



Brussels, 30th June 2023

Views from North Norway on the European Critical Raw Materials Act

North Norway European Office

North Norway European Office was established 1 January 2005 and is owned by the two northern most counties in Norway: Nordland and Troms & Finnmark. The office is located in Brussels and serves as a door opener and an arena maker for Northern Norwegian actors in relation to the European Union. The office holds an informational role, with particular focus on the European Arctic policy, regional policy, current industrial policies and Northern European cooperation.

The North Norway region welcomes the Critical Raw Materials Act (CRMA) and goals to secure access to strategic and critical raw materials.

Our bedrock has potential to provide many of the critical raw materials. The mineral industry in our region has a low CO₂ footprint, we have leading sustainable process industry, expertise and competence. Our process industry and renewable hydropower gives the region a very good starting point for refining the mineral resources and developing new products in the value chain from raw material to finished product. Therefore we have the potential to supply Europe with many of the CRMs, and help secure a sustainable supply to the green and digital transition.

A strong framework and streamlining permitting processes will be important to provide both mineral actors and local communities more predictability and continuity. Today, business operators in Norway experience that there are long decision-making processes linked to the relevant legislation, while there is a lack of cooperation between various public authorities locally, regionally and nationally. These processes are complicated, expensive and time consuming, and normally lasts between 10 and 20 years before final approval.



However, we would like to underline the importance of safeguarding sustainable mineral production and inclusion of the local community, both in terms of the permitting process and in terms of leaving more of the value creation to the affected communities. Permission processes should also be adapted to and reflect regional preconditions.

It is important with a framework for the mineral industry that stimulates and lays the foundation for a value-creating and profitable industry, where the companies deliver at the highest level of social and environmental sustainability.

Conflict solution and cooperation with local community and indigenous people

Mining projects often leads to conflicts for several reasons: impact on the nature, land use, human rights, time consuming permit processes, and so on.

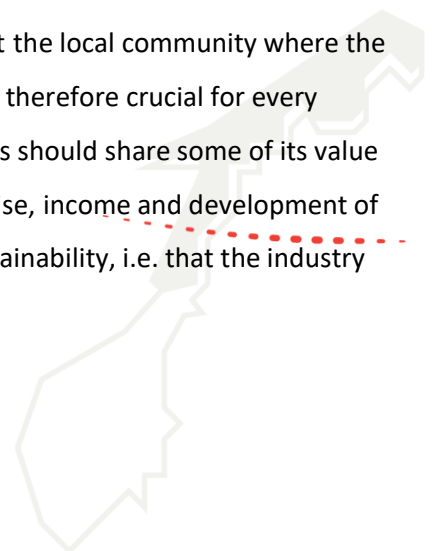
Our region is the home to Saami people which livelihood and lifestyle depends on reindeer husbandry and fishing. A mineral framework should therefore ensure environmental diversity, sustainability and economic spin-offs locally, obligations about presence, as well as that Sami rights holders and others are involved in decision-making processes within the framework of international law.

One way of conflict solution could be consultation with both local communities and Saami stakeholders as early in the process as possible, to find solutions all parties can agree with. Early consultation processes with clear deadlines can lead to improvements in projects.

Another suggestion is to create a forum between different stakeholders. Our region is currently working on an initiative where reindeer herders and the industry can meet to discuss the everyday challenges and see if these can be solved by exchanging and increasing knowledge on both sides. Such a forum could also take an active role in relation to conflict resolution at start-up or during operation.

Leave more of the value creation to local communities

Any mining operation or mineral extraction will in different ways affect the local community where the business is located. Support and acceptance from a local community is therefore crucial for every mineral extraction. We therefore believe that any new mineral projects should share some of its value creation to the local community. This could be in terms of jobs, expertise, income and development of society and new businesses. Local communities need to see social sustainability, i.e. that the industry



"leaves something behind". It is particularly important since the mineral industry is by nature temporary in a local community and based on a non-renewable resource.

Mining companies also need to work actively to build social understanding for their own operations and to develop and maintain the highest standards on HSE and sustainability in the broadest sense. Tools and systems such as Towards Sustainable Mining (TSM) and Social Impact Assessment (SIA) could help diminish conflicts and raise acceptance.

One example could be an ownership model where the local community or reindeer herders gets ownership in the company's operation, or a resource rent that makes sure the municipalities get money that could be used to local development.

These kinds of decision are still left to national and regional authorities. However, we hope the EU will provide tools and share best practices that could help EEA countries and regions finding the best solutions adapted to regional preconditions.

On behalf of North Norway,

Nils Kristian Sørheim Nilsen

Director

North Norway European Office

Avenue des Arts 10-11

1210 Saint-Josse-ten-Noode

Brussels

Belgium

Contact: +32 471 52 02 68 / brussel@northnorway.org

