

Euromines UPDATE

1st March 2022

News Update for Euromines Members

Not for public discussion

Euromines team is deeply shocked by the situation in Ukraine and we are hoping for a quick cessation of hostilities. Euromines is a staunch supporter of democratic principles and international law for conflict resolution.

We are following the latest political development and monitoring the potential impacts on the European mining industry. We will provide the latest information as soon as we can.

Upcoming Euromines Events

Euromines General Assembly

This year we are particularly glad to address you this invitation to join the Euromines General Assembly meeting in Brussels **on Tuesday 5th April 2022** from 15:00h to 18:00h.

Euromines will be holding its General Assembly and main committee meetings **4th – 6th April in Brussels** and Ms. Jorna, Director General at Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (GROW), European Commission has confirmed her presence.

Here are the links for [the invitation](#), [draft agenda](#) and [participation form](#). Please complete and return the form to Azi Bairami at bairami@euromines.be by the latest 03rd March.

Block booking is foreseen at:

Thon Hotel EU

Rue de la Loi 75 – 1040 Brussels

To allow you to make your room reservation, at the Thon hotel, at the preferential rate, please use the following link: [Welcome at Thon Hotel EU | Euromines \(thonhotels.com\)](https://www.thonhotels.com)

Please note that rates include breakfast and the deadline to have the preferential rate is 20 March 2022.

Dinner will be organized **in the evening of 05 April at 19h00, at the same hotel.**

Documents, including the **agenda of each meeting** and any other background document, will follow in the coming weeks.



In case you will not be able to represent your organization/company/association, kindly complete the **proxy on your company letterhead** and return it at your earliest possible.

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We look forward to welcoming you to Brussels!

04 April 2022	
13h30 - 14h30	<i>Lunch</i>
14h30 - 17h30	Health & Safety Committee
05 April 2022	
10h30 - 13h30	Policy Committee
13h30 – 15h00	<i>Joint Lunch</i>
15h00 – 18h00	General Assembly
19h00 – 21h00	<i>Dinner</i>
06 April 2022	
09h00 - 12h30	Energy Committee
09h00 - 16h00	Environment Committee
12h30 - 13h30	<i>Joint Lunch</i>
13h30 - 16h00	Communication Committee

Policy

“Recovery, Strength and a Sense of Belonging” to strengthen and secure the supply of mineral raw materials

Based on the EU Trio-Program (France-Czech Republic-Sweden) the French EU Presidency has started with an ambitious programme **“Recovery, Strength and a Sense of Belonging”** and a very promising EU initiative to strengthen and secure the supply of mineral raw materials for value chains.

The informal Competitiveness Council in Lens on 1st February discussed raw materials and the role that the Member States and the Commission can play. Philippe Varin, President of the Board of Suez & Chairman of the World Materials Forum presented the broad issues of raw materials and the recommendations of his mission, particularly those related to the European dimension. This was followed by 3 workshops on "Producing raw materials in Europe", Workshop 2 "Sourcing Outside Europe" and Workshop 3 "Recycling, Innovating, Doing Without".

Euromines together with Eurometaux sent recommendations to the French Economic Minister and suggested 5 key priorities to secure Europe's raw materials supply and to strengthen Europe's resilience:

- ⇒ Establish an Important Projects of Common European Interest (IPCEI) for key raw materials where market failures need to be addressed
- ⇒ Launch a European Raw Materials Investment fund to finance mining, refining, and recycling projects for supplying the European market (e.g. EUR 10bn, including 5bn state aid & 5bn equity)
- ⇒ Take measures to ensure responsible raw materials sourcing
- ⇒ Ensure a level playing field and strong business case for European producers
- ⇒ Take measures to secure a global supply of metals and minerals where local sources are not sufficient

The ministers at the informal COMPET Council on 1st February 2022 agreed on the following:

Need to take urgent action towards securing our supply of raw materials;

- ⇒ Secure extra-European supply sources for raw materials, through e.g. “strategic partnerships” such as the ones with Ukraine and Canada, or by developing strategic storage policies;
- ⇒ Need to secure extra-European supply sources for raw materials, through e.g. “strategic partnerships” such as the ones with Ukraine and Canada, or by developing strategic storage policies;
- ⇒ Promote role of circular economy and innovation to reduce European dependencies, highlighting that “significant investments” are needed;

- ⇒ Foster and strengthen domestic capacities to produce raw materials and notably discussed our joint Eurometaux/Euromines proposal to create a dedicated Important Projects of Common European Interest (IPCEI);
- ⇒ Creation of a fund securing the supply of critical raw materials, comparable to the newly launched fund for sustainable battery materials (€400 million) as part of the European Battery Alliance.

As stated by Internal Market Commissioner Thierry Breton: ***“We have three key tools at our disposal: investment, strategic partnership and legislation. We will employ each of them to strengthen the resilience of our supply chains and to increase our production capacity.”***

Agnès Pannier-Runacher, Minister Delegate for Industry, attached to the Minister of the Economy, Finance and the Recovery highlighted: ***“Our industries still remain too reliant upon supply chains outside of Europe for critical metals. As these resources are limited and global competition is fierce, this is a key time to secure our supply of mineral resources that are vital to achieving carbon neutrality by 2050.”***

Commission has a mandate to come forward with concrete proposals.



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Read the [Eurometaux and Euromines letter with recommendations to the French Economic Minister including 5 key priorities to secure Europe's raw materials supply and to strengthen Europe's resilience](#).

Critical raw materials: an essential building block for the future of Europe

On 31 January, at the EESC Conference 'Critical raw materials: an essential building block for the future of Europe' Rolf Kuby, Euromines Director General highlighted five key priorities to address Europe's strategic dependencies on raw materials and to strengthen our resilience. Europe's growing supply challenges for key metals and minerals threaten to derail its Green Deal goals.

The EU is behind in the global race to secure the supply of certain battery metals, rare earths, and other strategic metals/minerals needed in the twin transitions. Without action now, our continent risks a series of supply crises this decade.

This High-Level Conference demonstrated the great importance of metals and minerals for the EU's sustainable future. The event was chaired by Pietro Francesco De Lotto, President of the EESC's Consultative Commission on Industrial Change. Important contributions were made by Hildegard Bentele, Thierry Breton, Bernd Schäfer, Dumitru Fornea, and many more speakers.



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Sustainable Finance

Platform on Sustainable Finance published its final report on the Social Taxonomy

The Platform on Sustainable Finance published its [final report on the Social Taxonomy](#). The draft published during Summer 2021 has been heavily amended. In particular, geographic differences in mining practices have been taken into account – a message Euromines was pushing strongly during the public consultation. As such, the report draws a much more balanced picture of the mining industry in Europe and developing countries. The sector will be under scrutiny however regarding its impact on value chains (esp. metals mining in third countries) as well as land rights and occupational health and safety.

Structural changes include a greater alignment with the functioning of the Green Taxonomy and introduction of Technical Screening Criteria for Substantial Contribution and Do No Significant Harm as well as minimum social safeguards that apply to the governance of enterprises.

As for next steps, Euromines will have to prepare to

- ⇒ Establish a list of objectives/sub-objectives to contribute (drawing from the Platform report)

- ⇒ Identify activities that contribute to these (sub-)objectives as well as indicators how to measure them
- ⇒ Monitor the interplay with other legislative and standardization developments such as Sustainable Corporate Governance, EFRAG Sustainability Standard and GRI Mining Standard

Extended Taxonomy

To complement the approach of the environmental taxonomy taking into account activities considered most environmentally impactful and with most impact reduction potential, and to avoid that non-green activities are not considered unsustainable (avoiding a binary interpretation), the PSF worked out its approach on extending the taxonomy to

- ⇒ Include activities that are not classed as green
- ⇒ Take into account a wider range of performance levels
- ⇒ Foster transition finance into sectors with difficulties to increase their sustainability performance
- ⇒ Avoid penalization of non-green activities
- ⇒ Avoid a mismatch between large demand and limited supply of taxonomy-aligned assets (1%-5% of all financial assets according to FAQ EU Taxonomy, p.6)
- ⇒ Complementing reporting obligations with CapEx/OpEx KPIs to demonstrate commitment to transition and raise green finance

This pillar of the taxonomy will be published in the coming days and will likely become highly relevant for the mining industry given its focus on biodiversity.

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Due Diligence and Sustainable Corporate Governance

The final Commission proposal for the Sustainable Corporate Governance Directive [has been published](#). The draft seems to be largely congruent with the international [voluntary guidelines](#), obliging companies to conduct due diligence for human rights, environmental and climate change issues. The full supply chain is covered, rather than tier-one suppliers, however, with the caveat that only established business relationships are within scope (long-lasting and not-negligible parts of the value chain). It foresees fines as well as the possibility of suing companies. Administrative sanctions and civil liability are foreseen as well, but rather in a circumscribed manner – as are director duties of care.



Energy and Climate

High energy prices – outreach to Council

Rudy Volders (Senior Advisor to Charles Michel) and Piia Mathisen (Energy Advisor) were rather receptive to our arguments on the causes and potential solutions to the high energy prices, however they also pointed out that the resistance to change the market design for energy/electricity is quite large. In particular they seemed interested in

- ⇒ How does the current system disincentivizes electrification and how can a predictable CO2 price can help incentivize investment in decarbonization technologies if a company is not becoming a producer themselves but rely on the grid?
- ⇒ Rebalancing the system: For now the market design had been helping with the penetration of renewables, yet this electricity price signal does not reflect the growing decarbonization of the electricity mix. What could be a rebalancing that would reflect this without changing the marginal price setting?
- ⇒ Risk: Which ways could we propose to decrease risks in financing electrification of industry that goes hand in hand with expansion of low-carbon energy assets during this transformation period to avoid a “stickiness” between prices for consumers and windfalls for producers?

A follow-up meeting is planned on 7 March, where we will present a set of ideas to feed into the Energy Council discussion on 24 March. We will prepare a draft with your so far received input on how to balance the design in a way that it not only focuses on producer-interests but take the high-intensity energy consumers into account as well.

Commission communication on high energy prices

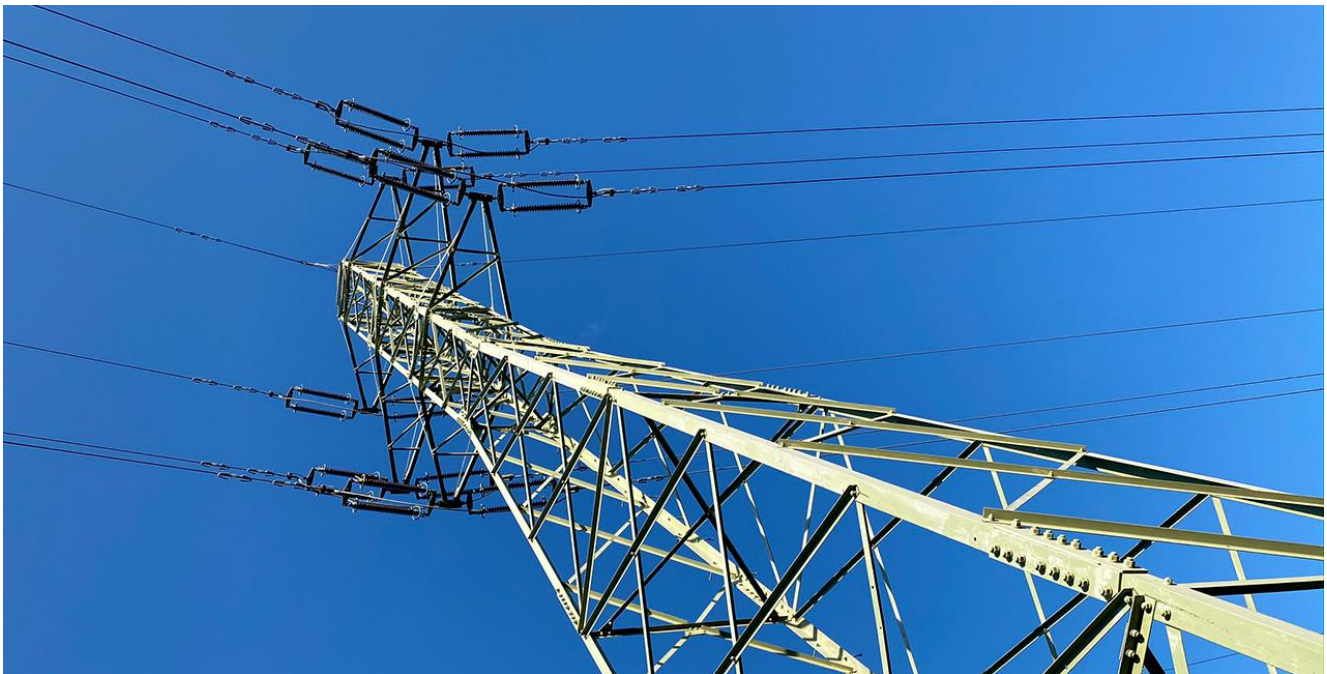
The announced Commission Communication on high energy prices (a leak [leak of which you can find here](#)) is postponed to at least next week in light of the on-going war against Ukraine. The leaked draft is expected to be heavily amended with new measures including

- ⇒ A rapid adoption of hydrogen and biogas
- ⇒ Accelerating the roll-out of renewable energy
- ⇒ Cuts to energy use to reduce long-term gas reliance
- ⇒ Short-term measures to smoothen price and supply shocks

Indirect cost compensation

DG Competition is currently also amending in a fast-track procedure the state aid guidelines, adding 14 new sectors under risk of carbon leakage. These sectors will receive up to 65% compensation (instead of the foreseen 75% + supercap for already covered sectors). As justification for this move, DG COMP cites the high energy and carbon prices constituting a “material market development” (Paragraph 68) and thus, new sectors can be added. Euromines relevant NACE-codes that are on the draft list are 07.29 non-ferrous metals mining and 20.15 – Manufacture of fertilisers and nitrogen compounds. We shared with DG GROW the arguments for the other codes to be on the list and requested members to address this with their national authorities.

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ACER Workshop on high energy prices

In the Workshop on 10 February on high energy prices, we were allowed to give a short statement from the consumer and investment perspective. As in the meeting with Cabinet Michel, the statement focused on

- ⇒ Reliable and affordable baseload as main issue for decarbonization investment
- ⇒ Increased penetration of volatile sources increase the cost of balancing
- ⇒ Need for a shift for balancing responsibility to RES producers and to consider changes to the market design that protect industrial consumers as PPAs alone will not be the silver bullet.

The PPTs of the workshop are available [here](#).

Environment

Industrial Emission Directive (IED) Review

On 5 April the Commission will release its proposal for IED and E-PRTR Review.

On 15 February Euromines received a reply to our letter by Commissioner Sinkevicius ([read the letter here](#)). As could have been expected the Commissioner is listing DG ENVI's arguments for a placement of mining under IED. However, there may be a positive statement by the Commissioner in the letter: „the growing demand for critical and industrial minerals is expected to lead to an increase in mining activities in the EU in the coming decades“.

Biodiversity Strategy

On 23 March the Nature restoration targets will be released by the Commission. Euromines applied on 16 February for nomination to the expert group EU Biodiversity platform.



Soil Strategy

Euromines is participating as a stakeholder in 2 working groups on Soil Pollution and Soil Monitoring, led by the JRC. One of the final goals of the WG is to propose a draft soil Watch List for the Commission. This soil Watch list will work similarly as the Water Framework Directive Watch List.

At the 6 April Env Com meeting, speakers from the DG Envi Unit responsible for soil will present their plans for EU soil legislation.

Water Framework Directive



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Proposed Priority Substance Ag

In last Working Group Chemicals meeting DG Envi stated that the SCHEER's final opinion had been published. But there has not been a (promised) next meeting of the expert subgroup on silver to discuss the SCHEER opinion. The EU Precious Metal Federation is pushing to have this meeting.

Cu

Regarding copper, the JRC stated in last WG Chemicals meeting that they will not propose copper and copper oxides for the watchlist, but wanted to propose for Cu and Cu oxides to be presented as a candidate for the next prioritisation process (Therefore copper and copper oxides would be potential

candidates for EQS derivation). In addition, the JRC would also like to harmonise the environmental quality standards for copper (EQS), as there is a wide range of EQSs for copper across Europe.

Revision of Priority Substance Ni

In the Working Group Chemicals meeting last week, the JRC indicated that they were proceeding with the review and possible revision of the Ni EQS. For now, there is no new information since 2017 in the Ni dossier. We found out that the JRC would be working on the nickel dossier for the next two to three weeks, when it will be shared with the members of WG Chemicals and in parallel sent to the SCHEER Committee for their review. However, there will be no opportunity for any input until the SCHEER opinion has been rendered (which is against the internal procedures).

The Nickel Institute and the joint industry sectors under JAM are planning to prepare a joint letter for the Commission, pointing out the failures to abide by the process that has been described both orally, in minutes of WG Chemicals, and in a letter from the Commission on the conduct of the Impact Assessment.

Watch List Candidate Free-CN

Free-cyanide is proposed to be placed on the 4th Watch List. JRC does not have enough data (and has requested it from WG Chemical members). Euromines organized a call to agree on a joint sector response against placement and is actually drafting a letter. The same arguments against placement during the 3th Watch List are valid for this round too.

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Health & Safety

Sectoral Social Dialogue Committee for Extractive industries Working group Meeting

Monday, March 28, 2022 - 09:00 to 13:00

Virtual Meeting

The main topics of the meeting are the EU Resilience needs fostering EU Raw Materials mining – French Initiative, update on recent developments of NEPSI and “Vision Zero” approach to work-related fatalities, accidents, and diseases through Observation – based Safety and Joint Social Partner’s project.

Euromines H&S Committee Meeting

On Monday 4th April 2022 from 14:30 to 17:30h CET. In Brussels (Thon Hotel EU).

The main topics of the meeting will be: Recent developments on Psychosocial and Ergonomic risks with guest speakers from DG EMPL and EU-OSHA and, Euromines best practices on Psychosocial and Ergonomic risks.

Health & Safety Work programme 2022

Euromines developed a work plan oriented towards the Vision zero accidents at work approach with activities and dates established for the fulfilment of each one.

In this regard, 2 working groups were established: one on "Behaviour-based Safety" and the other on "development of a Baseline Study on NOx, CO and DE emissions".

The groups are already in operation since January with promising results to be achieved throughout 2022.

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Behaviour-based Safety Working Group:

1. Vicente Gutierrez from CONFEDEM,
2. Asa Dahlfors from SveMin,
3. Jakob Eckert from the Norwegian Mineral Industry,
4. Hans-Peter Raffer from RHI Magnesita
5. Gerald MacDonald from Agnico Eagle,
6. Norman Ladoucer from Agnico Eagle,
7. Annika Kruuna from BOLIDEN,
8. Emmanouil Daftsis from El Dorado Gold,
9. Jim French from Lundin Mining,
10. Farah Kassam from Lundin Mining,
11. Linda Karlsson from LKAB.

Development of a Baseline Study on NOx, CO and DE emissions Working Group:

1. Jarosław Murdzek from KGHM,
2. Tobias Andres from VKS Potash and Salt,
3. Christos Kavalopoulos from Greek Mining Enterprises Association,
4. Norman Ladouceur from Agnico Eagle Mines,
5. Farah Kassam from Lundin Mining,
6. Hymen Chun from Lundin Mining,
7. Annika Kruuna from BOLIDEN,
8. Mikael Westman from BOLIDEN,
9. Vicente Gutierrez from CONFEDEM and
10. Linda Karlsson from LKAB

Implemented Health & Safety Reports by 2022

Euromines launched 3 important reports for 2022, which will feed information into the deliverables mapped out.

The reports are as follows:

- ⇒ Euromines online Safety Performance Report
- ⇒ Questionnaire on the development of a Baseline Study on NOx, CO and DE emissions
- ⇒ NEPSI Reporting 2022

Next steps on asbestos directive, lead and diisocyanates

Following the social partner consultation and adoption of the Advisory Committee on Health & Safety at work (ACSH) opinions on asbestos, lead and diisocyanates, the Commission is now working on the

impact assessment, which will be followed by its inter-service consultation. The Commission aims to come with the proposal for revision of the asbestos directive in the 3rd quarter of this year. On lead, the timing is less clear, given the uncertain situation due to the agreement that the carcinogens and mutagens directive will now cover reprotoxic substances (under certain conditions), of which lead is one. Therefore, it is not yet decided whether lead will be regulated in the chemical agents directive (CAD) or the carcinogens, mutagens and reprotoxic directive. As planned, diisocyanates will be added to the annex of the chemical agents directive.

Asbestos directive

As stated in the opinion of the ACSH, along with governments, we propose a limit value of 0.01 f/cm³ to be adopted 4-5 years after the amended directive enters into force.

It is not yet clear whether the Commission will propose only to amend the limit values or also some articles of the directive.

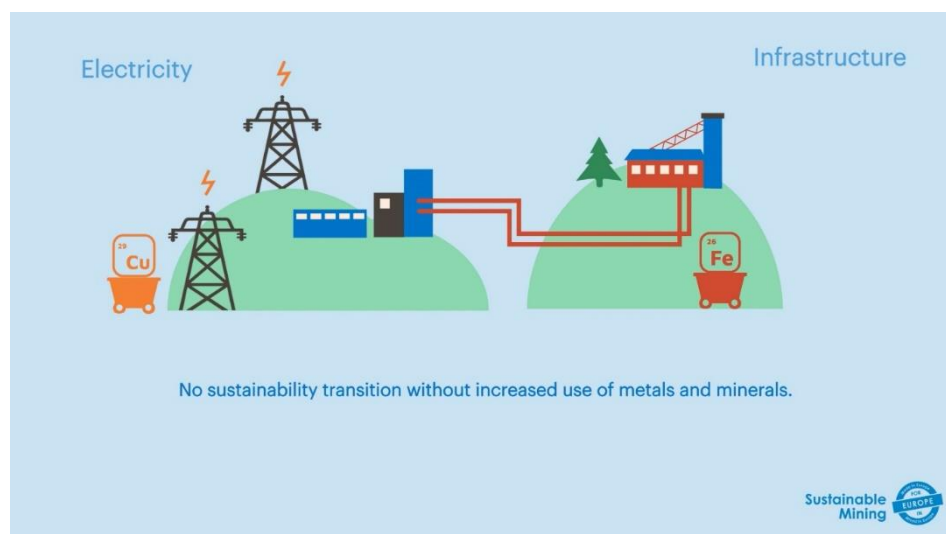
The Commission launched a [4-week public consultation](#) on its call for evidence for an impact assessment (IA) on 22 February 2022.

Stakeholders have until 22 March to submit comments to the Commission's call for evidence.

Raising Awareness and Knowledge

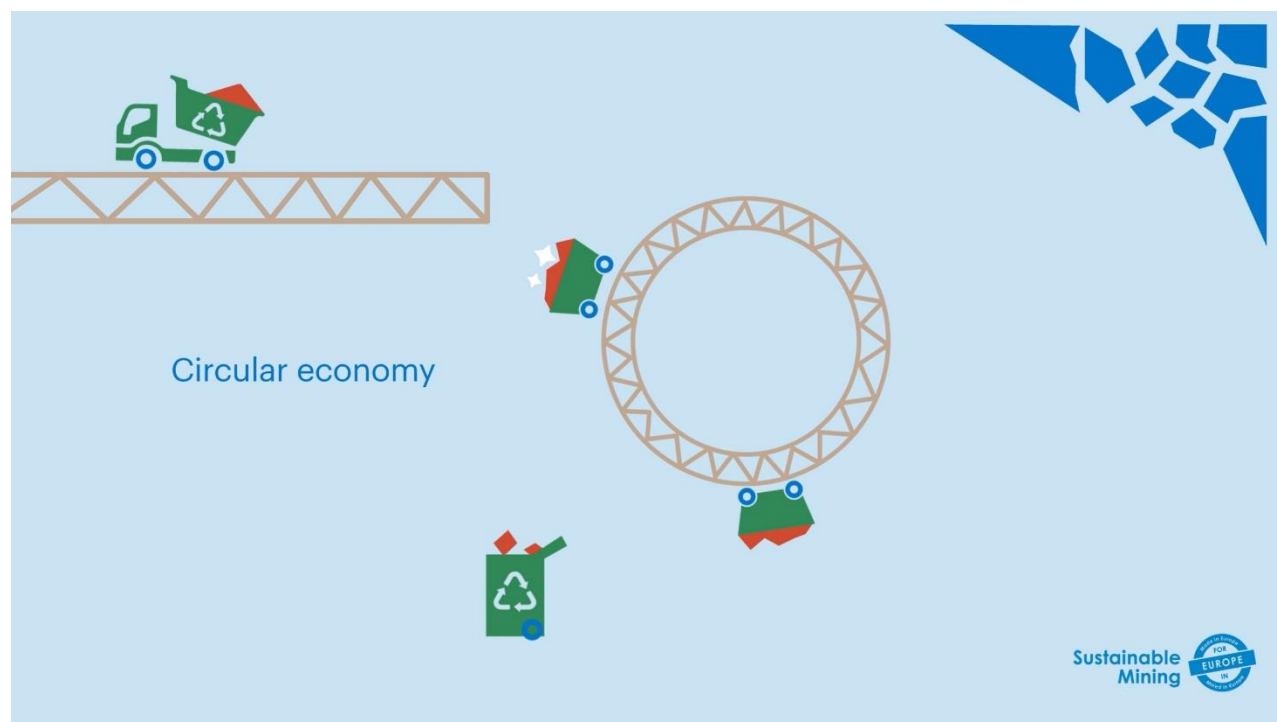
New animations on European Sustainable Mining Best Practice Cases

We would like to thank all Euromines members for their contribution to our new animations on sustainable mining best practices. A sustainable Europe relies on metals and minerals. Minerals and metals represent the basis for everyday products and new solutions for modern infrastructure and technologies. The more ambitious climate targets, the more metals and minerals are needed for a clean energy transition. These are the main messages of our new animations.



European Sustainable Mining Best Practice Cases - Circular Economy

The second animation is focusing on our approach to a circular economy that means taking care of valuable minerals and metals and reducing the overall material footprint. EU mining industry frontrunner in sustainability and committed to continuously improving. Sustainable products need sustainably mined metals and minerals.



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Watch the animations on [Euromines YouTube channel](#).

Sustainable Mining Initiative

Euromines Communication Committee is currently working on the details of the newly designed Sustainable Mining Initiative. The main goal is to improve the image of the mining industry in Europe and guarantee societal license to operate.

Initiative objectives

- ⇒ Improve society's perception of minerals and metals and the European mining industry.
- ⇒ Demonstrate that mining is indispensable for Green Deal and modern society.
- ⇒ Showing the importance of metals and minerals for EU value chains and ecosystems.
- ⇒ Differentiate Euromines members as responsible frontrunners.
- ⇒ Image Building: society, young generations, policymakers and media.



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Upcoming Events

EESC Conference: A sustainable future for European industry



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On 4 March 2022, the European Economic and Social Committee and the European Commission are hosting a conference on A sustainable future for European industry.

Europe's industrial fabric is at the heart of our/the backbone of its economies: it generates wealth, it creates jobs and it fuels our welfare systems. Since the beginning of the health crisis, many companies have been struggling to tackle unprecedented challenges and find creative ways to reinvent themselves, build resilience and survive. This transformation is crucial, especially in dealing with the economic and social consequences of the COVID-19 pandemic.

This hybrid event will look into civil society's contribution towards rebuilding a sustainable and green digital Europe – a Europe that does not lose sight of long-term growth and investment strategies, but at the same time ensures fairness and leaves no one behind.

EESC President Christa Schweng will open the conference, with key note speeches by Commissioner Thierry Breton and the French presidency of the Council of the EU. It will be organised in two panels focussing on reconciling strategic autonomy with sustainability, and on civil society's role in unleashing a strong industrial policy for Europe's green and digital transition. The conference will end with closing remarks from European Vice-President Margrethe Vestager.

This event is organised in the context of the French presidency of the Council of the European Union.

For more information visit: [Event website](#)



Raw Materials Summit 2022

As Europe's premier raw materials event, the RM Summit provides a holistic view of the raw materials ecosystem in the EU and beyond. Bringing together representatives from industry, policymakers, academia, investors and civil society from across Europe and further afield, the 4th RawMaterials Summit will take place in Berlin from 23-25 May 2022.

The event will present the latest innovations and policy initiatives, as well as the brightest new start-ups from across the raw materials value chain. Furthermore, participants will gain a unique opportunity to network with key actors from around the sector, exchange ideas and do business. As raw materials take centre stage in the shift to a carbon-neutral economy, don't miss this opportunity to connect with the top players in this transition!

The RawMaterials Summit is organised by EIT RawMaterials, the world's largest consortium in the raw materials sector.

[Programme](#)

[Registration](#)



Euromines Upcoming Meetings

General Assembly

05 April	15h00-18h00	Brussels
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ExCom

03 March	10h00-12h00	call
09 June	10h00-12h00	call
08 September	09h30-12h30	Brussels
03 November	10h00-12h00	call

05 April	19h00-21h30	Dinner	All members invited
07 September	19h00-21h30	Dinner	All members invited

Policy Committee

05 April	10h30-13h30	Brussels
14 June	14h00-16h30	call
07 September	14h00-17h00	Brussels

Communications Committee

6 April	13h30-16h00	Brussels
26 May	16h00-17h30	call
07 September	09h30-13h00	Brussels
2 December	16h00-17h30	call

Energy Committee

06 April	09h00-12h30	Brussels
05 May	10h00-12h30	call
08 September	14h00-17h00	Brussels
24 November	TBC	call

Environment Committee

10 March	10h00-11h30	call
06 April	09h00-16h00	Brussels
06 September	09h30-13h00	Brussels
15 November		call

Health & Safety Committee

04 April	14h30-17h30	Brussels
16 June	15h00-16h30	call
06 September	14h00-17h00	Brussels
13 December	15h00-16h30	call

We appreciate your feedback, please send your comments and suggestion to Veronika sochorova@euromines.be.