capacity building and/or creation of geological surveys
- Improve the understanding of ore formation, dating and characterization
- Determine the content in economic metals in ores

3. BE tools (from 2006 onwards; currently ongoing):

- Task Force MIRECA "Mineral Resources in Central Africa"

- Advice to BE Foreign Affairs
- Takes part in IC initiatives and relevant meetings
- Pilot projects (cobalt in Katanga, mapping in Kivu, gold in Burundi)
- GECO project “Geology for an Economic Sustainable development”
- “Geological expertise” of MIRECA
- Geological mapping and expertise on Central African ore deposits
- Capacity building of Congolese mining authorities
- Follow-up of environmental and health impact of mining activities

4. What BE can bring:

- Expertise (knowledge center) on the geological background in Central Africa :
- Understanding of ore genesis
- Mapping, including space-based technologies (remote-sensing)
- Resources DB
- “New” resources occurrences (e.g. REE in Burundi)
- An acknowledged expertise on the mining sector (political aspects) in Central Africa.
- A will to promote multilateral mitigation policies, taking into account:
- The needs and demand of African partners
- All aspects of production in developing countries
- Including social and environmental aspects on the ground.

To summarize, Belgium would recommend capitalizing on the existing relationships between EU member States and African countries to reinforce partnership with Africa. EU added value (when compared to the BRIC bloc) may result from an approach to promote a holistic approach of mineral resources, including social and environmental aspects, and extending best practices to other developing countries in Asia and Latin-America (i.e. lithium triangle, Afghanistan). It is hoped for that this long-term, strategic approach would eventually prevail over the shortsighted policy of competitors, for the mutual benefit of all partners involved.

Questions:

11. *What specific actions would you consider most relevant needed in the following areas:*

Good governance: Without it, there is no sustainable effect of any action to support the raw materials economy, but implementation of Good Governance is beyond the scope of the Raw materials initiative alone.

Therefore, it should be pay attention to the follow-up and active support to existing initiatives, such as EITI, OECD pilot project in the mining and mineral sector (due diligence guidance for responsible supply chain management of minerals from conflict-affected and high-risk areas), etc. Special attention should be paid to the artisanal mining sector that matters in Africa (e.g. Co and Ta in DRC).

Infrastructure: Concerning the AEGOS⁶ initiative, the digital infrastructure for geological and mining data has to be secure in the time. Political unrest or natural disruption in one state may destroy the system, cause irretrievable loss of data and knowledge and jeopardize the project.

⁶ African-European Geosources Observation System.

Geological knowledge: This is more a matter of international agreements. This does not mean that follow-up would not be worthwhile on the EU level, but without proper institutes able to sustain long-term involvement (e.g. an EU geological research centre) it will be very difficult to overcome the often jealously guarded data by smaller entities.

In some parts of the world, for instance in Africa, geological knowledge and skills are still to be developed. The EU can bring added value in fostering a real win-win approach in mineral resource management, based on geological expertise, capacity-building and education. Notwithstanding that expertise is available in Member States, it merely follows the patterns of historical relations – i.e. France keeps more expertise in Western Africa, Belgium in the Great Lakes area, UK in Eastern Africa, etc.

These practical steps might be relevant, at the Member States level first and then, progressively, at the Community's level:

- Overall, improve the geological expertise on (Central) African resources (including a focus on insufficiently known ore deposits)
- Improve geological mapping and geological info database (DB)
- Capacity-building and/or creation of geological surveys in third countries
- Improve the understanding of ore formation, dating and characterization
- Determine the content of economic metals in ores

Une autre piste intéressante est le développement de partenariats avec les pays africains. Il s'agit tout d'abord de mettre rapidement en place une coopération spécifique (envisagée lors de la réunion entre la Commission européenne et la Commission de l'Union africaine, qui s'est tenue le 8 juin 2010 à Addis-Abeba) dans le domaine des matières premières et d'œuvrer conjointement à la réalisation d'initiatives sur des points tels que la gouvernance, les infrastructures, les investissements et les connaissances théoriques ou pratiques en géologie. Il s'agit d'une action primordiale car les entreprises chinoises et indiennes sont déjà très actives sur un continent africain disposant de ressources minières riches et variées et encore inexploitées.

Tout comme le Japon et la Chine, notamment, l'UE doit davantage se tourner vers d'autres pays dans l'optique de transmettre son savoir-faire technologique et écologique et dans le domaine de la construction d'infrastructures minières.

Other actions could be addressed in field of specific education and exchange of best practices/knowledge transfer to developing countries.

12. Regarding transparency, what measures do you believe the EU should take to foster revenue transparency in the mining industry in raw material resource rich countries? What are your views regarding existing initiatives currently being taken in this area, namely by the Extractive Industries Transparency Initiative (EITI)?

BE supports the EITI and other initiatives to improve transparency and accountability in the responsible management of natural resources. BE is one of the EU Member States financially contributing to the EITI through the World Bank Multi Donor Trust Fund and the EITI-secretariat.

BE is open for a discussion on increased participation and closer coordination of EU and Member States' in the Extractive Industries Transparency Initiative since EITI is an important tool in the EU foreign policy towards natural resource rich countries (e.g. in Africa)

BE believes that an increased cooperation and coordination between EU member states and the Commission is essential, if non-participating member states see the merits of EITI in enhancing revenue transparency, and if all member states and the Commission are willing to broaden the support, also financially.

BE sees the EITI as a development oriented programme and as a conflict prevention measure fitting into the development - and external relations agenda/policy of Member States and of the EU – not as a foreign trade instrument. BE, however, acknowledges that, indirectly, EITI has its influence on trade relations and commercial activities.

Transparency in natural resource management is a hot topic on which many international fora want to discuss. It is essential not to lose focus. BE therefore urges for a coherent, holistic and comprehensive approach towards all initiatives and activities. In this regard, one essential element is mostly forgotten: the necessity of creating a process in order to integrate and embed the transparency initiative sustainably into the country (legal system), subject to the initiative, so that the country owns the process and takes its own responsibility finally.

To enhance transparency other aspects could also take on board :

- Improvement of relations between governments and companies.
- Transparency from companies about exportation, importation and production.

But transparency has a limit; no system is intrinsically transparent or remains so on the long term, certainly in view of the long lifetimes of mining compared to those of laws, environmental regulations and taxation systems. Anyway, common initiatives to improve transparency must be supported, but these must not be seen as a condition sine qua non for supporting investment and trade in mineral resource-rich countries.

13. Concerning the recent agreement between the European Commission and the African Union Commission, in your view, what concrete objectives, targets and deliverables should be included in such a partnership?

Joint efforts and actions in the field of *geological knowledge and skills* would be highly appreciated: direct focus on mineral resources (identification, mapping, characterisation and potential) is only one of the relevant aspects therein.

Moreover, *capacity building* for African geological surveys and the training of human resources are a second aspect that should be considered.

Thirdly, a major concern in Africa is placed on *mapping* in general. Scientific AU-EU collaboration, especially in the field of remote-sensing mapping (with space-based technologies), is a promising one. Better maps are of high importance for African countries: they enable to tackle issues as national boundaries, land use (forestry, mining, agriculture, etc.), but also the various “cadastre” (land register) of interest to most human activities and lacking in many African countries.

In that field a clear AEGOS (African-European Geosurvey Observation System) project support is more than relevant.

14. Do you consider that wood should be addressed in the framework of development policy? If yes, please specify what are the main issues to be analysed.

Depends on the scope. When encompassing the geopolitical situation and current FSC-labelling systems, it might be important to address this, as to score the impact of new extraction areas.

Certain stakeholders pinpoint that it is preferable to extend to building materials rather than to wood (or biofuels etc). High quality building materials (sand, gravel, aggregates, clay, gypsum, limestone, dolomite, ornamental building stones, etc.) are more relevant for local economic development in the third countries than the critical raw minerals. The only difference is that these mostly serve the local market and are less important for international trade (with exceptions for value-added products such as lime, cement, plaster, additives etc.). Moreover, European based companies are internationally active in this field and many possibilities exist for assistance at local community level.

15. Are you aware of any initiatives in your country that contribute to promoting exploration and exploitation of mines in developing countries? Should such initiatives be better coordinated or promoted at the EU level?

Belgium does not support the mining industry as such, it rather supports governments and communities dealing with mining activity.

The Royal Museum of Central Africa (RMCA) assists both the States (e.g. DRC) and private companies in providing relevant geological and mining information on request. RMCA also actively contributes to the capacity-building of the DRC Geological Survey (namely the Centre de Recherches Géologiques et Minières, CRGM), and has formerly conducted similar operations in other African countries (Rwanda, Burundi, Sierra Leone, Mali, Tanzania, Gabon).

Some Belgian companies involved in minerals that do not figure prominently on the criticality list but are more important because of the volumes concerned worldwide, and with a special focus in the strong growing or emergent markets (Carmeuse, Lhoist, SCRSibelco).

Better coordination at the EU level is a condition of success, for the deployment of synergies and avoiding overlapping, as the materials issue is a strategic, horizontal theme that is of importance for numerous departments. A cross-cabinet task force might be a solution for a more performant approach.

POLICY AREA: IMPROVEMENT OF THE REGULATORY FRAMEWORK CONDITIONS INSIDE THE EU

Major issues:

- The Commission has proposed in the Raw Materials Initiative adopted in 2008 to provide clarity on how to reconcile non-energy extraction activities in or near Natura 2000 areas with environmental protection. In consultation with stakeholders a guidance document has been finalised and will be available on the web site of DG Environment⁷ before summer break.*
- As regards ways to improve the regulatory framework within the EU by promoting the exchange of best practices in the area of land use planning and administrative conditions for exploration and extraction, a report has been delivered by the relevant ad hoc Working Group⁸.*
- This report covers the following topics:*
 - Minerals Policy*
 - Land use planning policy for minerals*
 - Authorisation and permitting procedures*
 - Achieving Technical, Environmental and Social Excellence*
 - Improving the EU's geological knowledge base*
 - Better networking between the national Geological Surveys*
 - Need to integrate terrestrial sub-surface information into the GMES Land Service*

Questions:

16. Do you agree that these topics correspond to the major challenges in this policy area? If not, please specify.

Yes

17. Do you think of any other avenues which should be followed by the Commission? If yes, please specify.

The subsidiarity principle must remain in this field: In Belgium it is a regional competence and part of the regulation will depend on public acceptance, which is primarily a local issue (in some areas it will be almost impossible to set up an extractive industry, which may be considered as a basic partner in society in other regions, generally with a long or maintained mining tradition).

Des études spécialisées doivent être conduites pour estimer et localiser les ressources disponibles en Europe. European integrated studies on estimation and localisation of raw materials in Europe should be determined.

In Wallonia, an Academic study ("étude Poty") evaluates the allowed reserves for all quarries. Land use planning delimits an area to guarantee supply for the next 30 years. Productions are compared between years.

In the Flemish region, the demand for 25 years of a raw material is based on an econometric modelling. Taken into account the geological, spatial, ecological, social, economical en agricultural conditions, new sites of extraction are determined and existing, fully exploited sites are given a new land use destination.

18. Do you agree with the recommendations made in the report on "Exchanging Best Practice on Land Use Planning, Permitting and Geological Knowledge Sharing" or do you have any specific ones to be added. Please explain.

Yes.

The recommendations on geological knowledge sharing are now mainly focused on better networking between the national geological surveys. The scope of the better networking should be further extended to also knowledge sharing with the public authorities authorised for the policy on natural resources (national and/or regional). And even with universities and other research institutes.

A broad transition platform, as promoted by the SMM-strategy, might be a hub for innovation, if intellectual property is strictly guaranteed.

19. Do you consider it useful to establish an EU geological service based on a network of Member State geological services?

Yes, the EuroGeoSurveys network, which runs already on a virtual basis, shows that a geological service with direct link to EU will be viable and can be further extended.

Moreover it would be vital for equal level playing between larger and smaller states (or rather between states well endowed with an extraction industry / geo-energy industries and those that lack these).

20. Do you consider that EU regulatory framework conditions for wood and/or recovered paper need to be further analysed? If yes, please specify.

If this guarantees better recycling conditions and limits unnecessary import.

Not only analysis of regulatory framework but also follow-up of how it is applied in the field, more precisely to verify that the idealistic objectives are indeed achieved or that it is all window dressing.

Les éléments relatifs à Natura 2000 et le développement de la filière extractive en Belgique.

En Belgique, l'extraction concerne principalement des matériaux de construction (pierres, granulats, sable, argile, ...). Ce type d'exploitation ne requiert donc pas de traitement spécifique et concourt véritablement aux objectifs du développement biologique.

En effet, une grande attention est donnée au maintien de zones propices au développement de la faune et de la flore. Dans de nombreux cas, l'activité extractive crée elle-même des écosystèmes particuliers qui sont protégés entre autres par le programme NATURA 2000.

POLICY AREA: PROMOTING SKILLS AND RESEARCH, DEVELOPMENT AND INNOVATION

Major issues:

- ☑ *Promote skills not only in the mining sector but also in other raw materials sectors is a matter of concern. The Commission is currently supporting this challenge via programmes such as ERASMUS MUNDUS with the specific Minerals and Environment Programme (EMMEP).*
- ☑ *Focussed research on innovative exploration and extraction technologies, recycling, materials substitution and resource efficiency. The Commission has recognised the European Technology Platform on Sustainable Mining (ETP-SMR) to catalyse excellent research and development collaborative projects between the industry and research organisations. In addition, via the 7th framework programme for research, development and innovation the next call for proposals in the area are expected to be public in July.*

Questions:

Skills:

21. What type of actions would you propose to provide better cooperation between companies, universities and public authorities in order to promote skills and in the extractive or other raw materials sectors? Please specify. Research, Development and Innovation:

En général en Europe, il y a lieu de considérer un certain « laisser aller » dans ces domaines et ce depuis près de 20 ans. Il importe de procéder à l'échange d'experts, de former de nouveaux et de promouvoir les liens entre le monde extractif et les Universités.

Establishing a raw materials task force on European level would help to provide more transparency.

Un autre volet serait de favoriser les échanges de savoir à travers des actions événementielles (conférences, cycle d'étude, ...). De penser à différentes formes de coopération, d'appuyer les initiatives de PME, des centres de recherche, des associations scientifiques et des organisations professionnelles (par exemple la Fédération européenne des Géologues).

Des partenariats administrations et Universités et des échange d'expériences à travers des études, thèses de doctorat entre devraient être favorisés. Il n'est non plus pas à négliger des actions ciblées à travers les « Lead Markets ».

22. Are you aware of any research, development and innovation programme(s) at national, regional or local level?

There are too few players in Belgium, which in some cases are each other's competitor, meaning that bilateral projects (between a company and a research institute) are more likely.

An example could be the "EcoTechnoPôle Wallonia".

23. Where do you see the major gap / the urgent need for the raw materials sector related research, development and innovation at EU level. Please provide details.

Full mineralogical characterisation of the mineral deposits, their alteration products (in soils), their concentrates and waste products (during treatment).

24. What is your idea of a major research and innovation action that would have the highest positive impact on the security of raw materials supply for the EU industries?

The highest positive impact might be found in a dynamic database, coupled to the development of a sustainable materials management (SMM)-approach which then could concretise the shift from the mere consumption of raw materials to a cyclical approach within and across production and refining sectors.

Strengthening cadastral, geological, mining and environmental services, both in EU and third countries, allowing for an efficient and sustainable mineral extraction and fair conditions for the extraction industry.

To improve geological knowledges and sustainable management resources. Mix quality to use scraps, No grinding of marbles and ornamental stones.

25. Are you aware of innovative exploration and extraction technologies, where project partners on a European level are needed to develop and implement the new technologies and which are the innovative technologies which need to be developed further. Please provide details.

This is clearly the case for :

- the unconventional energy sector (clean energy from coal, tight shale),
- the building industry (ornamental stone petrographic and rockmechanical databases of historic ornamental stones and replacement stones).

26. Are there any other aspects related to skills, R&D and innovation for other raw materials, such as wood, that need to be further promoted?

Not for wood but for ornamental stones (see question 25).

POLICY AREA: RESOURCE EFFICIENCY & RECYCLING

Major issues:

The 2008 RMI Communication identified that the increased use of secondary raw materials contributes to security of supply and energy efficiency. However, today many end-of-life products do not enter into sound recycling channels, resulting in an irremediable loss of valuable secondary raw materials. This mainly concerns exports of end-of-life vehicles and electronic equipment, which leave Europe as reusable products but end up being dismantled abroad. To counter these trends, the need to reinforce the Waste Shipment Regulation and related legislation was identified. Furthermore, prices of some recovered materials have reached record levels due to the high demand from third countries.

The Waste Shipment Regulation also contains requirements on exporters of waste to third countries to ensure that this waste will be treated in an environmentally-sound manner. However, compliance with this principle is not always respected.

Finally, stakeholders have identified the need for an improvement in statistics on secondary raw materials. This includes actions to be taken to measure the extent of illegal trade in products containing these secondary materials.

Questions:

Commentaires préliminaires sur le recyclage (à mettre en relation avec la question 3).

Tout d'abord, il y a lieu prendre en compte le recyclage dès l'étape du développement des produits, en facilitant notamment l'identification des différents matériaux ce qui permettra d'avoir une « connaissance produit » importante et de fermer aisément leur cercle de vie.

En second lieu, la récupération des déchets doit aussi s'apprécier lors de la production afin de minimiser les rebus et le « new scrap ».

En troisième lieu, des efforts restent à réaliser sur les techniques de recyclage en elles mêmes, car pas assez développées et onéreuses, notamment concernant les terres rares (matière hautement critique étant donné les restrictions chinoises) pour lesquelles des travaux de R&D apparaissent urgents et indispensables. En effet, le recyclage des terres rares présente des difficultés techniques particulières (il faut un volume de produits en fin de vie en suffisance pour pouvoir intéresser les recycleurs) et surtout une technologie adéquate.

Enfin, il importe d'assurer l'existence d'une base industrielle solide en Europe en promouvant le développement de nouveaux produits (découplant la consommation de matières premières), de services innovants réduisant notre consommation (changement de flux matériels en flux digitaux) ou à la croisée des deux dans les activités de recyclage de niche, par exemple les matières premières critiques et technologiques.

27. In your view, and beyond measures already being taken (e.g. the recast of the WEEE Directive), what practical measures can be taken by the EU and by Member States to prevent the illegal shipment of obsolete end-of-life vehicles and electronic equipment?

The establishment of a materials database would give a better insight on the amount and the proportion of raw materials, used within products. Thus, a better registration would give a better overview. A shift to a system of product leasing rather than ownership, would give more control (and probably

more stable flows) over the raw materials within a market. Ownership would also limit the loss due to (illegal) waste shipment.

More waste treatment facilities in Europe, but this is opposed by NIMBY syndrome and stringent environmental regulations. A balanced comparison must be made between environmental and human health cost in EU and third countries. As a result, legal and controlled export for waste recycling (not dumping) may be envisaged.

28. In what ways should statistics on trade in, and recycling of, products containing secondary raw materials be improved?

An exhaustive materials list per product would give a better indication of the flow of materials within the product cycle. This would give an overview of material life cycles rather than of product life cycles. As key element in a transformation towards a *sustainable materials management** (SMM) system, it would provide insight into the necessity, the flow, retention period, recycling rate, and foremost the exchangeability of materials between (semi)finished products over a longer period of time. The statistical databases should also be able to provide cyclical information, i.e. an input-output model that is possible to provide information on which secondary raw materials from which product groups might be easily accessible and usable as resource (input) for other product groups.

But those objectives are very difficult, depending on the scale of the operations. Recycling inherently leads to mixing and must cope with variable quality, often approaching different environmental limitations. As a consequence statistics allowing fair comparison between companies, industrial sectors and member states (with all different operating conditions) is hard to achieve. A monitoring is also valuable in this particular field.

29. Have you identified major problems with recovered paper? What are the main issues that need to be further analysed?

Recovered paper so far has proven that continued awareness building and responsabilisation help to break down possible prejudices.