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The European Commission is proposing legislation that hopes to accelerate the processing and extraction of critical minerals, but questions have arisen over whether it fully acknowledged the environmental, social, and governance (ESG) considerations associated with mining. On 16 March 2023, the European Commission unveiled the [Critical Raw Materials Act](#), which aims to secure the EU's access to the minerals that are crucial for many industries such as defence and aerospace, and also for the energy transition.

The mining permit approval process must be streamlined, but thorough

The legislation intends to shorten the time it takes for companies to get authorisation for certain 'Strategic Projects', which could be for the processing, recycling, or extraction of critical minerals. However, speeding up the permitting process in the EU could overlook important ESG considerations such as biodiversity, land use, community health, and water management. It also counteracts other EU priorities such as the protection of green spaces. Many potential mining sites lie under these areas, which have extra protection, leading many to believe that the EU would need to relax these regulations to speed up the mining process. In the long run, relaxing these regulations could benefit the environment, as it could accelerate the pursuit of net zero, as batteries for electric vehicles will be more readily available and the supply of critical minerals increases.

The EU will still need to look abroad for its critical mineral needs

The EU cannot exclusively rely on internally produced raw materials, even with substantial mine development, as demand for minerals such as lithium, cobalt, and nickel is predicted to surge in the coming years, and the EU will not be able to keep up. [China](#) is dominating the critical mineral supply chain, and global powers such as the EU and the US are strategising to counteract this. The EU will continue to rely on non-EU member states to increase its supply. The EU imports cobalt from the **Democratic Republic of the Congo (DRC)**, a metal that is crucial to the production of lithium-ion batteries. However, there are numerous ESG concerns associated with workers in the DRC. For example, there are hundreds of thousands of artisanal miners in the country, who mine cobalt.

This method of mining uses basic, inefficient tools and can expose workers to toxic substances, a higher risk of injury, and a working environment that does not conform to regulatory standards. The EU must be transparent about its sourcing to uphold its commitment to sustainable, ethical development abroad. Some Chinese mining companies

that operate in the **DRC** reportedly disregard local labour and environmental laws. This puts the EU at a disadvantage, as it would need to source companies that operate in accordance with the bloc's principles, which will take more time. However, with these safeguards in place, its supply chains would be more resilient.

In its haste to secure [critical minerals](#), the EU must not overlook fundamental ESG concerns, to ensure that its supply chains are resilient, and the miners are adequately protected. **The EU must look to non-EU member states to fulfil its critical mineral demand and must take extra time to ensure its standards are upheld by mining companies operating abroad, transparently.**

Source: Mining Technology