

Annex to the Climate, Energy and Environment Ministers' Communiqué Five-Point Plan for Critical Minerals Security

Excerpt from the Communiqué

72. Critical Minerals: We reaffirm the growing importance of critical minerals for the clean energy transition and the need to prevent economic and security risks caused by vulnerable supply chains, monopolization, lack of diversification of existing suppliers of critical minerals. We affirm that strong environmental, social and governance (ESG) standards are vital for creating responsible and resilient critical minerals supply chains, ensuring local communities' benefit, advancing innovation and competitiveness, and respecting human dignity as well as human rights, while minimizing environmental footprints. We are committed to supporting open, transparent, rules- and market-based trade in critical minerals with traceability, opposing market-distorting measures and monopolistic policies on critical minerals, and promoting dialogues between extraction, producer and consumer countries. As the key enabler to overcome our challenges, we are committed to implement the "Five-Point Plan for Critical Mineral Security" as annexed.

Point 1: Forecast Long-term Supply and Demand

We come up with a plausible forecast on the medium- and long-term supply-demand for critical minerals based on expertise from both mining, producing and consuming industries, and to examine whether any additional measures are necessary. To facilitate this work, we request the IEA establish an internal task force and undertake the analysis and verification in collaboration with the IEA's Working Party on Critical Minerals.

Point 2: Develop Resources and Supply Chains Responsibly

We boost up developing new mines and supply chains for critical minerals in a responsible manner that promotes transparency and traceability to meet the rising demand. We explore ways to cooperatively support acquisition of critical minerals as competition for these scarce resources become more intense, and support pioneering efforts of initiatives such as the Partnership for Global Infrastructure Investment (PGII) and the Minerals Security Partnership (MSP), in which like-minded countries are working together on specific mining, processing and refining projects, and enhance international co-investments. We further note initiatives such as the Sustainable Critical Minerals Alliance led by Canada and the Critical Raw Materials Club recently proposed by the European Union. We also affirm the importance of technological innovation in the mining and smelting sectors, including tailing reuse, and agree to continue technical exchanges by using available fora such as the Conference on Critical Materials and Minerals.

We explore ways in which each country's fiscal support measures can be used for international co-investments such as MSP and promote private sector investment on the premise of high ESG standards. Currently 13-billion-US-dollar fiscal support that can be used for domestic and foreign projects is prepared across the G7 countries. We also work closely with public financial institutions to formulate coordinated projects with high ESG standards.

Point 3: Recycle More and Share Capabilities

Recognizing the need to promote recycling of critical minerals at the global level, we will consider the establishment of initiatives, using available fora such as the MSP, to facilitate the environmentally sound management of e-Waste (electrical and electronic waste) and recycling among developing countries and like-minded countries with advanced, environmentally sound facilities, including smelting facilities.

We recognize that a similar approach to recycling of e-Waste as mentioned above can be applied to the future recycling of used lithium-ion batteries and neodymium magnets, which will be discarded in huge quantities due to the scrapping of EVs, etc.

We also reaffirm that the importance of establishing domestic recycle chains with the best available technologies (BAT) and fostering recycling capacities for recyclable materials such as e-Waste and used Lithium-ion batteries and neodymium magnets, based on the industrial situation of each country.

Point 4: Save with Innovations

We promote innovations in resource-saving and substitute technologies for critical minerals based on the industrial situation of each country and will continue using available fora such as the Conference on Critical Materials and Minerals to exchange information on R&D activities among like-minded countries. We propose the Conference expanding its membership to all G7 countries and make it a closer framework for sharing information on critical mineral policies and its technologies that include former mention in Point 2 among the G7+ including Australia.

Point 5: Prepare for Supply Disruptions

We support the IEA's consideration of "Voluntary Critical Mineral Security Program" to prepare for short-term supply disruptions of critical minerals and provide necessary information to the IEA. The above-mentioned IEA's task force could deal with these activities as well.