

Why the EU may need to revive mining to go green

Cleaning up the economy requires raw materials but the bloc doesn't produce much at home.



by [Aitor Hernández-Morales](#)

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Brussels is clear about its green ambitions, but there are concerns about a flaw in the plans.

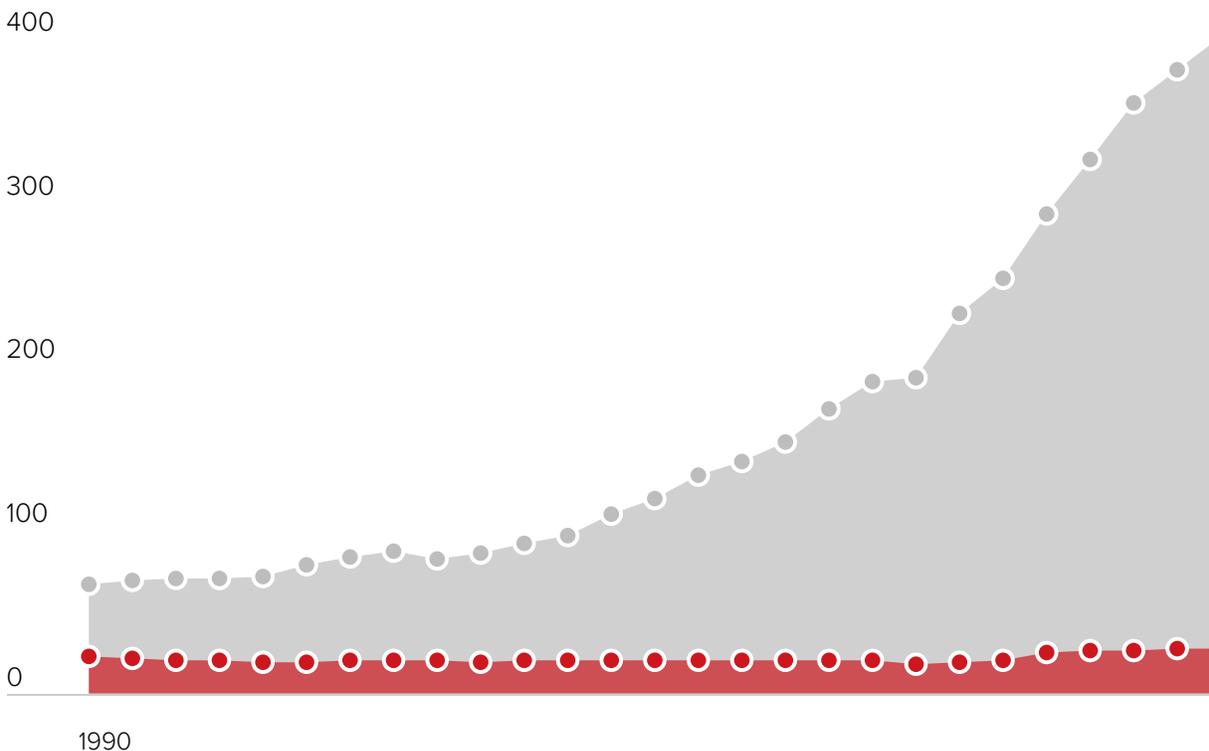
If the EU wants more smart grids, electric cars, solar panels and wind turbines, it first needs to figure out how to secure the metals and minerals needed to make them — raw materials that are slated to become harder to come by as worldwide demand for clean energy technology grows.

“We’re supposed to produce batteries and wind turbines now, but everything we use to make them comes from China,” European People’s Party MEP Anna-Michelle Asimakopoulou told POLITICO, arguing that Brussels’ crisis recovery plans should help strengthen the bloc’s strategic autonomy in producing these metals. The COVID-19 crisis sharply exposed the EU’s dependency on materials from abroad.

“We need to make sure we don’t have the same [problem we had earlier this year](#), and that we have secure access to these minerals,” the Greek MEP said. “This is something that makes sense in terms of energy security, but also in terms of jobs. We’re importing steel and aluminum from heavily subsidized Chinese firms while closing smelters with far higher emissions standards over here.”

CHINA'S METAL GROWTH

Production in China of 10 major non-ferrous refined metals was six times larger in 2017 than in 1990. EU28 production increased just 20.6 percent during the same period.



SOURCE: Industry association Eurometaux

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Asimakopoulou on Thursday headed up a [letter](#) to the bloc’s industry and trade chiefs Thierry Breton and Phil Hogan, as well as to Green Deal czar Frans Timmermans, urging the Commission to take steps to “deliver a bold agenda for all the raw materials needed for achieving climate-neutrality.” It was signed by 65 MEPs from across the political spectrum.

A [report](#) by the World Bank last month identified 13 strategic metals for which production will have to increase dramatically if global demand is to be met. Graphite and cobalt — both key for energy storage technology — will need to ramp up by nearly 500 percent.

Over past decades, the bloc has grown to rely on third countries such as China for these raw materials and minerals: some of them aren't found within the Continent, but the extraction of others has been outsourced as costs and environmental concerns made mining projects unattractive in many parts of the EU.

“There is no question that Europe is far behind the rest of the world's major economies in this respect,” said Jonathan Holslag, professor of geopolitics at the Free University of Brussels (VUB). “We don't have a strategy to secure a supply of non-ferrous metals and other minerals that we will need for e-mobility, renewable energy networks, etcétera.”

Holslag said Brussels had failed to recognize the industry's strategic importance in the bloc's long-term development.

“We've considered metals and mining to be industries without a future, to be outsourced to poorer countries. Our competitors have understood that if you lose basic industry, it's difficult to preserve more sophisticated, long-term industry: that raw material sets the prices that shape the competitiveness of high-end elements.”

Brussels also did little to establish a diversified trade relationship with suppliers in continents such as Africa, or to recycle more metals and minerals. According to Holslag, with 25 percent of the world's base metals already recycled in Europe, strengthening the circular economy could help the bloc to secure its strategic autonomy. But, “there's a huge gap between what's on paper and what's actually happening,” he said.

Breaking eggs

Any talk of increasing extraction within the EU is going to anger environmentalists opposed to seeing landscapes scarred by mining projects. Lithium mining projects in Extremadura in Spain and northern Portugal have led

to protests from local activists who say that the schemes will generate pollution and destroy unique natural habitats.

But the push is unsurprisingly backed by industry, which stands to benefit — and also argues it could reduce emissions overall.

Mikael Staffas, CEO of Swedish mining giant Boliden and president of non-ferrous metals lobby Eurometaux, said that while he understood “the ‘not in my backyard’ attitude,” it was important to recognize that “while Europe extracts just 3 percent of most raw materials, it consumes 20 percent of nearly all of them.”

“We are importing metals like aluminum and nickel from countries like China and Russia, where the production processes release far more CO2 than those carried out in Europe. By switching production back here, we not only secure vital resources and create jobs, but also guarantee that the whole process will be far more sustainable,” he said.

EUROPE'S MINING POTENTIAL

Percentage of 2017 global total mined in EU countries plus the U.K.

Where metals are mined in the EU.

*Bauxite.

SOURCE: Eurometaux

According to Asimakopoulou, it's an opportunity to recapture the EU's potential as a geopolitical actor. "We started the European project focusing on steel and coal as critical materials. Coal is out, but steel and other raw materials are just as critical as ever," she said.

"The Green Deal is unachievable without this material ... It's difficult to make an omelette without breaking some eggs."

Even policymakers such as left-wing MEP José Gusmão, who has [asked](#) the Commission to look into questionable lithium mining in northern Portugal, are coming around.

The Portuguese MEP said he was concerned about industry attempting to use the search for raw materials needed for the climate transition to justify the extraction of other metals and minerals, but that "under the right circumstances" all options were on the table.

"If mining is needed to make that shift happen, we aren't opposed," Gusmão said. "Our very existence implies pollution, and no green energy is truly clean because the materials needed to make them are obtained through dirty processes. But this can't be a free for all. This needs to be controlled."