Europe's voracious mining appetite

The finances and power relations behind it

Counter Balance

Challenging Public Investment Banks

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Table of contents

Executive summary

With the aim of supplying the defence, digital, and low-carbon sectors, European institutions have made access to raw materials both within and beyond the European Union (EU) a top priority. However, these sectors require the construction and **expansion of highly polluting supply chains**, which **release large amounts of greenhouse gases, destroy the environment, and are dangerous to communities.**

To secure access to these materials, the EU has put in place a series of policies to open mines in Europe and elsewhere, and to facilitate the supply of the mined raw materials through the construction of ports, railways, and other infrastructure. Through public banks — the **European Investment Bank (EIB)** being principal amongst them — public money is used to **'de-risk' private investments** by absorbing part of the financial risk and guaranteeing the losses will be low in case projects fail. Thus, in practice, **public money is fuelling the expansion of environmentally destructive mining projects** that partly serve dirty industries, including the military and artificial intelligence sectors.

In addition to the above and despite claims to the contrary, there is no such thing as 'green mining' — European-backed projects, both inside and outside of the EU, are proof of this. Through initiatives such as the **Global Gateway**, **Critical Raw Material Act**, and **ResourceEU**, the EU is promoting new extraction frontiers, or **'sacrifice zones',** alongside the infrastructure needed to transport minerals to European markets. One example is the EU's support for the Lobito Corridor, where it is rebuilding a colonial train line to bring minerals from the **Democratic Republic of Congo (DRC)** to Europe via Angola. Another example is its partnership with Rwanda's authoritarian regime despite growing evidence of the **Rwandan** government's involvement in the conflict in eastern DRC. Furthermore, in **Tanzania**, the EIB decided to support a mining company aiming to extract graphite in a site already prone to violence, and in **Kazakhstan**, EU institutions are ready to politically support projects in a corrupt country, without public participation and with clear risks to health and biodiversity.

Blindness to processes and rules is also commonplace in Europe. The Barroso mine in **Portugal** was deemed 'strategic' by EU institutions for political reasons and against the advice of the EU's own experts. In **Finland**, a potential mine will be opened in a natural conservation site and a place used by Indigenous People for their traditional herding practices.

To shed light on where European public money is being spent, this report highlights these concerns and explores the policies and financial actors implementing them. It argues that **European institutions should prioritise sufficiency, resource material demand, reuse, repair, and recycling, while questioning the expansion of resource-intensive sectors that drive demand in the first place.**

"Building a profitable industrial mine on a territory implies the creation of a sacrifice zone, whether it is in Europe or elsewhere."

Izoard (2024). *La ruée minière au XXIe siècle*

The term 'sacrifice zone' is often used by communities to describe mining sites. They are zones of conflict, destruction, and pollution. Deciding to open a mine is deciding who will be sacrificed. But who makes this decision? Who is the 'we' that decides? And who benefits from the sacrifice? The elite or the people?

Recently, when opening mines inside and outside the EU, European leaders have attempted to answer these questions without considering inequalities — without considering the 'who' and 'what' is being sacrificed. This report analyses the policies, looks into the mining sector's financiers, and reflects on the winners and losers. In doing so, one thing becomes clear: public banks are indeed crucial actors — crucial in transforming Brussels talks into sacrifice zones and battle grounds across the world.

1. Introduction

1.1 Europe and the growing need for raw materials

The decarbonisation of the European Union (EU) economy requires a deep transformation of its fossil-based economy. Structural transformations are needed across sectors, such as energy, transport, industry, agriculture, and construction, entailing a rapid scale-up of non-fossil fuel technologies. Thus, the demand for raw materials — such as copper, lithium, nickel, graphite, zinc, and rare earth elements — is growing substantially. These materials are essential for deploying technologies like solar panels, wind turbines, electric vehicles, and energy storage systems. For example, by 2040, lithium demand is projected to grow nearly ninefold, driven by expanding electric vehicle battery production, while graphite demand — key for battery anodes — is expected to nearly quadruple.[1]

Figure 01: Critical mineral needs for clean energy technologies

	Copper	Cobalt	Nickel	Lithium	REEs	Chrominum	Zinc	PGMs	Aluminium*
Solar PV	●	●	●	●	●	●	●	●	●
Wind	●	●	●	●	●	●	●	●	●
Hydro	●	●	●	●	●	●	●	●	●
CSP	●	●	●	●	●	●	●	●	●
Bioenergy	●	●	●	●	●	●	●	●	●
Geothermal	●	●	●	●	●	●	●	●	●
Nuclear	●	●	●	●	●	●	●	●	●
Electricity networks	●	●	●	●	●	●	●	●	●
EVs and battery storage	●	●	●	●	●	●	●	●	●
Hydrogen	●	●	●	●	●	●	●	●	●

Importance	High	Moderate	Low

Source: IEA (2022). Mineral requirements for clean energy transition.

1 IEA (2025). Global Critical Minerals Outlook 2025.

The production of so-called 'clean' non-fossil fuel technologies is not always as clean as advertised, as it requires raw materials to be mined, transported, and refined. Moreover, the 'transition' rhetoric helps to anticipate environmental resistance and mobilise public support for an unprecedented global race for minerals[2] while concealing a deeper agenda: geopolitical dominance and the pursuit of private profit. The economic growth that governments aim to achieve is based on highly resource-intensive and individualistic lifestyles — mostly catering to a rich minority elite[3] — that is fundamentally incompatible with the planet's limits.[4] This quest perpetuates global inequalities as the Global North tries to retain its privileged access to resources at the expense of the material development of the Global South. The race to secure minerals risks intensifying environmental pollution and destruction and weakening democracy. Furthermore, studies have shown that a societal shift away from private cars — such as creating walkable cities with good public transport — would greatly limit the rise in lithium demand, as would halting the surge in SUVs that need big batteries.[5]

"Today's mines are not just mines for the transition, they are as much mines for the digital world and mines for the arms and space industry."

Izoard (2024). *La ruée minière au XXIe siècle*

Other sectors such as the digital and military industries are also contributing to the growing demand for raw materials. This is not a shift in priorities away from the energy transition, but a structural expansion of demand.[6]

The digital sector

A key consequence of digitalisation is a massive increase in data generation and storage and the demand for communications technology (5G, Bluetooth, etc.). This, in turn, places a heavy burden on data centres, enterprise infrastructure, and also increases the demand for endpoint devices (such as computers and smartphones). This growing appetite is expected to significantly expand energy and resource use.[7] For example, the storage requirements for the global datasphere, as projected for 2025, may require up to 80 kilotonnes of neodymium: roughly 120 times the EU's current annual demand.[8]

This growth is also closely linked to patterns of high consumption. Europeans own five times as many digital devices as the average person in the Global South, and more than double the global average, with rampant consumerism driving this trend.[9] Frequent device replacement, short product lifespans, and business models based on constant technological upgrades continue to fuel demand for new raw materials rather than reducing it.

Furthermore, the artificial intelligence (AI) boom requires vast amounts of raw materials, including rare earth metals, copper, aluminium, lithium, germanium, and gallium.[10] The infrastructure needed for AI technology, which includes data centres and advanced microchips, is driving substantial new demand.[11] AI-specific needs are projected to increase germanium demand by 37%[12] and gallium demand by 85% by 2033.[13]

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2 Izoard (2025). La ruée minière au XXIe siècle.
3 Cozzi, Chen, Kim (2023). The world's top 1% of emitters produce over 1000 times more CO2 than the bottom 1%
4 Mainieri (2025). Mines to rescue of the planet
5 Riofrancos, Kendall, Dayemo, et al. (2023). Achieving Zero Emissions with More Mobility and Less Mining
6 González (2026). Europe's minerals dilemma: between the Bully and the Dragon? SOMO
7 European Commission (2020). Critical materials for strategic technologies and sectors in the EU - a foresight study
8 Ibid.
9 Friends of the Earth Europe & EEB (2021). Green mining myth report
10 World Economic Forum (2025). Metals at scale for AI at scale: securing the data centre materials backbone
11 IEA (2025). Energy and AI
12 GVR Advanced Interior Materials Research Team (2026). Germanium market report
13 FP Analytics & JCDREAM (2025). Artificial Intelligence and the Critical Minerals Crunch

Levi Meir Clancy by Unsplash

The defence sector

Finally, as the EU increasingly prioritises the defence and military sectors,[14] the more it depends on the supply of certain raw materials. The production of fighter aircraft, main battle tanks, missiles, submarines, corvettes, ammunition, and other weaponry heavily depends on access to a broad range of these materials.[15] The military sector, for instance, is the second-largest user of cobalt in the world, after the electric batteries sector.[16]

Box 1: The EIB Group is investing in defence but not in Europe's future

The European Investment Bank (EIB) Group is expanding its financing into military- and defence-related industries. Its investments in the defence sector multiplied fourfold in only two years, going from €1 billion to €4.4 billion and exceeding the Bank's new 3.5% investment target earmarked for this purpose.[17]

Death and destruction are the defence industry's business model. Thus, concerns that expanding military investments will not translate into greater security are justified,[18] as are concerns that public lending will reinforce an economic logic that depends on the continuous production, use, and renewal of military equipment to remain profitable. Put simply, there is a clear risk that these economic incentives will fuel the arms race and so armed conflict itself.[19]

Meanwhile, public money channelled to the defence sector through the EIB could otherwise be directed towards urgent and unmet needs in social protection, public services, and climate adaptation, at a moment when these areas urgently require investment.

In addition, military activity has a massive environmental footprint.[20] Amongst other things, this is caused by raw material extraction and weapons manufacturing, ecosystem destruction during conflicts, and the toxic waste and long-term emissions that come with decommissioning military equipment. Therefore, expanding defence financing fundamentally contradicts the EIB's self-declared mission as the EU's 'climate bank'.

14 European Commission (2022). Roadmap on critical technologies for security and defence
15 HCSS (2023). Strategic raw materials for defence: Mapping European industry needs.
16 Izoard (2024). La ruée minière au XXIe siècle. Enquête sur les métaux à l'ère de la transition (Author's translation).
17 EIB (2026). President Calviño: Going Big, Going Fast.
18 EU Watchdog Radio (2026). When Public Investment Fuels the Arms Race. Corporate Europe Observatory and Counter Balance.
19 Marigliano (2026). From "sustainable" arms to self-sustained militarisation: the role of the EIB in the EU arms race. Counter Balance.
20 SGR & CEOBS (2022). Estimating the Military's Global Greenhouse Gas Emissions.

1.2 Impacts of mining

"Everywhere that mines are dug up to provide raw materials for the energy transition, global climate action comes into conflict with local environmental protection."

Riofrancos (2025). *Extraction: The Frontiers of Green Capitalism*

Soil and water pollution

The mining sector is the most contaminating industry in the world.[21] Mining generates large volumes of waste, which contains heavy metals, organic compounds, and high-salinity wastewater. Arsenic, cadmium, lead, zinc, and mercury are among the most toxic elements released into soil, water, and air during mining and mineral processing.[22] This waste can contaminate local streams, wetlands, and groundwater, posing serious, and often irreversible, damage to aquatic ecosystems and human health through the food chain.[23]

During mining, machinery, chemicals, and large amounts of water are used to grind up rock into fine sand to extract minerals and metals. Everything that is not useful at the end of this process is waste. According to the International Energy Agency (IEA), mining waste generation doubled between 2019 and 2023.[24] Many of the waste substances are lethal or radioactive, and it is not uncommon to find large amounts of cyanide, mercury, and arsenic around mining sites that mix to create toxic sludge.[25] This waste is stored in mining waste dams known as tailings dams, which can collapse leading to environmental disasters. In 2022 alone, there were five accidents in such dams.[26]

The collapse of a dam at the Córrego do Feijão mine in Brazil, owned by Vale, in 2019, resulted in the deaths of 272 people, making it the worst mining disaster in Brazilian history in terms of human lives lost.[27] This crime caused unprecedented environmental destruction, with contaminated waste reaching the Paraopeba River. Around 300 kilometers of the river was polluted. This affected local ecosystems and compromised the water supply of over 2 million people. For the Indigenous Communities of Nao Xoha, the river Paraopeba was a source of water, of livelihood, and a place of spiritual significance.[28] There had not been any new waste in the tailings dam since 2014,[29] showing how mining sites, and especially tailings dams, can be dangerous long after the closure of a mine.

These environmental issues are likely to become even more salient in the future. First, as extraction volumes increase, the amount of toxic waste will rise significantly. However, one of the biggest challenges faced by the mining industry today is also the most worrying: the concentration of minerals at mining sites is becoming increasingly low. Thus, at current rates, mining companies will need to extract more than in previous decades to produce the same quantity of minerals.[30]

"Despite its efficiency gains, the XXIst century mine is meant to become more and more polluting and consume more and more resources. (...) The lower the mineral concentration is in a mine, the more it will pollute."

Izoard (2024). *La ruée minière au XXIe siècle*

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21 Izoard (2018). Les bas-fonds du capital: L'éternel retour de l'Eldorado

22 Dehkordi, Nodeh, Soleimani, et al. (2024). Soil, air, and water pollution from mining and industrial activities: Sources of pollution, environmental impacts, and prevention and control methods. Elsevier.

23 Funeka Matebese, et al. (2024). Mining wastewater treatment technologies and resource recovery techniques: A review.

24 IEA (2025). Critical Minerals Market Review.

25 London Mining Network (accessed on 20 May 2026). Tailings dams: an explainer.

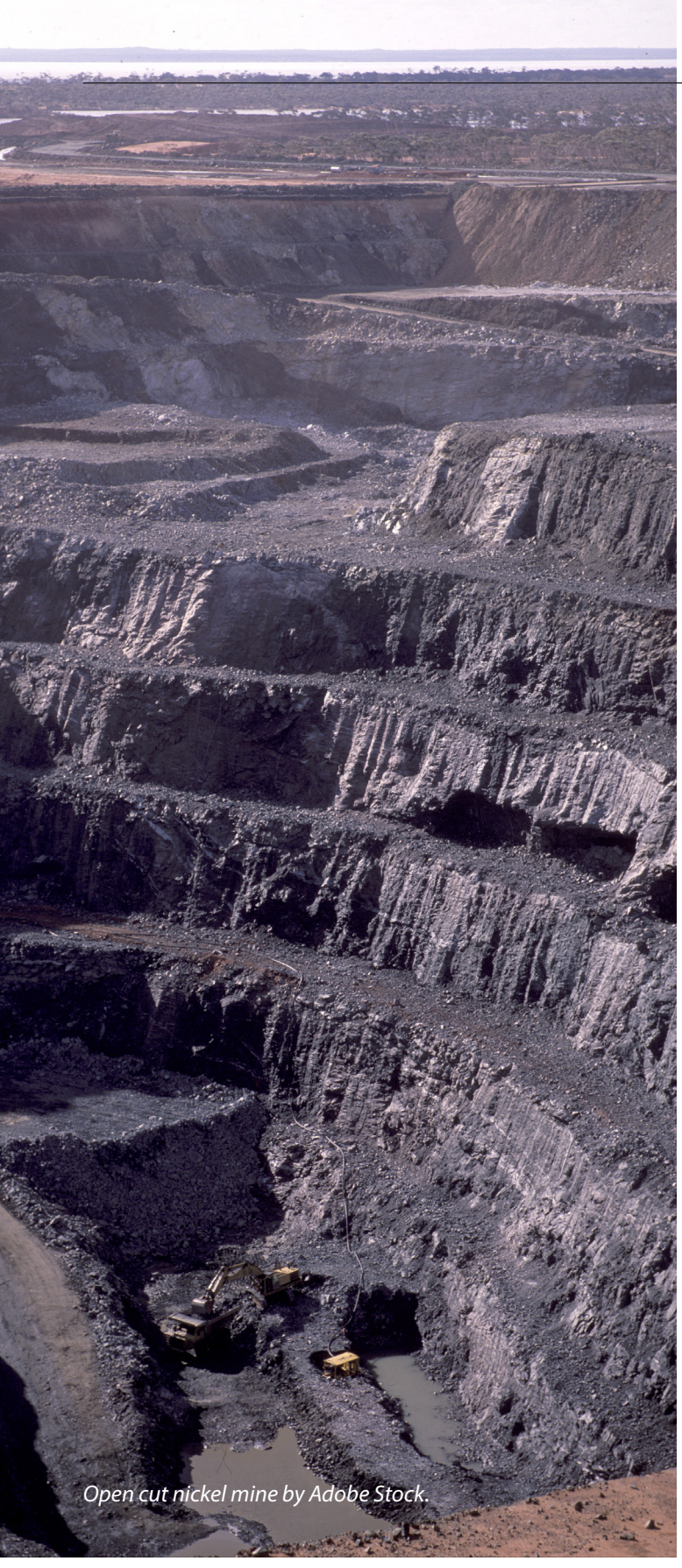
26 Izoard (2024). La ruée minière au XXIe siècle. Enquête sur les métaux à l'ère de la transition (Author's translation).

27 Instituto Camila e Luiz Taliberti (2025). Mining tragedies in Brazil: a history of neglect and devastation.

28 SystExt (2025). État des lieux des violations de droits humains dans l'industrie minière à l'international.

29 Iozard (2024) *La ruée minière au XXIe siècle. Enquête sur les métaux à l'ère de la transition* (Author's translation).

30 Ibid.



Open cut nickel mine by Adobe Stock.

Water consumption

According to the IEA, the mining industry's water use doubled between 2018 and 2021.[31] Moreover, today, around half of the lithium and copper production worldwide is concentrated in areas of high water stress.[32] In Chile, the most commonly used method of lithium extraction is a water-intensive process that is compromising vital resources in an extremely arid zone particularly vulnerable to climate change. The process involves lithium-rich water being pumped into large evaporation ponds and left to dry in the sun and wind. This has caused the gradual disappearance of wetlands and is depleting water that communities need for agriculture and livelihoods.[33]

Deforestation

Mining activities are increasingly linked to deforestation across diverse ecosystems.[34] In Indonesia, for instance, nickel mining has become a significant contributor to deforestation, with the nickel mining area growing by 700% between 2000 and 2020.[35] Moreover, from 2001 to 2020, cobalt mining led to the loss of 13,000 hectares of forest in the Democratic Republic of the Congo (DRC).[36]

Pollution

Pollution from mining is not restricted to the extraction phase. Significant environmental impacts are also seen further along the supply chain. After raw materials are extracted from the earth, the valuable minerals are often mixed with rock and other impurities and so are not yet usable. As a result, these materials are frequently transported to processing facilities, which, in many cases, include smelters, where metallic ores such as copper, lead, and nickel are refined. The smelting process releases harmful fumes and toxic dust containing substances

31 IEA (2025). Critical Minerals Market Review.

32 IEA (2022). The Role of Critical Minerals in Clean Energy.

33 FIDH (2025). In South America's lithium triangle, the scramble for transition minerals endangers human rights and the environment.

34 Fern, Rainforest Foundation Norway, WU Vienna University of Economics and Business, négaWatt (2025). Driving Change, Not Deforestation: How Europe Could Mitigate The Negative Impacts Of Its Transport Transition.

35 Heijlen, Duhayon (2024). An empirical estimate of the land footprint of nickel from laterite mining in Indonesia. The Extractive Industries and Society 17, 101421. 10.1016/j.exis.2024.101421.

36 WRI (2024). Mining Is Increasingly Pushing into Critical Rainforests and Protected Areas. World Resources Institute, Washington D.C.

such as lead and arsenic,[37] which can contaminate vast areas.[38]

Around the Mount Isa smelter in Australia, a toxic dust cocktail spread over an area of 100,000 km^2, destroying flora and contaminating waters.[39] Today, in Zambia, Glencore is the majority owner (73.1%) of the Nkana refinery and smelter producing copper and cobalt alongside enormous sulphur dioxide emissions, which are damaging local communities and the environment.[40] Despite the huge societal and environmental fallout, the European Commission continues to discuss future mining investments with the company.[41]

Climate impacts

"The transition implies moving away from fossil fuels to metals, which are not renewable."

Izoard (2024). *La ruée minière au XXIe siècle*

The extractive industry consumes vast amounts of energy and is a major contributor to greenhouse gas (GHG) emissions.[42] The extraction phase in the mining supply chain is responsible for approximately 2–7% of direct GHG emissions, and up to 10% when emissions from energy consumption are included.[43] Processing minerals also emits a significant amount of GHG. In 2022, for instance, Rio Tinto, a mining multinational, reported that 20% of its GHG emissions came from extraction and the other 80% from processing.[44]

The amount of energy needed for extracting and treating raw materials is likely to rise substantially. Moreover, mining sites cannot rely on solar or wind power as these energy sources are not yet sufficiently stable.[45]

Konrad Dobosz by Unsplash

37 EPA (2026). The Colorado Smelter: What Are the Risks at the Site?
38 Adnan, Xiao, Ubaid, et al. (2024). Heavy metals pollution from smelting activities: A threat to soil and groundwater.
39 Izoard (2024) *La ruée minière au XXIe siècle. Enquête sur les métaux à l'ère de la transition* (Author's translation).
40 TNI (2025). The Cost of Clean Cars: Mapping Mining Harms in Europe's EV Supply Chains.
41 Document request by Lora Verheecke (2026). Meeting between Paz Velasco Velazquez and Glencore. AsktheEU.
42 Zheng, Lu, Ma, et al. (2023). Greenhouse gas emissions from extractive industries in a globalized era. Elsevier.
43 Riofrancos (2025). Extraction: The Frontiers of Green Capitalism.
44 Global Witness (2025). Assessing the climate impacts of transition minerals mining.
45 Izoard (2024) *La ruée minière au XXIe siècle. Enquête sur les métaux à l'ère de la transition* (Author's translation).

Violent conflicts and evictions

"The extractive sector has long been the most dangerous for human rights defenders."

Business and Human Rights Centre (BHRC). *Strategic projects for whom?* (November 2025)[46]

Global Witness has long reported on the killing of land and environmental defenders worldwide.[47] In 2023, the main driver for these killings was mining.[48]

Evictions are also commonplace in the mining sector. For example, in and around the city of Kolwezi in the DRC, many of the country's most productive cobalt and copper mines are located. This is also the site of many forced evictions, where people are removed from their homes and farmland to make way for the expansion of large-scale industrial mining projects.[49] A report by Amnesty International and the Initiative for Good Governance and Human Rights found out that such evictions are often carried out by mining operators with little concern for the rights of affected communities or the national laws meant to protect them.[50]

Moreover, a study by the German Institute for International and Security Affairs found that over 40% of environmental conflicts in Latin America are linked to mineral extraction.[51] This violence is also expanding into other sectors, such as energy production, which is closely tied to energy-intensive mining operations. These conflicts are rarely about a single issue; rather they reflect broader structural problems embedded in the extractivist model itself.

Labour rights violations

In terms of labour rights violations, examples can be found around the globe. In Africa, copper and cobalt extraction in the DRC is linked to abuses arising from the operation of both artisanal and industrial-scale mines, including the forced evictions of communities from around mine sites and rights violations where artisanal miners[52] have been subjected to threats, physical assault, and ill-treatment on mine sites at the hands of the mine police, or private security guards working for those who control the sites.[53] Furthermore, labour conditions can be very difficult in mines, especially in underground mining where workers take great risks to dig out raw materials. Despite representing only 1% of the total workforce, mining-related injuries account for 8% of the fatal injuries in the world.[54]

Across the world, the Business & Human Rights Resource Centre (BHRRC) monitors a broad range of human rights violations associated with the extraction of seven key minerals (bauxite, cobalt, copper, manganese, nickel, lithium, and zinc). It recorded 630 allegations of such violations between 2010 and 2023, with one in four related to labour rights abuses.[55]

Gender impacts

Women are severely affected by the development of mining projects, primarily due to the masculinisation of mining areas caused by a massive influx of workers. This results in women being excluded from mining jobs and, consequently, in the feminisation of menial tasks, as well as agricultural and subsistence activities.

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46 Business and Human Rights Centre (2025). Strategic projects for whom? Challenges and local realities of the European Union's strategic mineral projects.

47 Global Witness (2024). Missing voices: The violent erasure of land and environmental defenders.

48 Global Witness (2024). Critical mineral mines tied to 111 violent incidents and protests on average a year.

49 Amnesty International (2023). Powering change or business as usual? Forced evictions at industrial cobalt and copper mines in the Democratic Republic of the Congo.

50 Ibid.

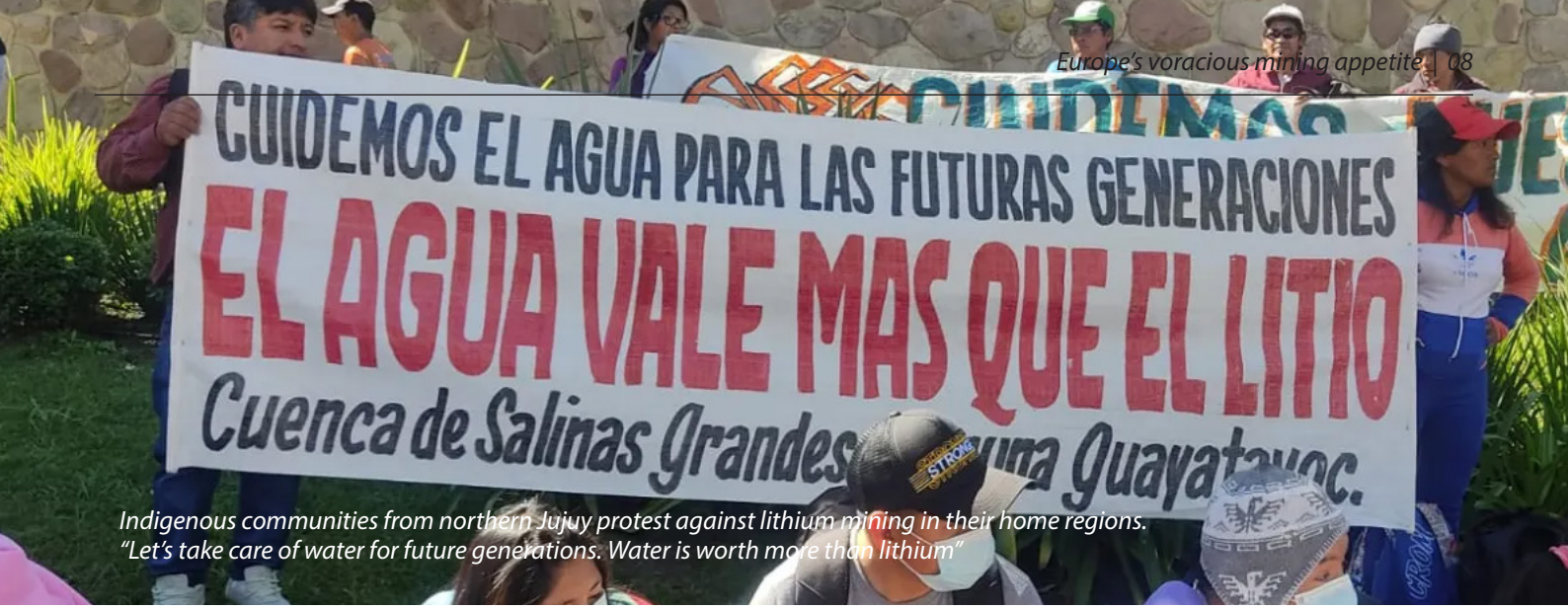
51 Maihold, Reisch (2021). Environmental Rights and Conflicts over Raw Materials in Latin America. SWP.

52 Amnesty International (2023). Profits and loss mining and human rights in Katanga, DRC.

53 Ibid.

54 Cruz-Ausejo, Cama-Ttito, Solano, et al. (2024). . Occupational accidents in mining workers: scoping review of studies published in the last 13 years. BMJ Open. 11;14(10):e080572. doi: 10.1136/bmjopen-2023-080572.

55 Laplane, Boev, Rajeevan, et al. (2025). Financing Critical Minerals but Failing Critical Safeguards: Are banks and investors doing enough to ensure the energy transition is fair for all? Profundo and Fair Finance International.



Indigenous communities from northern Jujuy protest against lithium mining in their home regions. "Let's take care of water for future generations. Water is worth more than lithium"

Furthermore, their representation in decision-making bodies and consultation forums is reduced.[56]

This context also exacerbates gender-based violence.[57] Women are particularly exposed to this violence in the artisanal mining sector. A study covering 12 African countries showed that women and girls are exposed to rape, sexual harassment, sexual exploitation, physical violence, spousal abandonment, unwanted pregnancies and abortions, dangerous chemicals (often in mineral processing roles), and economic violence, including failure to promote women and inequitable sharing of resources and income.[58]

Impacts on Indigenous Communities

"Indigenous Peoples have a stake in policies or projects that threaten their territory, culture and livelihoods. This principle is at once reparative and preventative; an acknowledgement that violent dispossession is both a bloody history to atone for and a potential future to forestall."

Riofrancos (2025). *Extraction: The Frontiers of Green Capitalism*

Over 80% of lithium projects and more than half of nickel, copper, and zinc projects are located in the territories of Indigenous Communities.[59] Thus, in the rush for 'green' raw materials, these communities will be directly and significantly impacted.

Indigenous Communities are often excluded from the decision-making process and are thus unable to have a voice in projects that undermine their livelihoods and place their cultural survival and physical safety at risk. For instance, lithium mining in the Andean region of South America often occurs on Indigenous territories without their free, prior, and informed consent, in direct violation of internationally recognised rights.[60] In Sweden, the European Commission's decision to approve the mining projects Talga Graphite in Nunasvaara, LKAB ReeMap in Malmberget, and LKAB Per Geijer in Kiruna under the Critical Raw Materials Act (CRMA) has sparked alarm among the Sámi — Indigenous reindeer herding communities living in northern Scandinavia and parts of Russia.[61] All of the projects are located on Sámi ancestral lands and threaten the environment and the Sámi way of life.[62] It is needless to say that this decision risks bypassing essential environmental safeguards and further marginalising Sámi communities.[63]

56 SystExt (2025). État des lieux des violations de droits humains dans l'industrie minière à l'international.

57 IIED (2025). Understanding gender-based violence in critical mineral mining.

58 Ibid.

59 TNI (2024). The Raw Materials Rush: How the European Union is using trade agreements to secure supply of critical raw materials for its green transition.

60 IUCN (2025). The energy transition revisited: The case of lithium extraction in the Andes .

61 Saami Council (2025). EU Promoting Strategic Mining Projects on Sámi Lands: A Devastating Betrayal of Indigenous Rights and Sápmi's Future.

62 Ibid.

63 Gabay (2025). Sámi reindeer herders protest EU-backed graphite mine, fearing lost grazing ground. Mongabay.

Health impacts

Communities living near mining sites and workers directly exposed to mining waste face increased risks of lung cancer, respiratory illnesses, and mental health conditions.[64]

Kabwe, one of Zambia's largest cities, is home to one of Africa's biggest lead and zinc smelting operations, run by the mining multinational Anglo American. A study found that the city has an estimated 6.4 million tonnes of waste leaching lead into its soil and groundwater.[65] Contamination levels reach 60,000 milligrams of lead per kilogram of soil, 300 times higher than the US Environmental Protection Agency (EPA) threshold, in a context where no level of lead exposure is safe.[66] Moreover, poverty forces families to remain in the most contaminated areas, unable to shield their children from exposure to lead pollution in the soil and air. Over decades, the contamination has poisoned hundreds of thousands of people, causing life-limiting conditions and fatalities.[67]

Recent investigations in the DRC have also revealed a severe public health crisis apparently caused by the world's largest cobalt producer, CMOC Group.[68]

In battery recycling processes, workers are exposed to chemicals, hazardous gases, and fine particles and aerosols. Exposure to these substances can pose serious health hazards and risks.[69] Short-term effects include breathing difficulties, chemical burns, and acute poisoning. Over time, exposure can lead to chronic illnesses, such as nerve damage, cancer, and lung diseases, and some chemicals may accumulate in the body, potentially causing genetic damage that affects future generations.[70]

Kabwe, Zambia by Pure Earth/Flickr

64 Carolyn Stephens and Mike Ahern (2001). Worker and Community Health Impacts Related to Mining Operations Internationally: A Rapid Review of the Literature.

65 Environment Africa & Action for Southern Africa (2025). Life in the world's most polluted town: The origins of lead contamination in Kabwe, its impacts on children, and the case for corporate accountability.

66 Ibid.

67 Ibid.

68 EIA (2026). Toxic transition: How the world's largest cobalt producer has allegedly poisoned communities for years.

69 IndustriALL (2025). Occupational Safety and Health in Battery Recycling.

70 Ibid.

1.3 From extraction and exploitation in the Global South to transformation and accumulation in the Global North

Cobalt mining in the DRC by Afrewatch 2020/Flickr.

Most of the mineral resources located in the Global South are under foreign control.[71] Therefore, although countries in Africa, Latin America, and parts of Asia possess enormous mineral wealth, much of the real economic power, e.g., the intellectual property, technology, industrial expertise, and control over supply chains, often remains in foreign hands, mainly focused in the Global North. For instance, while the DRC mining facilities account for 66% of the world's cobalt extraction, European and Chinese companies each own a third of the supply, while DRC-owned companies account for less than 5% of production.[72]

Furthermore, a lot of mining revenues do not stay in the country of extraction due to tax avoidance. The International Monetary Fund estimates that key sub-Saharan African countries that produce minerals and metals "are losing between US$470 million and US$730 million per year in corporate income tax on average from multi-national enterprise tax avoidance."[73]

> *"Extraction traces its origins to violent colonial encounters."*
>
> Riofrancos (2025). *Extraction: The Frontiers of Green Capitalism*

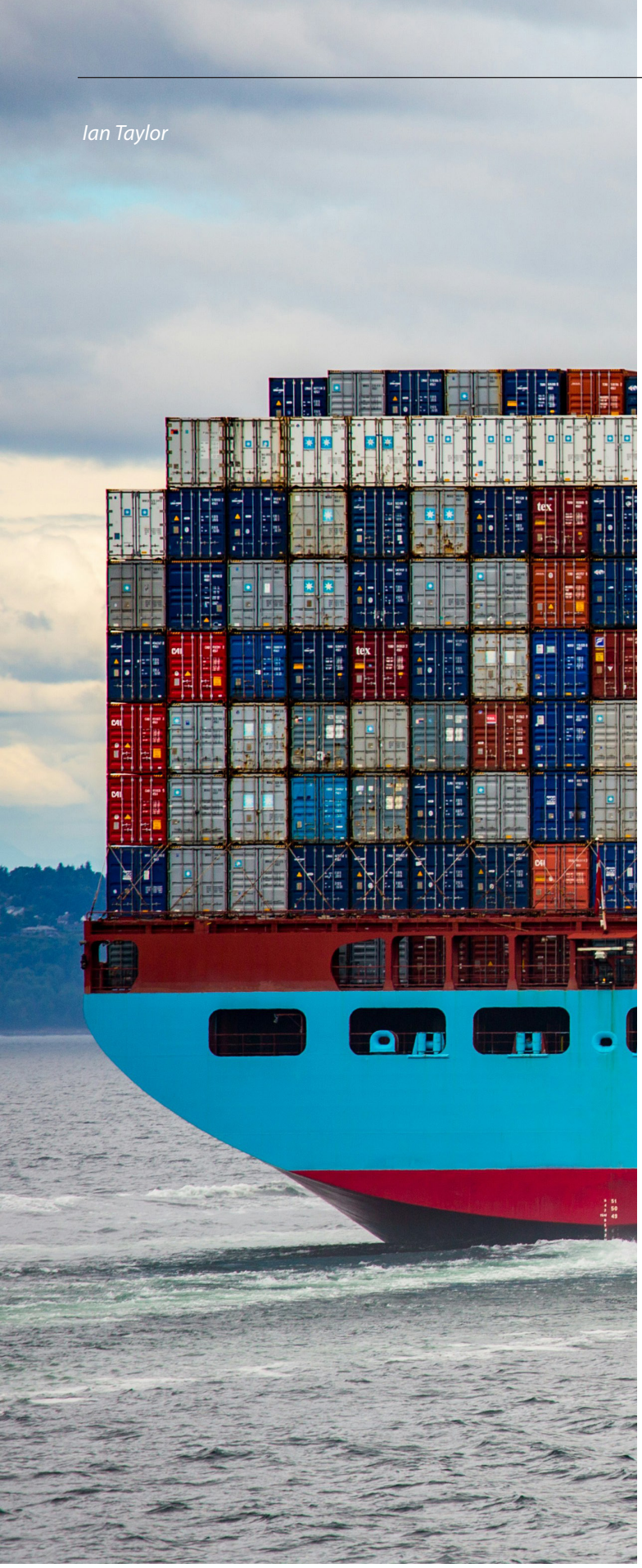
In colonial times, mines were often opened in colonised territories and operated by companies from European colonial capitals. This trend still continues today. Global South countries, with the exception of China, are specialised in extraction — the first, less valuable, stage of the mining chain,[74] whilst Global North countries and China are specialised in industries at the end of the value chain, where most processed materials are consumed.

71 G20 & T20 South Africa Policy Brief (2025). Equitable Critical Mineral Value Chains: Developing Production and Technological Capabilities in the Global South Through South–South–North Cooperation.

72 IEA (2024). Global Critical Minerals Outlook 2024.

73 Albertin, Yontcheva, Devlin, et al. (2021). Tax Avoidance in Sub-Saharan Africa's Mining Sector. International Monetary Fund Departmental Paper No. 2021/022.

74 G20 & T20 South Africa Policy Brief (2025). Equitable Critical Mineral Value Chains: Developing Production and Technological Capabilities in the Global South Through South–South–North Cooperation.



Ian Taylor

2. The politics and financing behind the EU's mineral rush

The growing demand for raw materials in the energy, defence, transport, and digital sectors has led to more coordination among EU Member States and more joint work between national and European institutions. Once a primarily national concern, mining and raw materials have increasingly become the focus of EU discourses, trade deals, legislation, and financing mechanisms.

In 2023, one of the fastest laws to ever be approved in the EU was ratified — the **CRMA**, taking just one year. However, according to the European Commission,[75] its implementation was deemed too slow. Thus, a new plan, **ResourceEU**,[76] was announced in December 2025 (see Section 2.2. for more information).

In order to secure access to materials, most of which are located in soils outside its borders, the EU has shifted its foreign cooperation programme to include support for all mining sectors (from exploration to transport) in its new international partnership strategy: the **Global Gateway** (see Section 2.2. for more information).

75 European Commission (2025). European Commission adopts RESourceEU Action Plan.

76 European Commission (2025). RESourceEU Action Plan: Accelerating our critical raw materials strategy to adapt to a new reality.

2.1 The financing

2.1.1 The mechanisms

Financial support for EU global mining ambitions increasingly falls to 'de-risking' instruments, namely, blended finance and guarantees. 'De-risking' refers to the practice whereby public financial institutions absorb or reduce risks in order to make projects more attractive to the private sector and guarantee the profits of companies. Thus, instead of directly funding essential projects, public money is increasingly channelled into sectors that private investors consider profitable.

Blended finance is where the EU provides different types of financial instruments, including grants, loans, and equity, i.e., they are blended together. For instance, a mining project can receive an EU grant for technical assistance. On top of this, the EIB or national development banks, such as the Agence Française de Développement (AFD) and the Kreditanstalt für Wiederaufbau (KfW), can also provide loans at favorable terms to the mining company. Then, thanks to these preferential financial terms, the mining company can more easily find investors (commercial banks, funds, etc.) to provide the remaining funding.

The guarantee is an agreement to cover the risk of not paying back a loan. It means the EU covers any loans that mining companies cannot pay back if their project fails or if it is less profitable than expected. European guarantees come from the EU international cooperation budget. They are named EFSD+ after the European Fund for Sustainable Development (EFSD). Their legal basis is the EU Regulation establishing the Neighborhood, Development, and International Cooperation Instrument (NDICI, also referred to as Global Europe) created in 2021.

Thanks to these instruments, companies can earn more money when a mining project is successful but can also greatly reduce the amount of losses if the project fails. In practice, this means that public money is used to protect private investors and guarantee profitability. It is essentially a transfer: society takes the risk and the mining companies take the profit.

The EU is using these financial instruments to increase the scale of investment in European companies outside the EU. The fact that most of the private investors in the Global South mining sector are Global North companies reinforces old patterns of colonial control over the mining supply chain. Furthermore, the EU is also using these instruments to increase its political influence across the world, mainly through the Global Gateway strategy.

These financial instruments are managed by development banks and export credit agencies (ECAs), which acquire more influence and power through them. Notably, these banks and agencies have control over the selection of 'development' projects and their implementation. In the selection process, they prioritise financial criteria and, in the case of ECAs, national companies from the ECA's home state, regardless of their climate and social impacts. In turn, this weakens accountability and transparency and limits public officials' steering capacity.[77]

2.1.2 Public banks and agencies from the EU financing mining projects

Export credit agencies

ECAs are governmental or private institutions that provide loans, guarantees, and insurance backed by public budgets to corporations around the world. They also finance the export of goods and services originating in the country providing the finance. They support risky projects that may not get off the ground without this backing. Unfortunately, due to their weak regulation, ECAs have been allowed to use public funds for projects in some of the most environmentally harmful industries on the planet and have contributed to worsening national debt burdens in the Global South.[78] Furthermore, ECAs

77 Prontera, Quitzow (2025). Who calls the shots? Development banks and the politics of de-risking in European external finance. *Competition & Change*, *29*(5), 573-592.

78 Counter Balance (2024). No role for export credits in the EU's development finance.

have no mandate to reduce inequalities around the world,[79] and historically, most of their support benefits high-income and upper-middle-income countries. Between 2015 and 2024, only 2% of ECA financing went to low-income countries.[80]

ECAs have been investing in mining projects for decades; however, they have recently shown a renewed interest. Recent examples include the Swedish export credit agency (EKN) which has invested in the construction and operation of an underground copper mine in the Kamoa-Kakula Copper Mine in the DRC.[81] The Kamoa operator had to resettle around 1,352 people who lost access to homes, businesses, or fields as a result of mining activities.[82]

The European Investment Bank

The EIB is the financial arm of the EU. Its shareholders are the 27 EU Member States. It is the biggest multilateral development bank in the world, providing around €100 billion in financing (loans, guarantees, equity-type support) in 2025. In total, 10% of this goes to projects outside the EU,[83] even though the EIB has no representation from Global South countries.[84]

Today, the EIB is a key provider of financing and advisory support for EU mining projects across the entire value chain in and outside the EU. As part of this initiative, in March 2025, the EIB adopted a new raw materials initiative that includes an expected €2 billion in funding and a dedicated one-stop shop for raw material projects.[85] In 2024, the EIB signed its first new mining project in the EU,[86] providing €150 million in loans to Keliber Oy.[87] In January 2025, the EIB signed another project that will process graphite for EV batteries,[88] and in February 2026, the EIB signed a co-operation agreement with EcoGraf to support an early-stage graphite project in Tanzania.[89]

The Bank's track record with supporting mining projects is highly problematic. In 2005, for instance, the EIB financed the Mopani Copper Mine in Zambia, which had a devastating environmental impact, including contaminating drinking water and causing widespread health problems.[90] As the company prioritised maximising profits and minimising costs, the project failed to deliver economic and social benefits to local communities. The company also used transfer pricing as a way to avoid paying taxes in Zambia. Similarly, in 2007, the EIB financed a new large-scale open pit mine in Madagascar: the Ambatovy Nickel project. The EIB provided a long-term loan for 10% of the total project value.[91] The project had numerous damaging social and environmental impacts on the surrounding area and local communities, ranging from population displacement to sulphur-dioxide leaks and polluted water resources. The project's economic difficulties led to workers being laid off and prolonged social tensions related to the project.[92]

Furthermore, the EIB's due diligence procedures for projects outside the EU are weak. Companies receiving public guarantees face low requirements regarding labour rights, social protections,

79 Counter Balance (2025). Export credit agencies support profits and fossil fuels but do not reduce inequalities.

80 Export Finance For Future (2025). Transparency Report 2025.

81 EKN (2026). Category A- & B-projects.

82 Amnesty International (2023). Powering change or business as usual? Forced evictions at industrial cobalt and copper mines in the Democratic Republic of the Congo.

83 EIB (2025). Powering Europe: EIB Group 2025 Activity Report.

84 Prontera, Quitzow (2025). Who calls the shots? Development banks and the politics of de-risking in European external finance. *Competition & Change*, *29*(5), 573-592.

85 EIB (2025). EIB steps up financing for European security and defence and critical raw materials.

86 EIB (2024). Keliber battery grade lithium production.

87 EIB (2024). Finland: EU and Sibanye-Stillwater, through its Keliber lithium project, join forces in €150 million deal to improve EU access to and resilience in battery materials.

88 EIB (2025). Up catalyst green graphite (IEU GT2).

89 EIB (2026). EIB Global backs sustainable critical raw material projects in Africa.

90 Counter Balance (2010). The Mopani copper mine in Zambia: How European development money has fed a mining scandal.

91 EIB (2007). Ambatovy nickel project.

92 Counter Balance (2019). Out for Summer, Episode 1: The Ambatovy mine in Madagascar – How the EIB is sweeping a development fiasco under the rug.

The Mopani copper mi

and environmental standards.[93] More than 20 organisations have pointed out that the EIB falls behind other multilateral development banks in terms of its human rights policies, lacking a clear and effective strategy for human rights due diligence.[94] It depends heavily on project promoters to carry out environmental and social impact assessments and relies on self-monitoring and self-reporting by EIB clients, without any independent verification. All these weaknesses mean that big companies, including those with a documented history of human rights abuses and environmental destruction, could receive EIB financing for mining operations in the Global South.

The EIB also has weak transparency and disclosure practices, a point criticised directly by the European Ombudsman.[95] In 2025, the EIB told the European Ombudsman that it would proactively publish its draft Environmental and Social Data Sheets for projects outside of the EU ahead of the financing decision.[96] However, the same year, it decided to only do so for high-risk projects — very much a political decision taken inside the EIB offices.[97] More broadly, a lack of transparency also surrounds the allocation of public funds. In many cases, it is difficult to determine which companies, financial intermediaries, or public authorities ultimately benefit from EIB-backed financing and guarantees. This opacity makes it challenging for citizens, affected communities, and civil society organisations to track how public money is being used.

The European Bank for Reconstruction and Development

The European Bank for Reconstruction and Development (EBRD) is a leading multilateral development bank in Central and Eastern Europe, Central Asia, and the Mediterranean regions. The biggest shareholders are the United States, the United Kingdom, and Japan.[98]

In terms of providing financing for mining, the European Commission and the EBRD launched a joint facility in July 2024 to provide equity investments for mining exploration activities, aiming to mobilise around €100 million in investments.[99] Furthermore, its Mining Sector Strategy (2024–2028) concentrates on extraction, without taking into account other sectors of the supply chain that are essential to

93 ETUC (2025). European trade unions call for simplified pro-worker procurement rules.

94 Counter Balance, EEB, IPIS, et al. (2024). Joint civil society letter: Halt investments for the extraction of critical raw materials.

95 European Ombudsman (2024). Publication of environmental information by banks – a study commissioned by the EPR.

96 European Ombudsman (2025). Letter from the European Ombudsman to the President of the European Investment Bank on how it discloses environmental and social information on projects prior to decisions on funding.

97 EIB (2025). Environmental, climate and social due diligence procedures.

98 EBRD (2025). Shareholders and Board of Governors.

99 European Commission (2024). Commission and EBRD launch joint facility mobilising up to €100 million for critical raw materials investments.

reduce overall energy and material consumption, such as recycling. In addition, it does not exclude countries that do not have a proven track record in enforcing environmental legislation from its investments.[100]

In early 2009, the EBRD invested €13 million in equity financing to support the development of the Amulsar gold mine project in Armenia. The EBRD provided capital in exchange for a share in the project's profits (and risks). Construction of the Amulsar mine began in 2017, leading to negative impacts on local communities, agriculture, and the environment.[101] The following year, protesters started a blockade of the mine site that lasted for over two years. In 2020, the EBRD exited the project after years of complaints and controversies.[102]

2.2 The policies

2.2.1. The Critical Raw Materials Act

The CRMA,[103] which entered into force in May 2024, aims to ensure a secure supply of 34 'critical' raw materials for Europe's industry and significantly lower the EU's dependency on imports from single country suppliers. According to the EU, raw materials are considered 'critical' when they are essential for key industrial sectors, such as renewable energy, electronics, and transportation, and their supply is at risk due to factors like scarcity, limited diversification, or geopolitical dependence.

However, the word 'critical' should be used with caution. Indeed, as the following statement explains, academics have demonstrated how the 'critical' classification helps in mobilising policies and justifying extractive interventions:[104]

> *"Criticality is not an inherent quality of raw materials. (...) The concept often serves as a floating signifier for a range of concerns, including economic, geopolitical, environmental, geological, and developmental issues, rather than as a concretely defined attribution."*[105]
>
> Eyselein & Dorn (2025). *Making critical raw materials from a multi-scalar perspective*

In this case, the term serves the EU's geopolitical and economic interests, which are mostly aimed at supporting the Global North and Global South elites.

In addition, the CRMA identifies a list of 26 'strategic' raw materials. These are deemed crucial to Europe's green and digital ambitions as well as for defence and space applications, while also being subject to potential supply risks in the future. Most of these 'strategic' raw materials are used in defence equipment.[106] To an even greater extent than 'critical' raw materials, the 'strategic' label is highly political and is not based on a scientific methodology.

The CRMA contains 'benchmarks' across the mining value chain: by 2030, the EU aims to meet at least 10% of its demand for raw materials through domestic extraction, cover 40% of its refining and processing needs within the EU, and achieve a 15% recycling rate of overall mineral demand. In addition, the CRMA sets a diversification target, stating that no more than 65% of any single raw material should come from a single third country.

Fundamentally, the CRMA fails to address the root causes of the EU's unsustainable consumption patterns, which require vast amounts of material

100 CEE Bankwatch Network, et al. (2023). Joint NGO comments on the draft EBRD Mining Strategy 2024-2028.

101 CEE Bankwatch Network (2024). The EBRD's irresponsible exit from the Amulsar gold mine project in Armenia.

102 Ibid.

103 Official Journal of the European Union (2024). Regulation (EU) 2024/1252 of the European Parliament and of the Council of 11 April 2024 establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1724 and (EU) 2019/1020.

104 Eyselein, Dorn (2025). Making critical raw materials from a multi-scalar perspective: The case of lithium in the European Union. Geoforum, Volume 167.

105 Ibid.

106 SOMO (2023). Ten reasons why the European Commission's proposed Critical Raw Materials Regulation is not sustainable – and how to fix it.

imports.[107] It sets no concrete targets or measures to limit the overall EU demand and consumption of raw materials, such as prioritising collective uses (e.g., electric buses rather than individual electric SUVs) or the obligation to repair and upcycle despite the fact that increasing or even maintaining the current level of demand will inevitably require more extraction, particularly in the Global South.

The EU's material footprint (i.e., its total consumption of fossil fuels, biomass, metals, and non-metallic minerals, including embodied in imports) is currently 14.5 tonnes per capita, well over the global average, and about double what is considered a sustainable and just limit.[108] At the same time, despite representing only 6% of the world's population, the EU already consumes between 25–30% of the metals produced worldwide.[109]

This framing of the CRMA has been heavily influenced by industry lobbying. When drafting the legislation, the European Commission organised a consultation in which the questions were already skewed in favour of industry and relegated the core issue of demand reduction to a distant annex.[110] The CRMA has also been criticised for overlooking social and environmental impacts as mining companies are allowed to show compliance with the EU's sustainability criterion by obtaining certification from deeply flawed industry schemes.[111] The inclusion of voluntary certification was a major lobbying victory for the industry, which worked against strong legal requirements to instead propose the possibility to self-regulate.[112] Importantly, the CRMA does not mention the free, prior, and informed consent of Indigenous People for projects happening in their territory, even though 54% of energy transition raw materials are located on or near Indigenous People's lands.[113]

Strategic Projects

The CRMA creates what it calls 'Strategic Projects'. In 2025, the European Commission approved 60 strategic extracting, processing, recycling, and substitution projects. Forty-seven projects are located inside and 13 outside the EU. While there are strategic recycling and substitution projects within the EU, strategic projects outside the EU only involve mining or processing.[114]

Civil society groups, local communities, and environmental organisations have pointed to major transparency gaps in the selection of CRMA Strategic Projects and despite repeated requests, the full list of project applicants and the evaluation criteria remains undisclosed.[115]

In terms of financing, the 'Strategic Projects' label enables companies to access permits and finance more easily.[116] The CRMA states that whenever private investment alone is not sufficient, the project may require public support in the form of guarantees, loans, or equity and quasi-equity investments.[117] The type of public funding available depends on where the project is located. For projects inside the EU, the CRMA outlines several financial instruments that can be mobilised, including the European Regional Development Fund (ERDF), the Just Transition Fund (JTF), the Recovery and Resilience Facility (RRF/RePowerEU), and InvestEU. Strategic Projects located outside the EU can also be supported with EFSD+ guarantees (see Section 2.1. for more information).

107 Ibid.

108 Friends of the Earth Europe & EEB (2021). Green mining myth report.

109 Friends of the Earth Europe (2023). Mining the depths of Influence: How industry is forging the EU Critical Raw Materials Act.

110 Ibid.

111 Gonzales, Verbeek (2024). The EU's critical minerals crusade: How the EU trade policy on raw materials deepens the environmental and inequality crises.

112 Friends of the Earth Europe. (2023). Mining the depths of Influence: How industry is forging the EU Critical Raw Materials Act.

113 Owen., Kemp, Lechner, et al. (2023). Energy transition minerals and their intersection with land-connected peoples. Nat Sustain 6, 203–211.

114 Business and Human Rights Centre (2025). Strategic projects for whom? Challenges and local realities of the European Union's strategic mineral projects.

115 ClientEarth (2025). Complaint to the European Ombudswoman: lack of transparency in CRMA strategic projects.

116 European Commission (2025). Questions and Answers on the Strategic Projects under the Critical Raw Materials Act.

117 European Union (2024). Regulation (EU) 2024/1252. Paragraph 39 .

Pinan by Adobe Stock

2.2.2 RESourceEU Action Plan

Despite the ambitious targets of the CRMA, the EU decided to go one step further. To accelerate the CRMA's objectives, in December 2025, it launched the ReSourceEU Action Plan. Essentially, RESourceEU provides more public-backed funding for European and international mining projects, through a financing hub to 'de-risk' strategic projects.[118] The amounts are huge: the hub aims to mobilise €3 billion by 2027, two thirds of which is to come from the EIB for raw materials projects. Making projects more attractive to capital clearly remains the EU's top priority in the mining sector.

"The mining regime, in order to maintain itself, has to lead or to join imperialist policies to regularly renew its access to deposits."

Izoard (2024). *La ruée minière au XXIe siècle*

2.2.3. The Global Gateway strategy

In 2021, the European Commission launched the Global Gateway strategy as the "EU plan for major investment in infrastructure development around the world". Unlike the CRMA, the strategy does not explicitly place extractivism as its core and does not provide political or financial support to mining projects. Nonetheless, Global Gateway is heavily shaped by the same priorities that drive the CRMA: prioritising EU corporate interests, securing preferential access to raw materials, and reinforcing the EU's own economic and geopolitical agenda.

"The starting point is no longer what works to reduce poverty, but rather what works for Europe and can still be framed as development cooperation."

Maria Nyman, Secretary General of Caritas on the Global Gateway initiative (April 2026)[119]

Global Gateway supports 'partnerships' for projects by European multinationals in Europe's neighbourhoods and in the Global South. These projects use funds originally channelled for official development assistance but they do not take into account the needs of the local economy or the population and their livelihoods. Global Gateway projects are solely submitted to Member States and the European Commission by European companies or local businesses in conjunction with European companies. They also need to cost a minimum of €10 million and they have to be profitable.

The EU expects to mobilise US$464.5 billion by 2027 in investments for Global Gateway.[120] The initiative's funds can finance up to 90% of corporate infrastructure projects in the Global South. The projects include ports, railways, and dams, amongst

118 González (2026). Europe's minerals dilemma: between the Bully and the Dragon? SOMO.

119 Nyman (2026). Does the EU still care about ending global poverty? Because its Global Gateway has major problems. Euobserver.

120 Reuters (2025). EU aims for 400 billion euros in Global Gateway investments, von der Leyen says.

others, many of which are located near mining sites. The EU and/or Member States leverage public resources for a big part of a project, while the rest of the project is financed by private capital.

"Evidence shows that many essential investments, such as universal public services and social infrastructure, can only effectively reduce inequalities if supported by public funding, rather than being driven by commercial interests, as largely proposed by the EU strategy."

Joint letter by more than 50 civil society organisations (March 2025)[121]

Many projects that are essential for improving the lives of vulnerable communities, such as basic healthcare, education, small-scale organic farming, women's cooperatives, and rural infrastructure, often do not generate sufficient immediate financial returns to attract private investors. As they may only show results in the long term, these initiatives will not be financed through Global Gateway. As such, Global Gateway reproduces a model in which profits are the most relevant selection factor in countries where basic needs are often not met for the majority of the population.

Furthermore, not all Global Gateway projects are published and their selection process is highly opaque. The public only learns about a Global Gateway project on English and European websites once they have been selected by European Member States. This lack of information makes it almost impossible for communities to co-create or even to oppose a Global Gateway project.

Furthermore, there is no common set of rules or due diligence procedures for Global Gateway projects, the latter being set by public banks, which, as with the EIB, often have weak oversight and procedures (see Section 2.1.2 for more information). Ultimately, this reflects something deeper: the EU is still using a 'development' model shaped by the priorities of economic and political elites who take precedence over the real needs of people, the environment, and the communities who bear the impacts of extraction.[122]

By focusing almost exclusively on facilitating the extraction and transport of raw materials, mainly from the Global South to the EU, Global Gateway reinforces structural inequalities, while claiming to pursue equal 'win–win' partnerships. As the control over mining and related value chains remains largely concentrated in the Global North, Global Gateway further consolidates this asymmetry. By reinforcing the role of the Global South as a provider of raw materials, it leaves countries frozen at the lowest end of the value chain, while high-value activities, such as battery production and technological innovation, remain concentrated in Europe. Far from building resilient local economies, these partnerships deepen existing inequalities and power asymmetries, exposing the gap between the EU's rhetoric of 'win–win cooperation' and the reality on the ground. They also allow Europe to secure access to raw material for its green and digital transitions and for militarisation, while outsourcing the environmental degradation, labour exploitation, and community displacement associated with mining.

121 Counter Balance et al. (2025). Joint letter to Commissioner Síkela.

122 Counter Balance (2023). Things have to Change: Elite vs Household Priorities in the EU's institutions and recovery strategy

3. EU mining projects

This section examines how the EU is advancing its access to raw materials through Global Gateway partnerships and projects around the world. Due to the lack of transparency surrounding many agreements, the non-publication of implementation roadmaps, and the fact that several projects are still in their early stages, publicly available information remains limited. Nevertheless, the cases below already reveal recurring concerns around democratic participation, environmental destruction, human rights risks, and unequal economic benefits for impacted communities.

3.1 Global Gateway Partnerships

Global Gateway Strategic Partnerships are made with resource-rich countries to secure European supply chains. Strategic Partnerships typically take the form of a Memorandum of Understanding (MoU), which outlines the partnership's objectives, scope, principles, areas of work, financial incentives, implementation, and monitoring. All MoUs signed so far follow a very similar format, often using nearly identical language. This uniform approach raises concerns about whether the specific contexts, needs, and priorities of partner countries and their communities are truly being taken into account.[123]

After the MoU is signed, both parties are expected to draft a more detailed roadmap that sets out concrete action plans and implementation and monitoring steps, but these roadmaps are never made public. The lack of transparency not only limits external scrutiny but also undermines accountability and public participation.

Today, the European Commission has strategic partnerships regarding critical raw materials with Argentina, Australia, Canada, Chile, the DRC, Greenland, Kazakhstan, Namibia, Norway, Rwanda, Serbia, South Africa, Ukraine, Uzbekistan, and Zambia.

3.1.1. Global Gateway Strategic Partnership with Rwanda

An MoU on raw materials value chains was signed in February 2024 between the EU and Rwanda. In parallel, the EIB concluded its first 'critical' raw materials investment partnership with an African country by signing a similar agreement with Rwanda to support the implementation of the CRMA.

Over 60 civil society organisations have called on the European Commission and the EU to immediately withdraw from the EU–Rwanda MoU due to the country's involvement in the ongoing conflict in the DRC's eastern provinces of North and South Kivu.[124] Rwanda is widely accused of backing the M23 armed group, which has fuelled long-standing resource-driven conflict in the region.[125] Rwanda also plays a significant role in the illegal exploitation of Congolese raw materials. According to UN experts, at least 150 tons of coltan are fraudulently exported to Rwanda each month.[126] The report concludes that M23 has established a 'parallel administration' that controls mining activities and trade in the DRC.

In March 2025, the European Parliament called for the suspension of the raw materials agreement, highlighting how, along with the EU's defence cooperation with Rwanda, it had "contributed to sending an inconsistent message to the Rwandan authorities."[127]

123 Fern (2023). A Partnership of Equals? How to strengthen the EU's Critical Raw Materials Strategic Partnerships.

124 Counter Balance, FERN, Publish What You Pay, et al. (2025). Joint Civil Society Letter: Urgent call from civil society to end the EU-Rwanda Partnership following Rwanda's expanded presence in Eastern Congo.

125 United Nations (2025) Security Council urges Rwanda to stop supporting M23 in eastern DR Congo.

126 Ibid.

127 European Parliament (2025). European Parliament resolution of 13 February 2025 on the escalation of violence in the eastern Democratic Republic of the Congo

3.2 Global Gateway Projects

To date, the EU has published a list of 256 Global Gateway 'flagship' projects[128] but the list is not exhaustive. Whilst there is currently no extractive project under Global Gateway, a lot of the projects will benefit the mining sector by providing transport and/or energy infrastructure for the extraction and export of raw materials.

3.2.1. The Democratic Republic of the Congo

The mining sector in the DRC

The DRC is home to a lot of raw materials, including coltan, copper, and lithium. In addition, the country produces around 70% of the world's cobalt and has vast reserves that remain untapped.[129]

The mining sector in the country has long been shaped by foreign exploitation dating back to the Belgian colonial era. Today, the mining sector in the DRC is closely linked to Chinese investments. However, since 2025, the DRC has been exploring new partnerships with investors from Saudi Arabia, the EU, and India.[130] In December 2025, the United States signed the US–DRC Strategic Partnership Agreement. The following month, the DRC government provided Washington with a shortlist of state-owned assets — including manganese, copper, cobalt, gold, and lithium projects — marked for potential US investment.[131]

In October 2023, the European Commission signed an MoU for a partnership on raw materials value chains with the DRC.[132] The EU endorsed the roadmap on December 2024[133] but, like all roadmaps, it never became publicly available.

European financing/projects in or related to the mining sector in the DRC

The EU affirmed that its partnership aims at sustainable development, covering the entire raw materials value chain — from extraction and processing to recycling and value-added industries.[134] However, to date, no project along the value chain has been financed by European public banks or agencies. There is growing attention from European investors towards infrastructure that can facilitate the transport of the minerals extracted in the DRC to European ports. Discussions are ongoing around the modernisation of a train corridor from Congolese mines to the Angolan port of Lobito where minerals can easily embark on a journey to European smelters and refineries. In May 2026, with this project in their sights, European investors (mostly from Sweden and Italy) announced €15 million of investments to support access to renewable energy, with a focus on the Lobito Corridor.[135]

Furthemore, in 2026, the EU launched the PanAfGeo+ Invest programme in Kinshasa. With a budget of around €12 million, this programme aims to strengthen the capabilities of African geological surveys but also to promote direct contact between investors, industrialists, and mining project developers in Africa, specifically the DRC, Namibia, and South Africa.[136]

The issues

The African Coalition on Green Minerals (ACGM) expressed its concern about the lack of transparency and the sidelining of civil society during the

128 Council of the European Union (2025). List of Global Gateway flagship projects – updates and consolidation

129 Akana (2026). Fabrice Basile : « La vraie réussite, c'est une RDC qui n'a plus besoin de nous ». Mongabay.

130 IEA (2025). Global Critical Minerals Outlook 2025

131 The Oakland Institute (2026). US-DRC Strategic Partnership Agreement Faces Constitutional Challenge in Court

132 European Union & DRC Ministry of Mines (2023). Memorandum of Understanding.

133 European Commission (2024). Global Gateway: EU Endorses Roadmap for Strategic Partnership on Raw Materials with the Democratic Republic of Congo.

134 Ibid.

135 EDFI Management Company (2026). The European Union and EDFI Management Company la ElectriFI country window in the Democratic Republic of the Congo.

136 BRGM (2026). Cooperation between Africa and Europe: official launching of PanAfGeo+ Invest.

Artisanal cobalt mining in the DRC by Afrewatch 2020/Flickr.

development and launch of the roadmap.[137] Furthermore, according to the African Policy Research Institute, the MoUs between the EU and the DRC lack long-term vision and goals.[138]

While in theory the partnership is framed as driving sustainable development and covering the entire raw materials value chain, the DRC's role in this partnership has already been defined as a supplier of essential raw materials for the global energy transition.[139] This is evident from the DRC Minister of Mines, Kizito Pakabomba's statement during the December 27, 2024, Council of Ministers meeting: "This partnership heralds a new era for the Congolese mining sector, positioning our country as a vital supplier of critical minerals essential for the global energy transition."[140] Furthermore, the agreement does not adequately address how the DRC could transition away from fossil fuel energy themselves and ignores the prevailing unequal power relations between the EU and the DRC.

The PanAfGeo+ Invest programme in the DRC aims to support EU-based companies to identify prospective mining areas,[141] thus facilitating EU companies' exploration activities, an essential phase before obtaining a permit to open new mines in the DRC. The PanAfGeo+ programme is coordinated by the *Bureau de Recherches Géologiques et Minières* (BRGM): a geological and mining research office with a history of combing the world for new mines. For example, the BRGM discovered the Yanacocha site in Peru, which today is a gigantic open pit gold mine and an environmental and human scandal.[142]

Conclusion

European public investors are not directly funding extraction sites in the DRC. Nevertheless, by planning to finance a railway to transport minerals from the DRC to Europe as quickly and cheaply as

137 African Coalition on Green Minerals (2025). Press Release N1 2025.

138 Neema Byamungu (2024). Navigating Critical Mineral Supply Chains: the EU's Partnerships with the DRC and Zambia. APRI.

139 Boafo, Dotsey, Spencer (2025). Energy transition diplomacy: The EU's pursuit of Africa's critical minerals for renewable energy at whose expense? Elsevier.

140 Constance (2025). DRC and EU Forge Strategic Partnership for Sustainable Mineral Value Chains. Copperbelt Katanga Mining.

141 PanAfGeo+ (accessed on 05 May 2026). PanAfGeo+ Invest: Enabling Sustainable Critical Raw Materials Investment.

142 L'âge de faire, et al. (2016). Mines notre affaire à tous.

possible[143] and by financially supporting exploration, they clearly aim to maintain the flow of minerals into European ports. All the while, hardly any funds are directed at improving the working and living conditions of Congolese people in and around mining sites.

3.2.2. Tanzania

The mining sector in Tanzania

Tanzania holds 5% of the world's largest graphite resources. Since 2026, Tanzania entered a mining expansion phase. In 2025, investment commitments reached US$10.95 billion across nearly a thousand projects.[144]

European financing/projects in or related to the mining sector in Tanzania

As part of the Global Gateway strategy, in February 2026, the EIB signed a co-operation agreement with EcoGraf, an Australia-based battery developer, to support an early-stage graphite project in Tanzania.[145] The EIB–EcoGraf agreement provides up to €2 million in technical assistance to help EcoGraf expand a graphite mine. Moreover, EIB involvement reshapes the entire financing landscape. As a result, commercial banks reassess risk profiles, export credit agencies engage earlier, and private investors move from optional interest to structured commitments.[146] Thus, the agreement will facilitate EcoGraf's search for more funding opportunities.

The issues

In 2015, the German public bank KfW was already providing advisory services to EcoGraf. The aim was to develop the Epanko mine. In March 2025, the mine was granted a mining licence for 25 years.[147]

However, communities impacted by the project have not been free to raise their concerns. In reality, decisions around the project have been imposed without adequate consultations and those who have raised questions have faced reprisals, including intimidation and arrest.[148] The police are often present during meetings with mining companies, thus restricting freedom of expression.[149] There have also been environmental concerns as villagers have reported environmental impacts linked to exploratory activities, including water source pollution and the destruction of crops to build roads and clear space for mining operations.[150]

"Truly, we greatly need development, especially through investment in the mining sector here at Epanko. But what kind of development is it if human rights are being trampled upon? Who is this development really meant for? Is development supposed to bring suffering to the majority for the benefit of a few? With my own eyes, I have witnessed human rights being violated by this project against the people of Epanko. Instead of becoming a blessing, it has turned into something like a curse. (...) People strongly desire to receive shares or financial dividends from the profits generated by the entire mining operation. This is because they are surrendering their land, which is the backbone of their lives. To them, land is everything, especially considering that the majority of the people in Epanko village are self-employed through the land by engaging in small-scale farming for food and their basic needs."

Father Manifred Mkopa, Eppanko Villager (2026)

The EU is also financing the modernisation of the port of Dar es Salaam in Tanzania[151] to facilitate the export of graphite and other minerals to the EU. The Belgian Agency for International Cooperation (Enabel), the Port of Antwerp-Bruges International, the EU, along with other organisations have signed

143 Counter Balance (2024). The Lobito Corridor: Europe's neocolonial vision for plundering Africa.
144 Kisembo (2026). Tanzania Balancing Geopolitics and Growth. East African Mining News.
145 EIB (2026). EIB Global backs sustainable critical raw material projects in Africa.
146 Mining See (2026). Capital as Infrastructure: How EU Strategic Financing Is Rebuilding Europe's Mining and Processing Pipeline.
147 Rogan (2025). EcoGraf locks in special mining licence for Epanko. Mining.com.au
148 Rights in Development (2025). Tanzania Epanko graphite mine in Mahenge.
149 Ibid.
150 Ibid.
151 Enabel (2025). Port of Dar es Salaam – Transport and Trade Improvement Project: T-GATE Tanzania Gateway for Transport, Trade and Environment.

a €15 million agreement to modernise the port.[152] The Delegation of the European Union to the United Republic of Tanzania and the East African Community made the port's role in shipping minerals clear. According to them, the port will serve "as a gateway for landlocked neighbours such as Zambia, Rwanda, and the Democratic Republic of Congo."

Conclusion

Regardless of the human rights and democratic situation in Tanzania, the EU is financing mining projects. By funding a mining project that has already been denounced by civil society, it is sidelining local voices. Moreover, by assisting in the construction of a mine and port in an increasingly authoritarian country, it is prioritising business interests over democracy.

3.2.3. The Andean Region

Lithium mining in Argentina and Chile

Today, Chile is the world's second-largest lithium producer with 23%. Argentina is currently the fourth-largest producer.[153] Despite their role as major exporters, most of the strategic and value-added processing, refining, and downstream manufacturing operations are undertaken abroad.[154]

European financing/projects in or related to the mining sector in Argentina and Chile

Several European companies already operate in the Chile and Argentina region. Eramet has opened a direct lithium extraction plant in Salta province.[155] Rio Tinto is also active through its subsidiary Rincón Mining Pty Ltd, which has received approval from Salta's Secretariat of Mining and Energy to begin brine extraction and produce up to 50,000 tonnes of battery-grade lithium carbonate per year at the Rincón Salar site.[156]

Salinas Grandes, in the province of Jujuy, Argentina by Josè Maria Sava.

152 European Union (2024). Global Gateway: EU and Tanzania Sign Agreement to Improve Port Performance and Enhance Trade Connectivity.

153 Penelli (2025). Argentina's new 10-year lithium plan just dropped. Buenos Aires Herald.

154 CSIS (2024). De-risking Critical Mineral Supply Chains: The Role of Latin America & UN Trade and Development (2023). Clean energy minerals: Developing countries must add value to capitalize on demand.

155 Eramet (2024). Eramet inaugurates its direct lithium extraction plant in Argentina, becoming the first European company to produce battery-grade lithium carbonate at industrial scale.

156 Panorama Minero (2025). Salta Moves Forward With Rio Tinto: Environmental Approval Granted for Rincón Lithium Project.

Both companies' track records are marked by serious environmental damage, disregard for Indigenous rights, and weak engagement with affected communities. For example, Rio Tinto has alleged human and labour rights violations and environmental devastation around the world that spans decades,[157] including a lawsuit over the alleged mass lead poisoning of children in Zambia.[158] Eramet shares a similarly troubling track record. In Indonesia, its Weda Bay Nickel operation, the world's largest open-pit nickel mine, had already cleared around 2,700 hectares of rainforest by 2025.[159] In Gabon, Eramet's subsidiary Comilog has operated the world's largest manganese mine since 1962, with the decades of extraction having been linked to soil and river pollution.[160]

Despite this, Rio Tinto secured a US$1.175 billion financing package for its Rincon lithium project in Salta Province, Argentina.[161] The funding was provided by several international financial institutions, including two major public banks: the International Finance Corporation (IFC), which is the private-sector arm of the World Bank, and the Inter-American Development Bank (IDB) Invest, which is the private sector arm of the IDB Group. The latter is a close partner to the EU in Global Gateway projects in Latin America.

The involvement of European public finance institutions in Argentina's lithium sector is currently limited and indirect, with no publicly indicated loans from the EIB directly targeting lithium mining projects in the country. The primary European-level engagement comes through the EU and the IDB joint initiative to strengthen investments in critical minerals and their value chains. It is financed by a €6.3 million grant from the Latin American and Caribbean Investment Facility, designed to leverage an additional €120 million in IDB investments for projects related to critical raw materials related projects in Argentina, Bolivia, Brazil, Chile, and Ecuador.[162]

In Chile, the EIB signed a loan for €105 million with Banco del Estado de Chile[163] for the latter to finance mining companies, among others, to improve their energy efficiency.[164] The European Commission has also commissioned a study to identify European stakeholders that can contribute to the development of the copper and lithium value chains in Chile, and the Netherlands Materials Observatory (NMO) has conducted an analysis identifying Dutch partners to collaborate in those sectors.[165]

The issues

Lithium extraction requires enormous quantities of water: 2 million litres are needed to extract one tonne of lithium. Moreover, half of lithium production is concentrated in areas with water scarcity.[166] This can leave communities next to mining sites without access to drinking water and have negative impacts on agriculture.[167] Furthermore, the process of lithium mining in Argentina has violated the right of the local population to access information related to mining projects and the right of Indigenous Communities to free, prior, and informed consent.[168]

157 London Mining Network (2010). Rio Tinto: A Shameful History of Human and Labour Rights Abuses And Environmental Degradation Around the Globe.

158 Carrington (2020). Anglo American sued over alleged mass lead poisoning of children in Zambia. The Guardian.

159 Jong (2025). Norway fund drops Eramet over Indonesia mine threatening forests, Indigenous tribe. Mongabay.

160 Kameni (2021). Manganese Mining in Gabon.

161 Industrial Info Resources (2026). Argentina's Mining Boom: Rio Tinto's Rincon Project Secures US$1.17 Billion in Financing.

162 IDB (2024). Global Gateway: New EU-IDB Initiative to Boost Sustainable Critical Raw Materials Practices in Latin America and the Caribbean.

163 EIB (2024). Banco Estado - Global gateway green transition.

164 EIB (2025). The sunny side of green energy.

165 Documents obtained by the authors which can be shared upon request.

166 Laplane, Boev, Rajeevan, et al. (2025). Financing Critical Minerals but Failing Critical Safeguards: Are banks and investors doing enough to ensure the energy transition is fair for all? Profundo and Fair Finance.

167 Gerlo, Troost (2023). The foreign financiers of Argentina's lithium rush: Export credit agencies' support for lithium mining. FARN and Both Ends.

168 Marchegiani, Hellgren and Gómez (accessed on 12 June 2026). Lithium extraction in Argentina: a case study on the social and environmental impacts.

Lithium extraction can degrade soil, pollute air and water, and threaten the fragile ecosystems of the salt flats.[169] In the Jujuy region, which has experienced several years of drought, Indigenous Communities have expressed concern that lithium operations may worsen existing water scarcity.[170] Despite all the issues surrounding lithium in the region, the EU intends to move forward with a project there through the Global Gateway initiative.[171]

Furthermore, as also highlighted by the European Parliament, the majority of the strategic and value-added processing, refining, and downstream manufacturing operations are undertaken outside the region.[172] However, to date, there has been limited disclosure regarding how the EU plans to strengthen the full supply chain in the region, particularly in relation to industrial capacity, technological development, and long-term investment strategies.

Conclusion

Currently, no direct European public bank project-level financing for the lithium supply chain has been publicly identified, and the actual mining operations are being funded by non-European multilateral institutions and private capital. However, the EU's growing interest in the region risks reinforcing pressure on already fragile ecosystems and deepening social tensions linked to water scarcity and Indigenous rights.

3.2.5. Kazakhstan

The mining sector in Kazakhstan

EU–Kazakhstan cooperation was formalised through an MoU signed on 7 November 2022.[173]

European financing/projects in or related to the mining sector in Kazakhstan

The EBRD approved a €3 million agreement to expand activities in CRMs in Central Asia in 2025.[174] When asked for further information, the EBRD replied that the project is still at an early stage of implementation and that there is not much to disclose at this point. They reiterated that support will target Central Asian governments, agencies responsible for CRM exploration and processing, and companies operating in the sector.

This leaves key questions about which specific governments, agencies, and public or private companies are expected to receive funding. It also remains unclear how the EBRD intends to prioritise projects that move beyond extraction and deliver real, long-term benefits for local communities, especially given the limited and opaque information disclosed so far.

The issues

While the partnership presents itself with a rhetoric of mutual benefits, several issues and concerns have been highlighted by civil society groups in the country. Both the MoU and its implementation roadmap were prepared without transparency, meaningful information being shared, or any attempt to involve civil society organisations or impacted communities.[175] This lack of consultation not only undermines democratic participation but

169 Democracy Center Special Report (2010). Bolivia and its Lithium: Can the "Gold of the 21st Century" Help Lift a Nation out of Poverty?

170 The Washington Post (2016). Tossed aside in the 'white gold' rush: Indigenous people are left poor as tech world takes lithium from under their feet.

171 European Commission (accessed on 04 June 2026). Developing the sustainable lithium value chain in the Salta and Jujuy provinces in Argentina.

172 European Parliament (2024). EU–Latin America: Enhancing cooperation on critical raw materials.

173 Memorandum of Understanding between the Republic of Kazakhstan and the European Union (2022).

174 EBRD (accessed on 13 November 2025). Expanding Activities in Critical Raw Materials in Central Asia

175 Germanwatch (2024). The Kazakhstan–EU PartnershipExpanding Activities in Critical Raw Materials in Central Asia | We invest in changing lives on Critical Raw Materials: A Call for Transparency and Accountability

also raises concerns about whose interests the partnership is truly designed to serve.[176]

Meanwhile, on the ground, Kazakhstan's resources continue to be exploited through a largely extractive model dominated by foreign investors and corrupt oligarchs. Economic benefits remain concentrated among external actors, while local communities face environmental degradation, social risks, and limited economic opportunities.[177]

According to an interview with the NGO Echo, major problems include a lack of transparency, accessible information, and accountability mechanisms across all Global Gateway-related initiatives in Kazakhstan. Despite repeated requests to the EU and the European Commission, no project documents have been disclosed. In response to this gap, Echo submitted a funding proposal to the European Commission for a project to demand greater transparency and public participation in CRM projects. The proposal was rejected, reinforcing concerns that civil society is being deliberately sidelined.

The exclusion of civil society and impacted communities from the entire project cycle — from design to implementation and monitoring — demonstrates a significant democratic deficit. There are no mechanisms to ensure the participation of impacted communities, nor safeguards to protect them from environmental and social harm. Moreover, the EU has not presented any concrete strategy for creating value along the entire supply chain in Kazakhstan or for ensuring that the benefits of the partnership remain in the country. Local organisations emphasise that, rather than adding value, the initiative risks entrenching a model focused solely on extraction for export to Europe, shifting environmental and social risks onto Kazakhstan while securing strategic resources for the EU.

Giant iron ore quarry in Rudny, Kazakhstan by Alexey Rezvyk/Adobe Stock.

176 Germanwatch (2024). The Kazakhstan–EU PartnershipExpanding Activities in Critical Raw Materials in Central Asia | We invest in changing lives on Critical Raw Materials: A Call for Transparency and Accountability

177 Ibid.

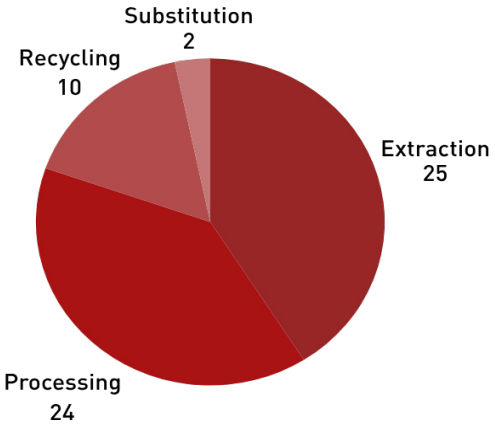
3.3 CRMA Strategic Projects inside the EU

"While it is true that the relocation of raw material supply chains to Europe can be seen as an exercise not only in strategic autonomy but also in global responsibility and justice, it is no less true that it reproduces extractivist patterns internally."

Observatori del Deute en la Globalització (ODG). *La ruta europea de las tierras raras* (2025)[178]

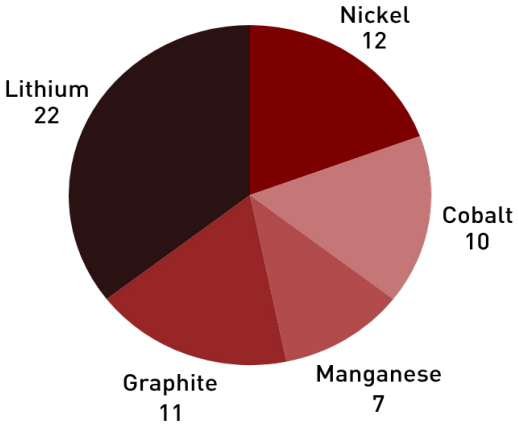
Under the CRMA, there are 47 Strategic Projects across 13 EU Member States: Belgium, France, Italy, Germany, Spain, Estonia, Czechia, Greece, Sweden, Finland, Portugal, Poland, and Romania. They cover one or more segments of the raw material value chain, with 25 projects comprising extraction activities, 24 processing, 10 recycling, and two the substitution of raw materials. The Strategic Projects cover 14 of the 17 'strategic' raw materials listed in the CRMA. This includes several projects covering lithium (22 projects), nickel (12 projects), cobalt (10 projects), manganese (seven projects), and graphite (11 projects). Moreover, other strategic projects involving magnesium (one project) and tungsten (three projects) will contribute to the EU's defence industry, which relies on the use of these materials for the construction of aircraft and missiles.[179]

Figure 02: Strategic projects across the EU by segment.



Source: Prepared by the authors based on data published by the European Commission.

Figure 03: Strategic projects across the EU by mineral.



Source: Prepared by the authors based on data published by the European Commission.

To become operational, the 47 Strategic Projects are expected to require €22.5 billion in capital investment[180] — a figure that excludes the far greater non-financial costs they will generate, including pollution, soaring energy demand, risks to workers' health, among others. Some of these projects are analysed below.

3.3.1. The Anglo American Sakatti Mine in the Finnish Arctic

The project

The Sakatti Mine project aims to explore copper, nickel, platinum, and cobalt in the protected Viiankiaapa Mire, located in the municipality of Sodankylä in the Finnish Arctic. Established by the EU to offer a haven for Europe's most valuable species and habitats, this area is part of Natura 2000, the largest network of protected areas in the world.[181]

However, thanks to a legal clause citing 'overriding public interest', the European Commission has declared the Sakatti Mine to be 'strategically important' under the CRMA. Thus, extraction could take place there despite its Natura 2000 status. It is important to note that the 'overriding public interest' clause was a repeated industry demand during the adoption of the CRMA.[182]

178 ODG (2025). *La ruta europea de las tierras raras*.
179 European Commission (2025). Commission selects 47 Strategic Projects to secure and diversify access to raw materials in the EU.
180 Ibid.
181 Fern (2025). Mining in the Arctic: a critical threat.
182 Friends of the Earth Europe (2023). How industry is forging the EU Critical Raw Materials Act.

Sami woman feeding reindeer by Goyoconde/Adobe Stock.

The European financing of the project

In November 2025, the EIB signed a €500 million loan to Sandvik to accelerate advanced research and development in mining, machining, and digital innovation. One of the three existing research and development centres of the company is in Finland.[183]

The issues

A recent study[184] explored gaps in the Sakatti project's Environmental Impact Assessment (EIA) and found out that while the project is framed as a model of 'green mining', it includes biodiversity offsetting.[185] This means the harm around the mine is offset by allegedly 'conserving' another protected area elsewhere. The study shows how this framing legitimises environmental harm by treating unique ecosystems, such as the protected Viiankiaapa Mire Reserve, as interchangeable with other areas. Furthermore, this ignores the deep cultural, ecological, and economic connections that local communities, especially reindeer herders, have to the land.

Moreover, Sodankylä sits just 90 kms away from the traditional homeland of the Sámi, the northern most Indigenous People living in the EU.[186] Despite this, the EIA has obscured the long-term environmental and social risks such as dust pollution, groundwater contamination, and loss of livelihoods.[187]

"As reindeer herders, we feel our voices have not been heard. Our suggestions have not been considered in the [mine's] environmental impact assessment… Reindeer herding is not valued by the Finnish government or society."

Viola Ukkola, reindeer herder and researcher at the University of Lapland's Arctic Centre (2025)[188]

Conclusion

In the Finnish arctic, European financial support is indirect; however, money is being provided to finance technological and political research related to the mining project, such as improving equipment and undermining political resistance. Indirectly, the EU is thus putting money and influence on the table for materials to be extracted, despite this being a nature reserve and a territory inhabited by Indigenous Communities.

183 EIB (2025). Sweden: EIB backs Sandvik with €500 million for advanced mining and machining innovation.

184 Lassila (2023). An Irreplaceable Place: Onto-Epistemological Contestation in the Environmental Impact Assessment Process of the Green Anglo American Sakatti Mine, Arctic Finland. Society & Natural Resources, 37(5), 623–643.

185 Biodiversity offsetting gives mining and other destructive companies even more control over nature and territories, allowing them to carry out their operations in areas from which they were previously banned. For more, check: Counter Balance, ReCommon (2017) Biodiversity Offsetting: a threat for life.

186 Fern (2025). Mining in the Arctic: a critical threat.

187 Lassila (2023). An Irreplaceable Place: Onto-Epistemological Contestation in the Environmental Impact Assessment Process of the Green Anglo American Sakatti Mine, Arctic Finland. Society & Natural Resources, 37(5), 623–643.

188 Ibid.

Demonstration against mining in Barroso. "The people of Barroso do not want mines." Reproduced from the Instagram account Unidos em Defesa de Covas do Barroso."

3.3.2. Mina do Barroso lithium mine in northern Portugal

The project

This project was added to the CRMA list of projects in 2025 after it failed to pass expert assessments, suggesting that the expert review of environmental, human rights, and other standards played no significant role in the European Commission decision.[189]

"The designation as a Strategic Project was imposed by the Government, in defiance of European laws and regulations, in violation of citizens' rights and without any consideration for the environmental impacts and sustainability of the project."

Catarina Alves, Unidos em Defesa de Covas do Barroso (UDCB) (2026)[190]

The issue

Concerns have been raised regarding Mina do Barroso lithium mine since it was conditionally approved by the Portuguese Environment Agency in May 2023, despite local and expert opposition.[191] The Barroso region is characterised by small-scale agriculture that depends on healthy soils and communally owned and managed lands (*baldios*), which are an important tradition in Portugal. Due to land use change and other impacts, the mining project would put the livelihoods and food security of the local population at risk. Furthermore, the planned open cast mines are expected to be located close to urban areas (the nearest homes will be 200 meters away from the concession area), possibly impacting the health and life quality of at least 1,132 residents in the three parishes in close vicinity.[192]

Furthermore, the Barroso mining waste will be stored in an upstream tailings dam.[193] These dams use a cheaper, higher risk method of construction, which is also more dangerous. The majority of dams that have collapsed around the world have been upstream dams, including one in Brumadinho, which led to Brazil banning them.[194] The project's environmental impact study conducted by the mining company states that a breach of the tailings dam is impossible.[195]

In 2023, the UN Special Rapporteur on Human Rights and the Environment suggested that the Barroso Mine project may constitute a 'sacrifice zone' incompatible with the human right to a healthy

189 Dohmen, Düngafeld (2026). Critical raw materials: Doubts raised about the EU's project selection. Table.Briefings.

190 Unidos em Defesa de Covas do Barroso (2026). *Fuga de informação lança dúvidas sobre pressão política para inclusão de projetos de lítio portugueses na lista estratégica da UE*.

191 Ibid.

192 UDBC & Miningwatch Portugal (2024). Lithium Mining in Barroso, Northern Portugal.

193 Izoard (2024). La ruée minière au XXIe siècle. Enquête sur les métaux à l'ère de la transition (Author's translation).

194 London Mining Network (accessed on 20 May 2026). Tailings dams: an explainer.

195 Ibid.

environment and that large resource extraction projects like Mina do Barroso may violate human rights in the name of the green transition.[196]

The European financing of the project

In December 2024, in a non-binding Letter of Interest, Euler Hermes AG, the German Export Credit Agency, confirmed the 'eligibility in principle' of the project for a loan up to US$270 million.[197]

Conclusion

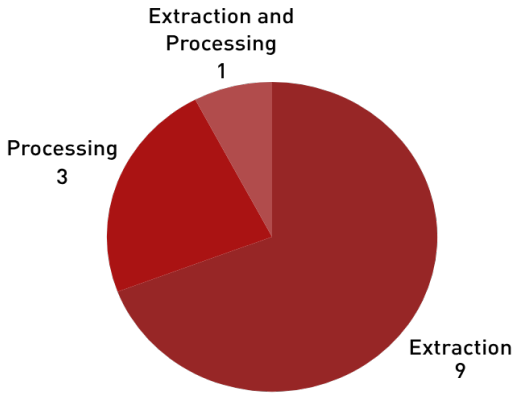
The designation of the Barroso Mine as a 'strategic project' is currently the subject of ongoing legal proceedings before the General Court of the EU, brought by the UDCB and the environmental law organisation ClientEarth.[198] Among the concerns raised are risks to water resources, biodiversity, the safety of tailings dams, and a lack of transparency and public participation.[199] By granting the project 'strategic' status, the European Commission is helping to accelerate access to permits, financing, and political support for a project about which local communities and experts have already raised significant concerns.

3.4 CRMA Strategic Projects outside the EU

There are 13 CRMA Strategic Projects outside the EU. Five are located in Europe: Ukraine, Serbia, United Kingdom, Greenland, and Norway; four in Africa: Zambia, Madagascar, Malawi, and South Africa; two on the American continent: Canada and Brazil; one in Central Asia: Kazakhstan; and one in the French territory of New Caledonia in the South Pacific.

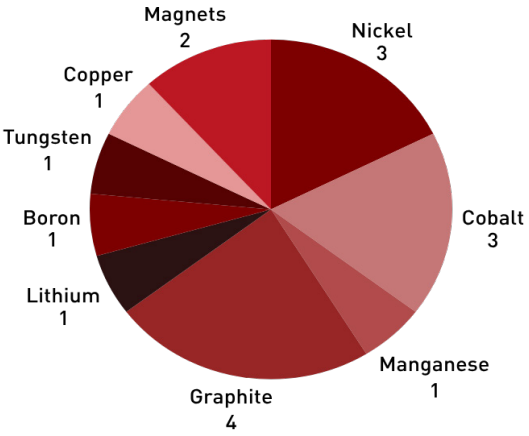
These Strategic Projects cover one or more segments of the raw material value chain, with nine projects comprising extraction activities, three processing, and one integrated extraction and processing. The Strategic Projects cover nine of the 17 'strategic' raw materials listed in the Critical Raw Materials Act: graphite (four), nickel (three), cobalt (three), lithium (one), boron (one), tungsten (one), rare earth elements for magnets (two), manganese (one), and copper (one).[200]

Figure 04: Strategic projects outside the EU by mineral.



Source: Prepared by the authors based on data published by the European Commission.

Figure 05: Strategic projects outside the EU by mineral.



Source: Prepared by the authors based on data published by the European Commission.

196 UDBC & Miningwatch Portugal (2024). Lithium Mining in Barroso, Northern Portugal.

197 Savannah (2025). Barroso Lithium Project.

198 ClientEarth (2025). EU Commission sued by NGOs and communities over Barroso lithium mine decision.

199 UDCB (2026). Fuga de informação lança dúvidas sobre pressão política para inclusão de projetos de lítio portugueses na lista estratégica da UE.

200 European Commission (2025). Selected strategic projects.

3.4.1. Sarytogan Graphite Project in Kazakhstan

The project

The Sarytogan Graphite Project, located in the Karaganda province of Central Kazakhstan, is an ongoing extraction project promoted by Sarytogan Graphite Limited for the global supply of battery-grade graphite.[201]

The European financing of the project

In 2023, the EBRD made its first direct equity investment in the raw materials sector in Central Asia, acquiring a 17.36% stake in the project with a €3 million investment in Sarytogan Graphite Limited shares.[202] In 2026, EBRD increased its stake in Sarytogan Graphite Limited to 18.4%.[203]

The issues

Despite its strategic framing, the project raises significant environmental and social concerns. According to the local civil society organisation ARGO, there are serious risks to air quality, particularly from graphite dust as fine carbon particles can settle on vegetation and pose health risks such as graphitosis, a chronic lung disease. Noise may also affect people living near the mine. In addition, the region faces water scarcity, and the high water demand of the project may further degrade steppe ecosystems and local wells.

According to the local organisation, biodiversity in the steppe ecosystem is also under threat. The region is home to vulnerable species including saiga antelope, steppe eagles, and jerboas, and the construction of roads and power lines would fragment their habitats. Additionally, the project may generate land and water use conflicts, particularly with local farmers who depend on the already-scarce water sources.

Furthermore, without proper mitigation, profits may leave the region, offering little benefit to the surrounding communities.

So far, there has been no public access to the EIA, and no independent review or transparent risk mapping has been made available. It also remains unclear how the project intends to ensure local employment or involve small and medium-sized enterprises in a meaningful way. Moreover, there are no guarantees of environmental oversight through participatory mechanisms.

Conclusion

Local residents and civil society remain in the dark about how the project will affect their lives and what, if any, benefits it will bring to their communities. The risk remains high that the economic gains will bypass local populations entirely, with profits flowing to investors while environmental and social costs are borne by those living closest to the mine.

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201 Tiash saha (accessed on 05 November 2025). Sarytogan obtains environmental permit for Kazakhstan graphite mine. Mining Technology.

202 EBRD (2025). EBRD sets an investment record in Central Asia.

203 EBRD (2026). EBRD increases stake in Sarytogan Graphite Limited.

Conclusion

The European Union presents its raw materials policies as necessary strategies for the green transition. However, an objective analysis of the projects and financing mechanisms reveals something fundamentally different: **an acceleration of global extractivism** for the benefit of a few multinational corporations, with the environmental and human costs being borne by the most vulnerable communities on the planet, who have had no say in the decisions that define their futures.

The European Union policies **fail to address the levels of material consumption that will cause destruction on a massive scale.** None of the instruments analysed in this report establish concrete targets to reduce demand. In fact, the **Critical Raw Materials Act** does not contain a single binding measure to reduce how much Europe consumes. Moreover, **RESourceEU** piles more public money into accelerating extraction, while the **Global Gateway** initiative finances infrastructure to transport raw materials out faster. At the end of the line, the extracted minerals are then used for energy-guzzling digital infrastructure, to expand the military industry, and for the EU's questionably titled 'green transition'.

As this report shows, high-value stages of processing, refining, and manufacturing remain concentrated in the Global North and China. And while European Union policy narratives claim 'win–win' partnerships, Global South countries continue to be confined to the bottom of the productive chain: export-oriented raw materials extraction. The European Union's mineral policies and investments continue to deepen this unequal division of roles in global supply chains, a living legacy of colonial times.

Furthermore, through **blended finance and public guarantees** — instruments embedded in the Critical Raw Materials Act, RESourceEU, and the Global Gateway initiative, and **channelled through public banks and export credit agencies** — the European Union has built a **financial architecture whose explicit purpose is to make mining projects profitable enough for private investors**. Under this 'de-risking' logic, public institutions absorb the financial risk of projects (and lose money in case they fail), while ensuring profits flow to European multinationals.

Furthermore, public banks like the **European Investment Bank** redirect large amounts of public resources originally intended for poverty and inequality reduction towards projects that benefit European multinationals with a track record of socio-environmental harm. To further muddy the waters, the European Investment Bank also has weak transparency and disclosure practices, which makes it difficult, and sometimes impossible, to track how public money is used in mining projects and who the ultimate beneficiaries of that money are.

These raw materials partnerships and projects **are designed in Europe without the participation of affected communities, with limited access to documents or transparency, and with project selection based on corporate profitability and geopolitics rather than societal needs.** Roadmaps that will shape the economic trajectories of entire regions are negotiated behind closed doors and never made public. Far from building resilient local economies, these partnerships deepen existing global inequalities and asymmetries of power.

With this in mind, the European Union must place demand reduction at the centre of its strategic agenda through a **sufficiency-driven approach**.[204] Sufficiency entails policies, measures, and daily practices that limit the demand for energy, materials, water, and land, and it focuses on delivering human well-being for all within planetary boundaries.[205] Rather than treating rising consumption as inevitable, sufficiency provides infrastructure and legal frameworks to tailor demand to fundamental needs, making the most effective use of resources. In following such an approach, **the European Union has the chance to lower overall resource demand, advance social justice and place environmental sustainability where it belongs — at the centre of policy.**[206]

204 Air pollution & Climate Secretariat, EERA, négaWatt Association, et al. (2024). Manifesto – A Resilient and Resource-wise Europe: Sufficiency at the Heart of the EU's Future.

205 IPCC (2022). Climate Change 2022: Mitigation of Climate Change.

206 Ibid.

Recommendations

"As societies undertake the urgent and transformative task of building new, zero-emissions energy systems, some level of mining is necessary. But the volume of extraction is not a given. Neither is where mining takes place, who bears the social and environmental burdens, or how mining is governed."

Riofrancos, Kendall, Dayemo, et al. (2023). *Achieving Zero Emissions with More Mobility and Less Mining*[207]

Priority 1: Reduce resource consumption in the EU

- No mineral strategy can be considered sustainable if it fails to address the levels of consumption and inequalities that drive extraction in the first place. Thus, the top priority of the EU must be to reduce resource consumption. Below are five recommendations to this end.
- Establish targets to reduce resource consumption. In particular, a binding material footprint reduction target of 66% (to five tonnes per capita) by 2050 is needed, with mid-term targets and plans.[208]
- Advance resource and material sufficiency through product design rules intended at limiting absolute energy and resource consumption, such as eliminating categories of single-use products, shifting recovery and recycling obligations away from consumers and towards producers, improving durability and repairability, and ending the destruction of unsold products.[209]
- Ban elite luxury consumption, including private jets and superyachts.
- Cap excessive industrial energy consumption.
- Freeze approvals for new data centres and AI infrastructure until the sector demonstrates a measurable reduction in its overall material and energy footprint.

Priority 2: European public investments need to be more democratic and transparent

- With no voice or recourse in the decision-making process, local communities who are most affected by EU-backed projects are purposefully sidelined. The EU has a responsibility to these people. Without transparency and democratic input from them, public investment cannot be termed as such. Below are six recommendations aimed at addressing this.
- Ensure partner countries, local authorities, and local communities have real and meaningful decision-making power throughout the entire project cycle — from project design and approval to implementation, monitoring, and closure.
- Guarantee that Indigenous Peoples have the right to freely approve or reject mining and infrastructure projects affecting their lands, territories, and resources.
- Provide communities with full, transparent, accessible, and translated information regarding environmental, economic, and social health impacts.
- Grant communities a genuine Right to Say No to mining projects and this refusal should not be subject to public bank or export credit agency funding.
- Ensure that all contracts between local communities and companies are internationally and legally binding.
- Commit to dealing with conflicts and complaints in a timely manner and, where necessary, to sanctions and a pause in the project and/or its redesign.

207 Riofrancos, Kendall, Dayemo, et al. (2023). Achieving Zero Emissions with More Mobility and Less Mining. Climate and Community Project.

208 ECOS, Friends of the Earth Europe, EEB, et al. (2024). Sustainable Resource Management in the EU.

209 Air pollution & Climate Secretariat, EERA, négaWatt Association, et al. (2024). Manifesto – A Resilient and Resource-wise Europe: Sufficiency at the Heart of the EU's Future.


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