International Energy Agency

Creating sustainable and responsible critical minerals supply chains:

Guidance for policymakers

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To be secure, supply chains must be sustainable and responsible

- Growing pressure to develop new mines, processing facilities and refineries brings increased risk of harm to the **environment, workers, communities, Indigenous Peoples** and **societies**
- Alongside efforts to reduce demand and increase circularity, it is imperative to mitigate these risks to **minimise harm to people and the environment**
- Failure to address these risks can
  - **Limit market access** or **create legal barriers** when regulatory requirements cannot be met
  - discourage **investment** in new projects
  - **Damage reputation,** deterring investors and buyers
  - increase the **likelihood of opposition** from local communities and other stakeholders
  - cause acute **supply disruptions**
- Together, this may hinder the scale-up of clean energy technologies and **limit progress on climate** and **clean energy security**

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Five key recommendations for policy makers

1. Ensure **legal and regulatory protections** for the environment, workers, Indigenous Peoples and communities, supported by sufficient means of implementation and enforcement regimes

2. Channel **public spending** to encourage the development of better practices and to incentivise good performance

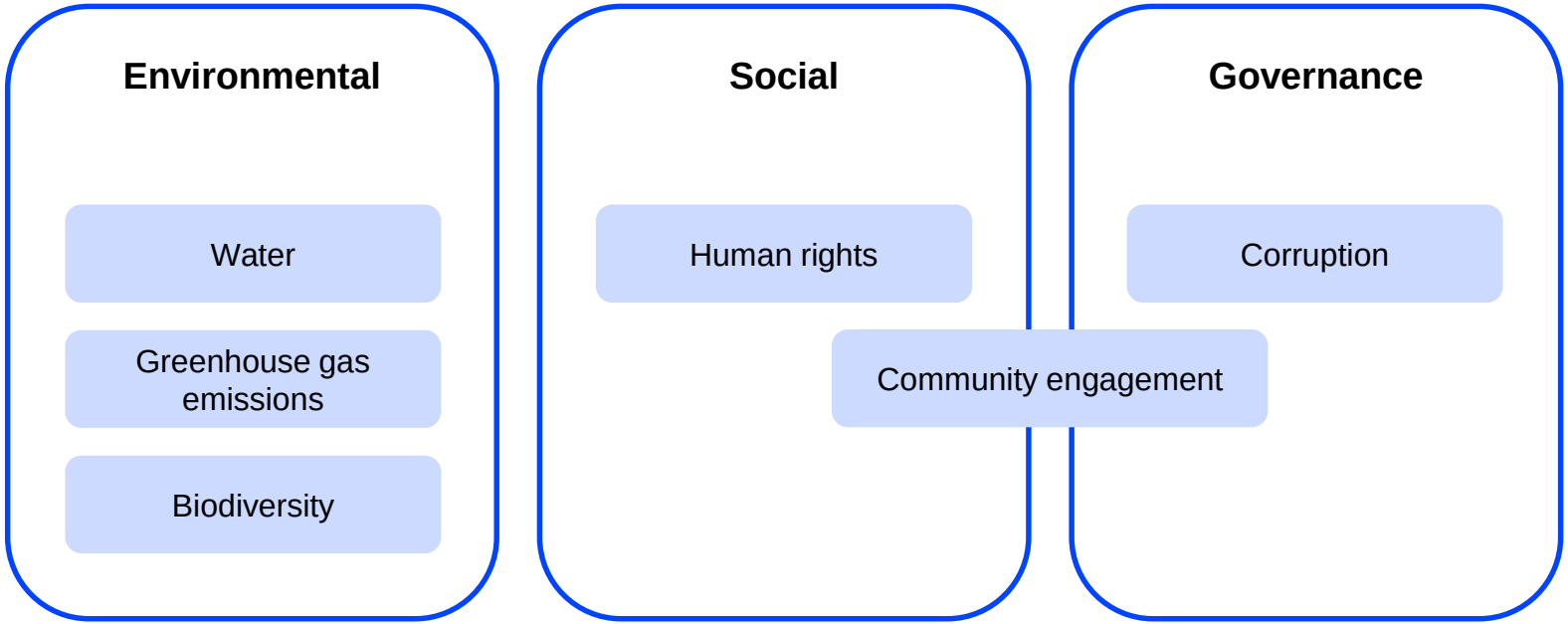
3. Strengthen the **collection and reporting of granular and standardised data** to enable benchmarking and progress tracking across the industry and throughout the supply chain

4. Ensure companies improve **transparency throughout the supply chain**, including by enhancing traceability, undertaking due diligence and reporting publicly on risks and mitigation actions

5. Support the development of **initiatives that help companies demonstrate that their operations are sustainable and responsible** while ensuring cross-compatibility and interoperability

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Focus areas with important implications for supply security



While all types of environmental, social and governance risk can impact availability of supply, some risks are particularly likely to impact security of supply

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Cross-cutting policy recommendations

	Regulations	Public spending	Data	Transparency	Sustainability standards
Water	Consider including **targets** for water quality, use and effluents that improve over time.	Tie **strategic investment decisions** for reducing emissions or energy use intensity.	**Common definitions and methodologies** for measuring and monitoring site-level data of biodiversity performance.	Regulations or guidance that **encourage or require companies to embed human rights risks** in due diligence systems for all minerals supply chains.	Support **credible local community and Indigenous Peoples-led consultation** schemes.
GHG emissions					
Biodiversity					
Human rights					
Community engagement					
Corruption	**Require disclosure** of beneficial ownership, publish contracts and licences, and disclose payments to governments.				

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Focus area: Biodiversity

B.C. rejects open-pit mine in caribou habitat. Is this a shift for endangered species?

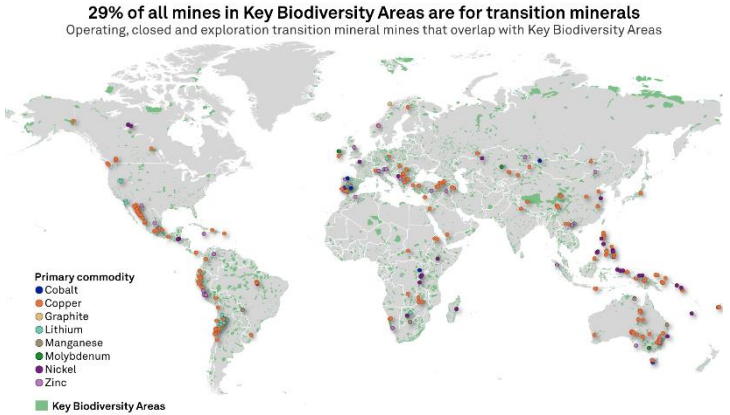
The rejection of the Sukunka coal mine over impacts to the dwindling Quintette herd has some observers wondering if B.C. is course-correcting when it comes to creatures at risk of extinction



By Ainslie Cruickshank
Jan. 10, 2023 9 min. read

Southern mountain caribou in B.C. are increasingly rare. Rarer still is a mine project rejected under the province's environmental assessment process.

Yet, that's just what happened to the Sukunka coal mine p
Glencore in the Peace River region of northeast B.C. The n
operated over a lifespan of 20 years and generated 1.5 to 2
coal each year from six open pits — was soundly rejected
impacts on the endangered Quintette caribou herd.



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he boundaries and names shown and the designations used on this map do not imply official endorsement
ions.
e1, S&P Global Market Intelligence. Key Biodiversity Area data downloaded March 2022 from the
ent Tool (https://www.ibat-alliance.org). Provided by BirdLife International, Conservation International,
tion of Nature and United Nations Environment Programme World Conservation Monitoring Centre.
ce.org for further information.

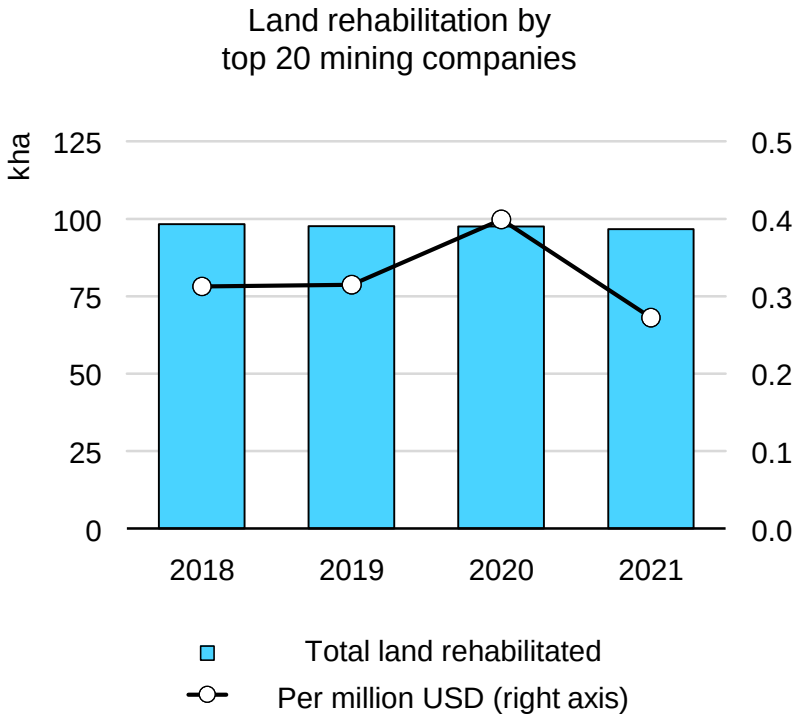
'We are not afraid': Locals in biodiversity-rich Philippine island fight back against nickel mine

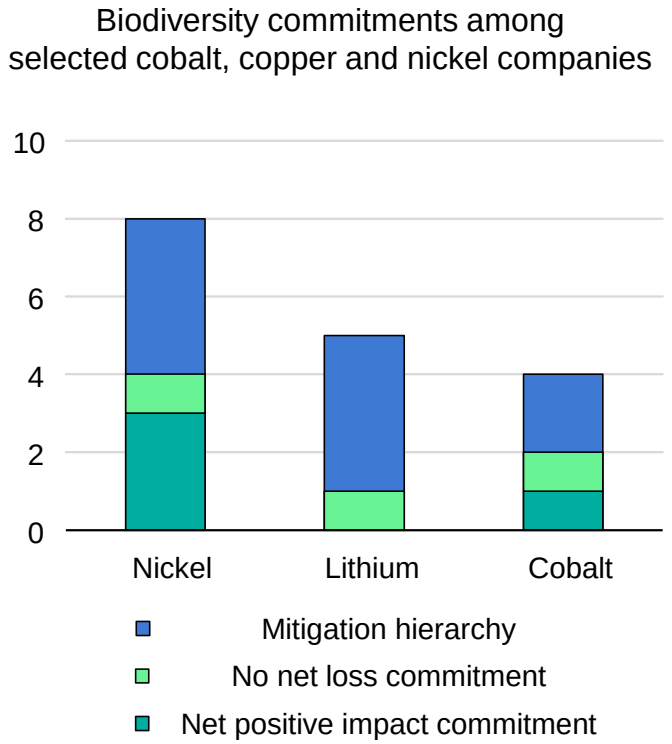
Mining operations at Altai Philippines Mining Corporation have been suspended for now, after week-long protests from locals of Sibuyan Island in Romblon, who claimed the extraction of nickel ore will disrupt the island's intact ecosystems.

Biodiversity loss is emerging as an important contributor to supply risk

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Focus area: Biodiversity





Progress on biodiversity impacts and uptake of commitments to address them has been slow, even as biodiversity loss is emerging as an important contributor to supply security

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Focus area: Biodiversity

Prohibits operations in legally Protected Areas

- TSM, IRMA, ICMM, and Copper Mark

Requires utilisation of mitigation hierarchy

- TSM, IRMA, ICMM, and Copper Mark

Requires a commitment to no net loss

- IRMA, TSM, and Copper Mark

Maintain benefits of ecosystem services and respect KBAs

- IRMA and Copper Mark

Snapshot of standards provisions that address biodiversity risks

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Critical Minerals Policy Tracker 2022

Policy snapshot: Encouraging sustainable and responsible practices

	Environmental standards	Transparency norms	Due diligence obligations	Inclusivity and gender policies	Permitting regimes
Australia	●				●
Canada	●	●		●	●
Chile	●	●		●	
China	●				●
European Union	●		●		
France			●		
Japan	●				●
Korea					
United States	●	●	●	●	●
United Kingdom	●	●			●

The 2023 update includes new policies and fills in some gaps across the three key areas:
(1) Ensuring reliable and resilient supply, (2) Incentivising new supplies, and (3) Sustainable & responsible supply

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Critical Minerals Policy Tracker 2023 Update

Policy snapshot: Encouraging sustainable and responsible practices

	Environmental standards	Transparency norms	Due diligence obligations	Inclusivity and gender policies	Permitting regimes
Australia	●	●	●	●	●
Canada	●	●	●	●	●
Chile	●	●	●	●	
China	●				●
European Union	●	●	●	●	
France	●		●		●
Japan	●			●	●
Korea	●				
United States	●	●	●	●	●
United Kingdom	●	●	●		●

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Critical Minerals Policy Tracker 2023 Update

- **Focus of updates**
  - Broader country scope – now covering **35** countries
  - More than **500** new entries, including new and updated policies identified by CMWP members
  - Expanded coverage of policies aimed at reducing environmental, social and governance impacts
- **General trends in recent policies**
  - New strategic plans (e.g. Sweden, Korea)
  - Sustainability due diligence laws (e.g. France, EU)
  - Reforms of mining codes or permitting regimes to with sustainability measures (e.g. Mexico, Colombia)
  - Tax credit schemes for mineral exploration (e.g. Ukraine, Canada)
  - Increasing international cooperation agreements (e.g. EU Strategic Partnerships)
- To be released alongside the policy guidance

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