

COMMUNICATION ON RAW MATERIALS

RESPONSES FROM

GEOLOGICAL SURVEY OF IRELAND

ON

PUBLIC CONSULTATION

FOR

PREPARATION OF A NEW COMMUNICATION ON RAW MATERIALS

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? If so, please specify.

In the past the phrase 'strategic mineral' has been used. In the present discussion the phrase could be expanded to include materials. The BGS defined 'strategic mineral' as one that is 'critical to industry and vulnerable to supply interruption'. It seems that this is useful in that the two dimensions are identified while the Commission uses the single word – possibly also intending to have the two dimensions but I don't think that it sufficiently captures the concept of 'strategic mineral'.

2. Do you see any additional raw material that should be considered as critical? If so, please explain.

The list of materials that are deemed to be critical must be an evolving list and subject to revision from time to time. As such it should be described in the current document as an indicative list. It should be a recommendation that the list is revised from time to time.

3. Do you have any comments regarding the recommendations of the report? If so, please specify.

No comment.

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

I am not aware of any initiatives to assess the criticality of raw materials for Ireland.

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?

Yes. There are different types of markets for different raw materials. Metals are generally speaking 'internationally traded' whereas many industrial minerals are not. Often the latter are bound up in protected markets and confidential processes and even patents. This makes it very difficult to operate a transparent market.

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.

This would need much more research.

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 generalize 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?

No comment.

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?

No comment.

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

No comment.

10. Are you aware of any initiatives in your country that have one of the above goals 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.

Not aware of any such initiatives.

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.

Questions:

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

- Good governance;
- Infrastructure / investments;
- Geological knowledge / skills.

No. comments.

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)?

No. comments.

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?

No. comments.

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.

No. comments.

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?

Not aware of any such initiatives.

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 Environment 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 Group.
- 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.

Four additional issues should be included:

- Right to access land to carry out exploration without the need to own that land.
- Right to develop a deposit once it has been outlined and the necessary permits obtained – again a land versus mineral ownership issue.
- Closure planning.
- Addressing legacy sites and their environmental impact, if any.

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

No comment.

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.

No comment.

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

Yes, this would be useful but a network may not be enough. The idea should be examined more thoroughly on how it would work and whether there should be a separate office (situated either in Brussels or in a member State). It might be possible to have such a unit incorporated into one of the JRCs and to have secondment of staff from Member State Surveys to the unit for specified time periods.

20. Do you consider that EU regulatory framework conditions for wood and/or recovered paper need to be further analysed? If yes, please specify.
No comment.

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.

Consideration should be given to developing Pan-European exploration, mining and processing courses drawing from the expertise that already exists but is diminishing across Europe. There should also be a programme of placement of students in exploration and mining companies across Europe.

Research, Development and Innovation:

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

The Institute of Geologists of Ireland will be holding a seminar on innovation later this year, in Ireland.

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. Deep exploration: new methods in geophysics and geochemistry are required as well as geological understanding of mineral deposits and how they are formed.

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? Please specify.

Develop deep earth imaging methodologies that differentiate a range of mineral styles from the surrounding geology and can be readily understood by exploration geologists.

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.

See response to Q 24, above.

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? Please, specify.
No comment.

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:

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?

No comment.

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

No comment.

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

No comment.