UN SECRETARY-GENERAL'S WORKING GROUP
ON TRANSFORMING THE EXTRACTIVE INDUSTRIES
FOR SUSTAINABLE DEVELOPMENT

Harnessing Critical Energy Transition Minerals for Sustainable Development

A UN Interagency effort on Critical Minerals

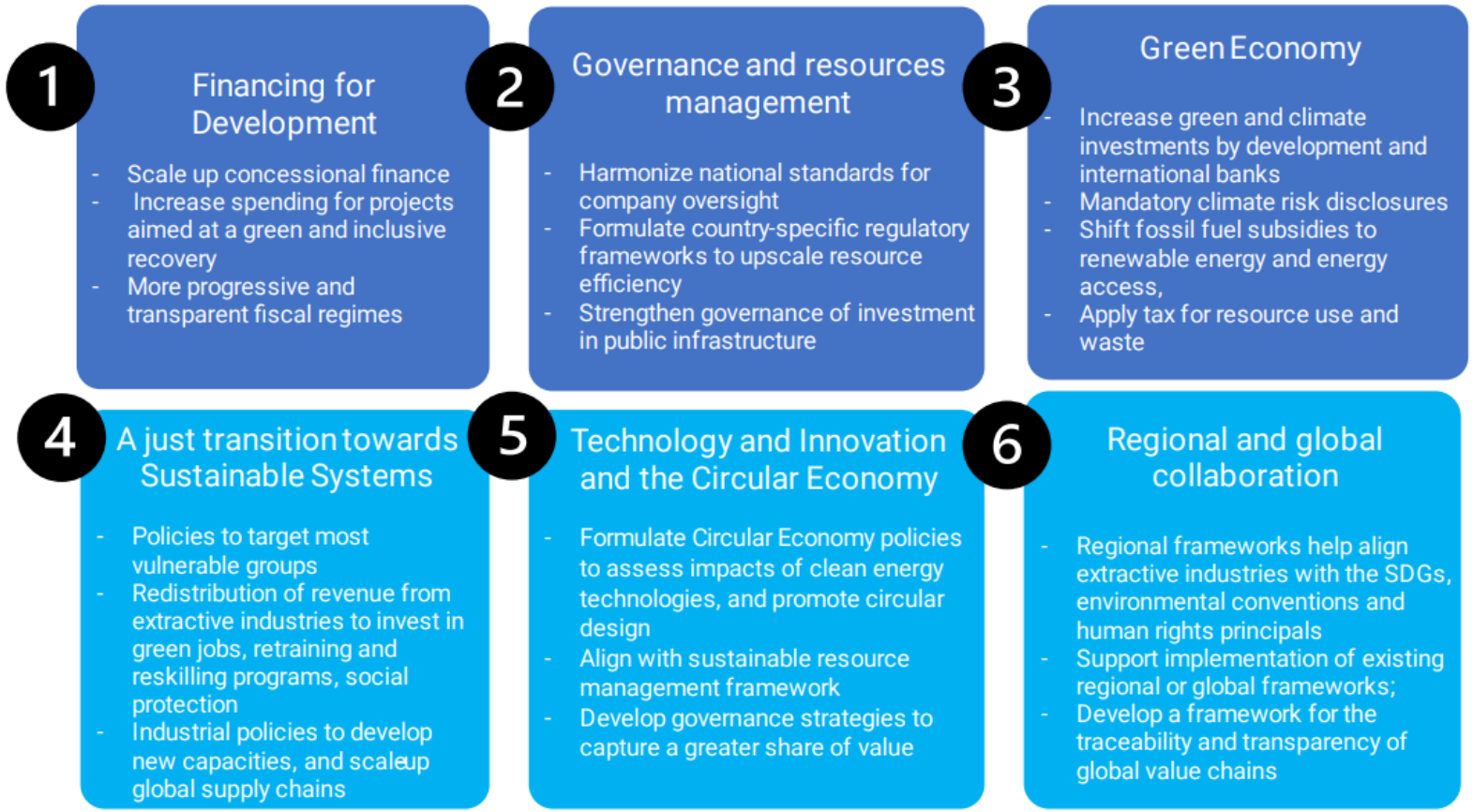
María José Baptista
Interagency and Intergovernmental Affairs, UNEP

EMG Nexus Dialogue on the Environmental Aspects of Minerals and Metals Management
29 August 2023

This Presentation

1. The Secretary-General's Working Group on Extractives
2. The Secretary General's Initiative 'Harnessing Critical Energy Transition Minerals for Sustainable Development in Least Developed and Land-Locked Developing Countries: Just Transitions in Low Carbon Technologies'

Priority Areas of the UN SG on Extractives



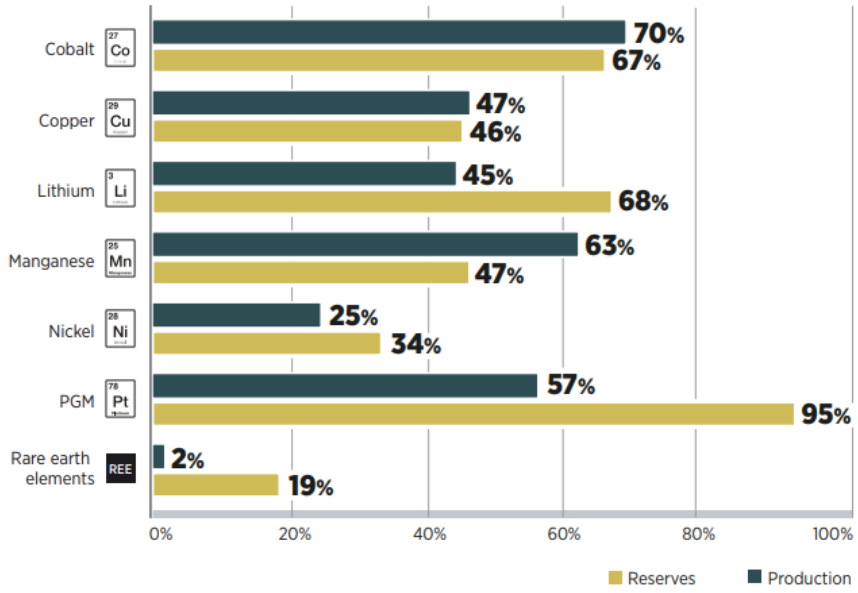
Objectives of the UN SG Working Group on Extractives

- Develop a **common narrative and framework**
- Develop **policy recommendations**, tailored to national governments, non-state actors.
- **Foster collaboration** to respond better to existing and emerging needs for state and non-state actors.
- Frame an implementation initiative to **deploy recommendations**
- **Provide a central hub of information and knowledge exchange** on global policy actions, global standards, tools and best practices.
- **Align efforts with ongoing processes and events** relevant to extractive industries

UN SECRETARY-GENERAL'S WORKING GROUP
ON TRANSFORMING THE EXTRACTIVE INDUSTRIES
FOR SUSTAINABLE DEVELOPMENT

Developing countries have an important share of critical energy transition minerals

Share of global mineral production and reserves held by developing countries (2017)



Source: IRENA (2023), Geopolitics of the Energy Transition: Critical Materials

Mapping of strategic minerals for the low-carbon transition and respective main producers

Critical raw materials	Main uses	World production (tons), 2021	Main producers (tons), 2021
Rare earths		280 000	Australia, Brazil, **Burundi (100)**, China, India, **Madagascar (3 200)**, **Myanmar (26,000)**, Russian Federation, Thailand, United States, Vietnam; South Africa* and the United Republic of Tanzania*
Magnesium		950 000	Brazil, China, Israel, Kazakhstan, Russian Federation, Türkiye, Ukraine, United States
Niobium		67 700	Brazil, **Burundi (23)**, Canada, China, **Democratic Republic of the Congo (560)**, **Ethiopia (6.9)**, **Mozambique (9.1)**, Nigeria, Russian Federation, **Rwanda (156)**, **Uganda (6.6)**
Lithium		100 000[R]	Argentina, Australia, Brazil, Chile, China, Portugal, United States, Zimbabwe; **Democratic Republic of the Congo***, **Mali***
Borates		5 676 106	Argentina, Bolivia (Plurinational State of), Chile, China, Iran (Islamic Republic of), Kazakhstan, Peru, Russian Federation, Türkiye, United States**, Guinea**, Madagascar**
Strontium		360 000	Argentina, China, Iran (Islamic Republic of), Mexico, Spain
Cobalt		170 000	Australia, Canada, China, **Democratic Republic of the Congo (120 000)**, Cuba, Indonesia, **Madagascar (2 500)**, Morocco, Papua New Guinea, Philippines, Russian Federation, United States, **Zambia (367)****
Nickel		2 700 000	Australia, Brazil, Canada, China, Indonesia, France (New Caledonia), **Madagascar (9 900)**, Philippines, Russian Federation, United States, **Zambia (3 251)****
Copper		21 000 000	Australia, Canada, Chile, China, **Democratic Republic of the Congo (1 800 000)**, **Eritrea (21 725)**, Indonesia, Kazakhstan, **Mauritania (28 491)**, Mexico, Peru, Poland, Russian Federation, **United Republic of Tanzania (12 000)**, United States, **Zambia (830 000)**

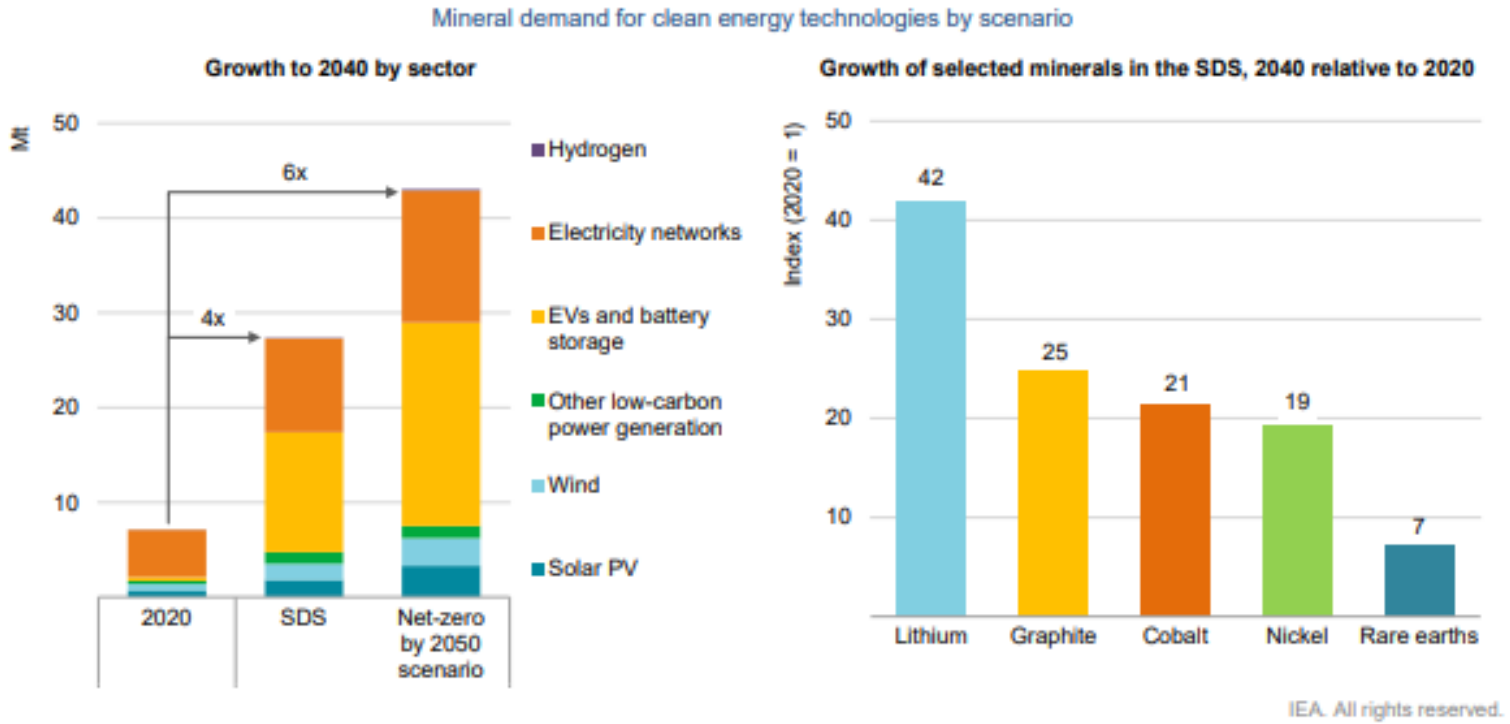
Source: UNCTAD (2022), The Least Developed Countries Report 2022

How can developing countries harness the increasing demand for critical energy transition minerals for Sustainable Development…

Growing demand for energy transition minerals is expected to bring **USD$1.7 trillion** in global mining investment (Wood Mackenzie)

Countries will have a **20/30-year window** to tap into these investment flows

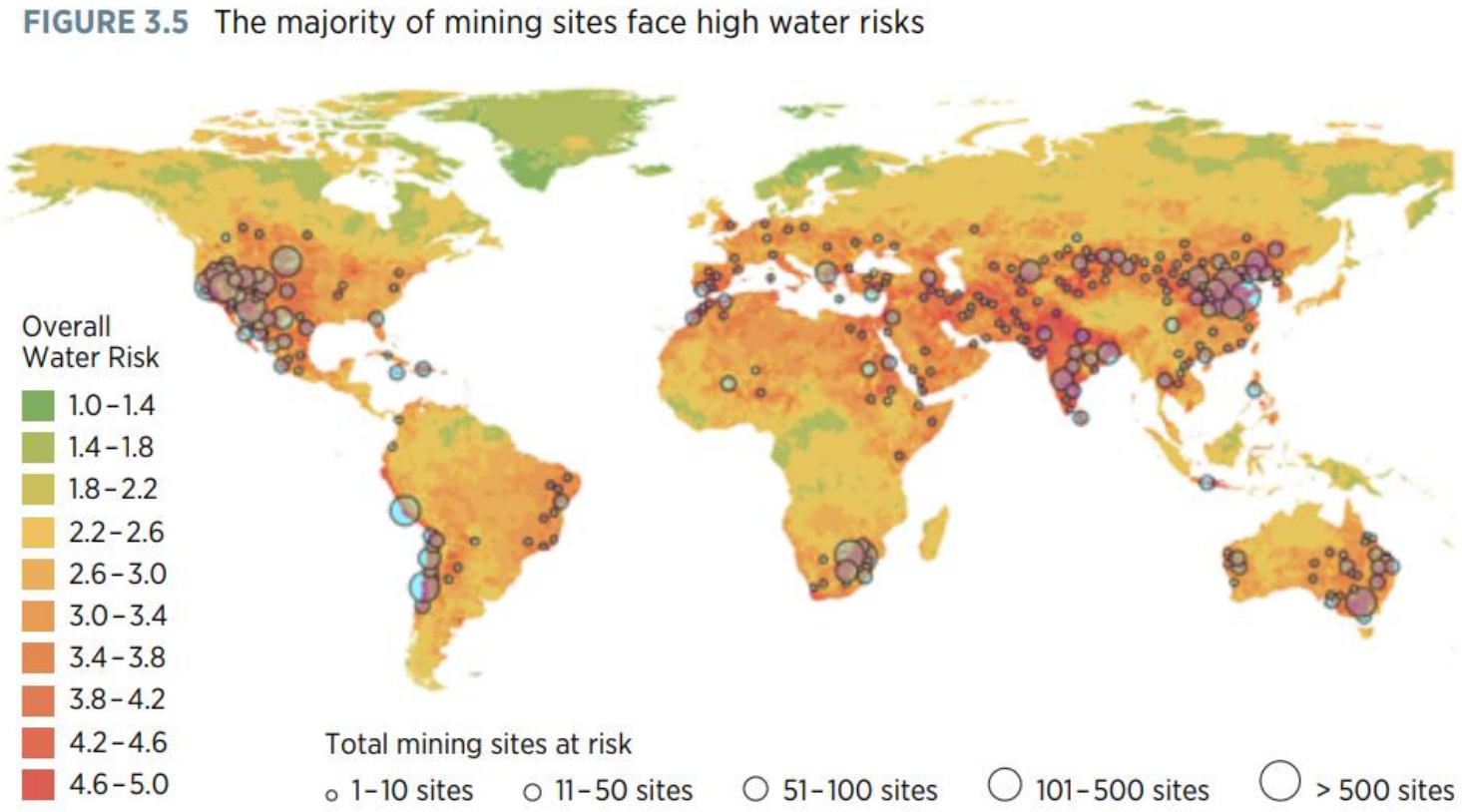
Mineral demand for clean energy technologies would rise by at least four times by 2040 to meet climate goals, with particularly high growth for EV-related minerals



Notes: Mt = million tonnes. Includes all minerals in the scope of this report, but does not include steel and aluminium. See Annex for a full list of minerals.

Source: IEA(2022), The Role of Critical Minerals in Clean Energy Transitions (World Energy Outlook Special Report)

…while creating safeguards for people and planet



Source: IRENA (2023), Geopolitics of the Energy Transition: Critical Materials

Active Mining conflicts in LAC

Source: Observatory of Mining Conflicts in LAC (2023)

Assess and manage **risks**

Plan settlements for mining and beyond ensure the well-being of local communities

Decarbonize, mitigate, plan for site **remediation**, enhance **circularity**

Protect community and human rights, particularly vulnerable groups like women and children

Harnessing Critical Energy Transition Minerals for Sustainable Development in LDCs and LLDCs

Just Transitions in Low Carbon Technologies

Technical and political support based on carefully curated solutions from a diverse range of UN actors to develop safeguards, standards, policy incentives, and strategies for a Sustainable and Just Mineral Development.

Mobilization of actors along the supply chain to build trust, introduce development perspective and enable new market opportunities

(Global Compact on Critical Minerals)

Enhanced national capacities to negotiate, attract investment, create partnerships, develop skills for new business model, manage job transition

Tools to effectively assess and manage social-environmental risks liked to mining

Stronger governance and safeguards against illicit flows, corruption

WORKING GROUP
ON TRANSFORMING THE EXTRACTIVE INDUSTRIES
FOR SUSTAINABLE DEVELOPMENT

Harnessing Critical Energy Transition Minerals for Sustainable Development in LDCs and LLDCs

Just Transitions in Low Carbon Technologies

Objectives

- Support and accelerate a just energy transition focusing on minerals
- Support LDCs and LLDCs and developing countries with critical energy transition minerals in capitalizing from the green transition to drive economic growth, support sustainable development, and reduce poverty and inequality while minimizing negative environmental and social impacts of minerals development.

Partners

UNEP, UNDP, UN RECs, UNCTAD, UNIDO, UNICEF, UN Women, IRENA, IEA, ILO, OHCHR, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, UN Country Teams, the IFC and the World Bank.

'Sustainable Critical Minerals Alliance'; WEF's 'Securing Minerals for the Energy Transition Working Group'; ICMM, the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development, and the Principles for Responsible Investment.

WORKING GROUP
ON TRANSFORMING THE EXTRACTIVE INDUSTRIES
FOR SUSTAINABLE DEVELOPMENT

Outputs

Phase I (year 1) [target audiences: developing countries with mineral resources]
Building on available material and thinking within the UN and other partners and through stakeholder consultations:

1. **UN Knowledge hub on extractives**
2. **UN Toolkit on critical energy transition minerals**
3. **UN Framework on Just Transitions for Critical Energy Transition Minerals**

Phase II (years 2 and 3):
[target audiences: LDCs and LLDCs with mineral resources]

1. **UN Framework on Just Transitions for Critical Energy Transition Minerals tested and customized** in 12 LDCs/LLDCs for tools, capacity laws, skill building and leveraging funds (in year 2).
2. **Recommendations from UN Framework are implemented** to enhance production and trade capacities, plan for investment financing, develop skills, and put in place environmental/social safeguards. These will be implemented in year 3 in 12 selected countries.

Possible Countries identified by the WG*:
Latin America: Bolivia Plurinational State
Africa: Burundi, DRC, Ethiopia, Guinea, Madagascar, Malawi, Mali, Mauritania, Mozambique, Rwanda, Senegal, Sierra Leone, Tanzania, Uganda, Zambia, South Sudan, and the Sudan.
Central Asia: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan.
Southeast and East Asia: Lao People's Democratic Republic, Mongolia

*Identified based on partner capacities in these countries but need further discussion.

Galvanizing collective action for just transitions in critical energy transition minerals

UN SECRETARY-GENERAL'S WORKING GROUP ON TRANSFORMING THE EXTRACTIVE INDUSTRIES FOR SUSTAINABLE DEVELOPMENT

Breaking silos

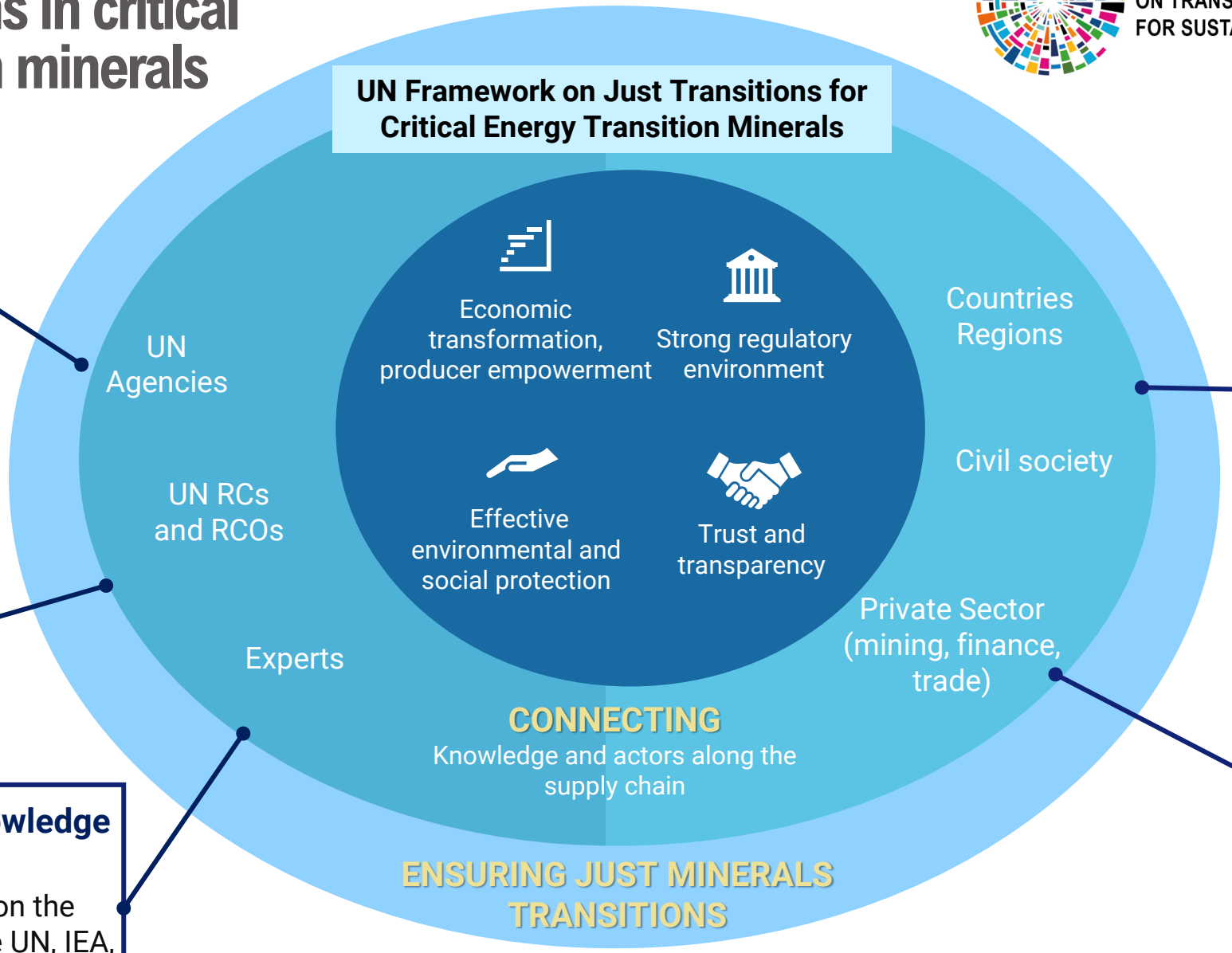
A framework co-developed by UNDP, UNEP, UN Regional Economic Commissions, UNCTAD, ILO, UNIDO, OHCHR

Action-Oriented

A framework that will be guided and applied by UNCTs

Building on years of knowledge and experience

A framework that will build on the work and expertise from the UN, IEA, IRENA, IGF, OECD, World Bank, EITI, IRMA, and others.



Bringing together producers and consumers

A framework that will be developed through meaningful and broad multistakeholder consultations, offering a space to exchange views and best practices

Harmonizing effective approaches

Bringing in voices from several parts of the value chain to harmonize safeguards, create enabling conditions for economic transformation, reliability, resilience and benefit-sharing

Consultations for the UN Framework on Critical Energy Transition Minerals

UN SECRETARY-GENERAL'S WORKING GROUP ON TRANSFORMING THE EXTRACTIVE INDUSTRIES FOR SUSTAINABLE DEVELOPMENT

Word Café with RCOs — L U W

Draft Background documents for Framework Modules — L

Online consultation with RCOs (module 2) — U

Online consultation with RCOs (module 3)

Online consultation with RCOs (module 4) — L

Online consultation with RCOs (module 5) — W

Regional consultation Africa (all modules) — G

Regional consultation Europe (all modules)

Regional consultation West Asia (all modules) — L

Regional consultation Asia-Pacific (all modules) — W

Bilerals, consultations at outreach events (CAS, IGF, Climate Weeks, COP28) — G W

26 Jul 2023

30 Sept 2023

31 Oct 2023

6-24 Nov 2023

27 Nov-26 Jan 2024

tbc

tbc

Sept-Feb 2024

tbc

March 2024

UN Framework on Just Transitions for Critical Energy Transition Minerals — W

Outline for background documents — L

Online consultation with experts (module 2) — E

Online consultation with experts (module 3)

Online consultation with experts (module 4) — L

Online consultation with experts (module 5) — W

Consultation with African RCs (all modules) — U

Consultation with EU RCs (all modules)

Consultation with Asian RCs (all modules) — L

Consultation with LAC RCs (all modules) — W

Online consultation with Civil Society groups (all modules) — C L W

U UNCT

G Governments

C Civil Society

W UN SG Working Group

L Framework module leads

E Experts (UN, Int Org, private sector)

Strategic guidance from a Multistakeholder Advisory Group in September 2023, November 2023, and Jan 2024