



**UNECE RESOURCE MANAGEMENT WEEK 2024**  
**ASSURING SUSTAINABILITY IN RESOURCE MANAGEMENT**  
22 - 26 APRIL 2024 | PALAIS DES NATIONS | GENEVA

# Collaboration for Critical Raw Materials: Activities of the Working Group on Transforming the Extractive Industries for Sustainable Development

23 April 2024

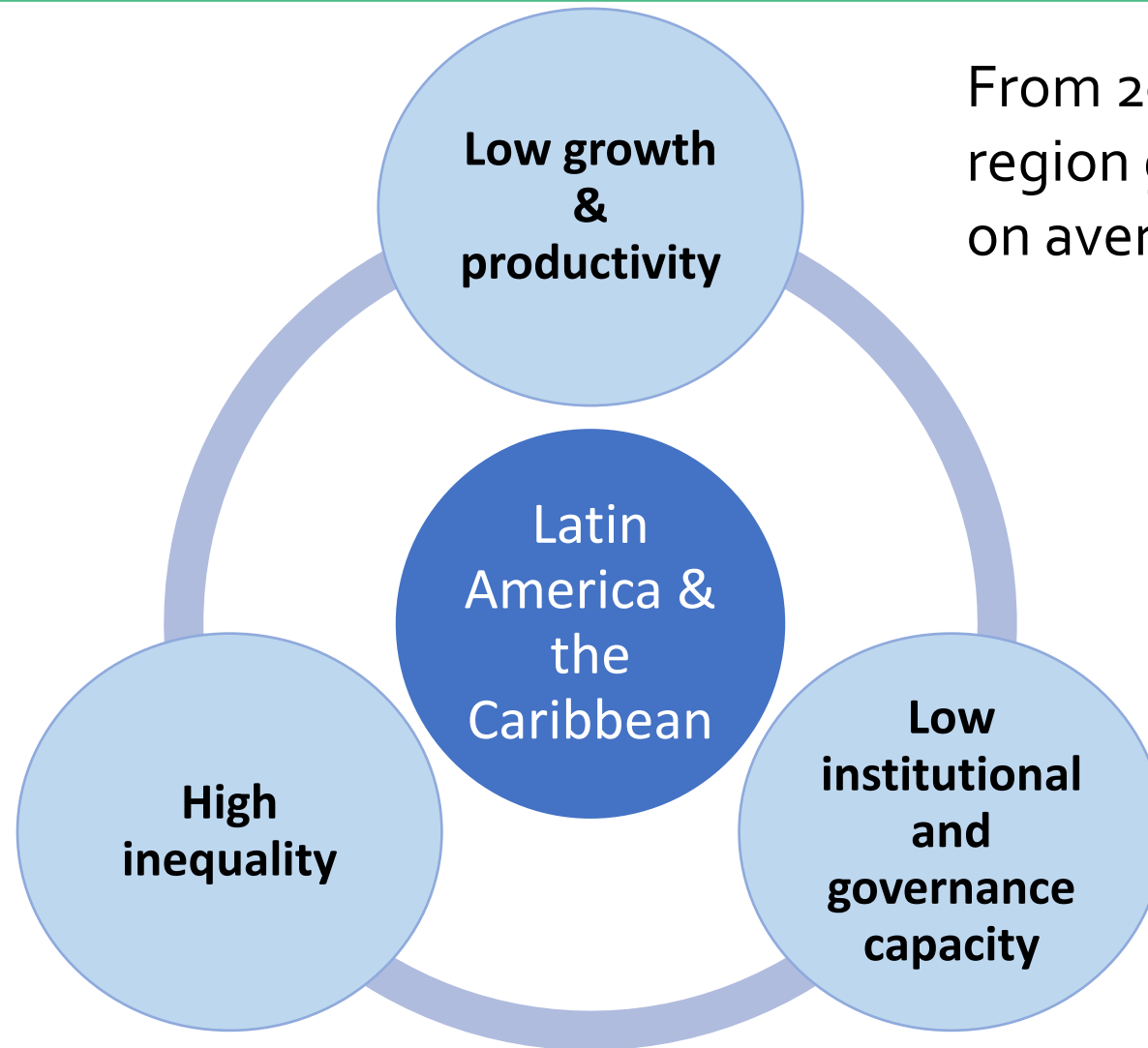


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ECLAC

Natural Resources Division  
Economic Commission for Latin America and the Caribbean

# Development crisis: three traps



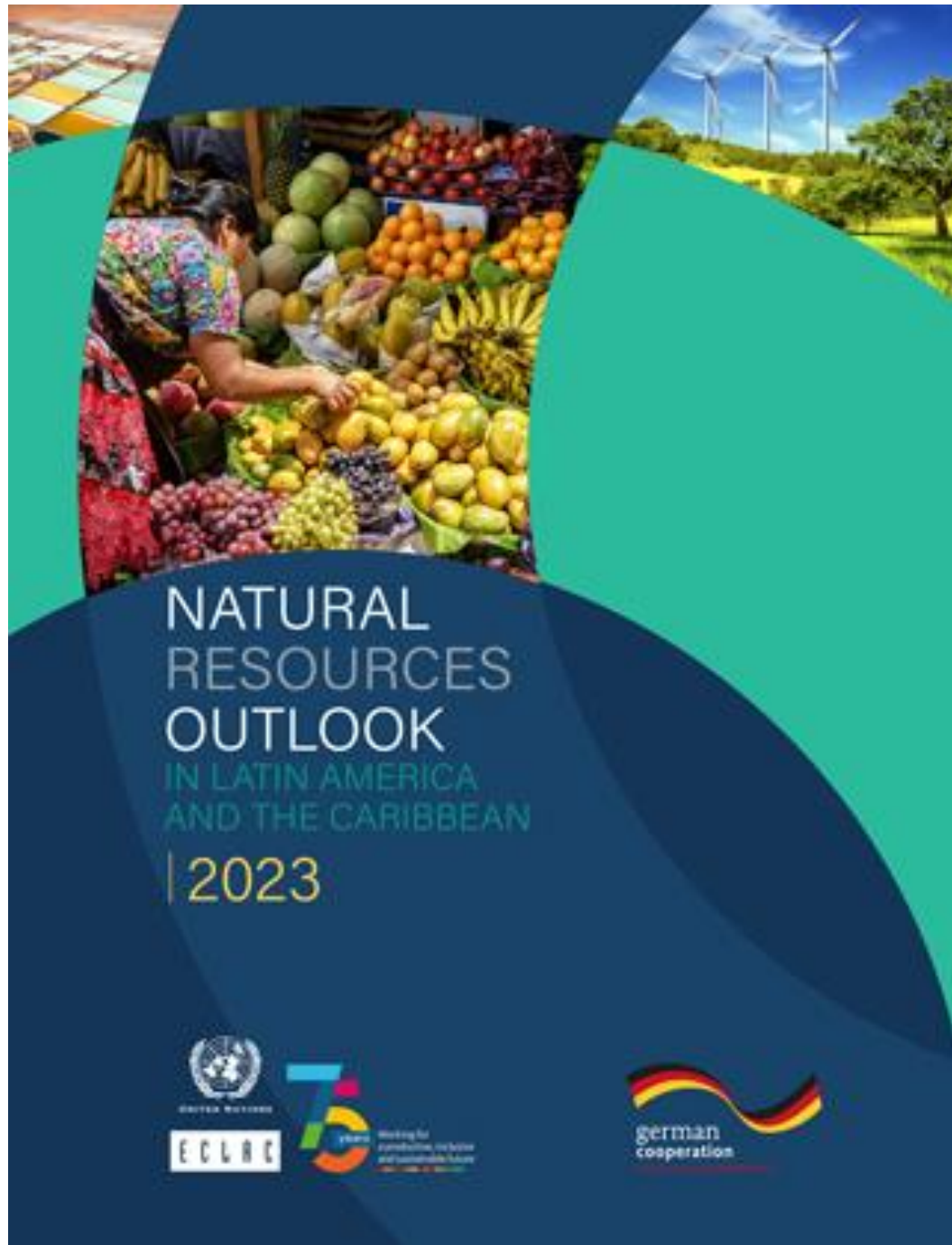
From 2014 to 2023, the region grew by **only 0.8%** on average

Source : Based on Comisión Económica para América Latina y el Caribe (CEPAL), Revista CEPAL, N° 141 (LC/PUB.2023/29-P), Santiago, 2024. In Salazar-Xirinachs, J. M. "Repensar, reimaginar, transformar: los "qué" y los "cómo" para avanzar hacia un modelo de desarrollo más productivo, inclusivo y sostenible José Manuel Salazar-Xirinachs"

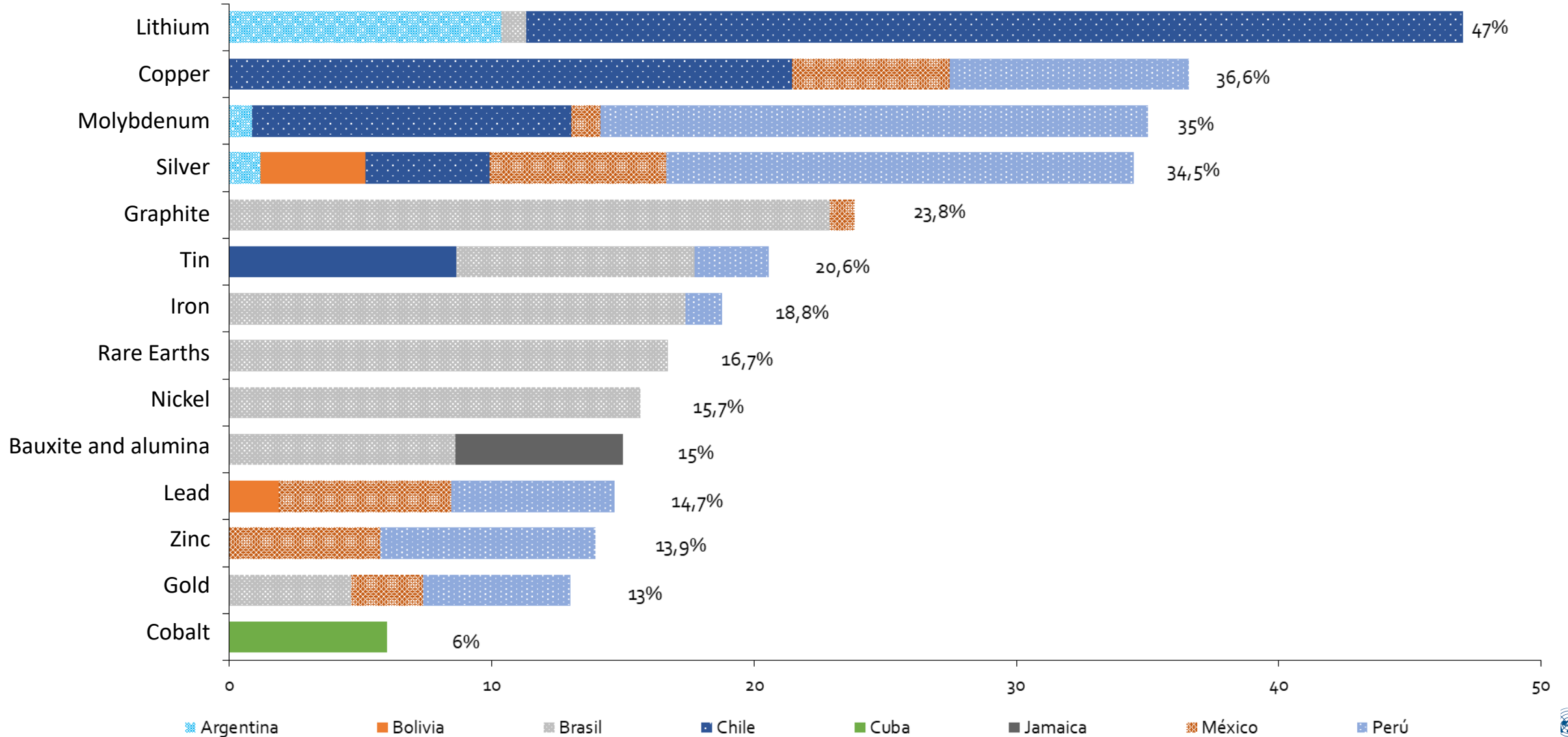
# Driving sectors for inclusive and sustainable growth



Source : Economic Commission for Latin America and the Caribbean (ECLAC), Investment and cooperation opportunities for Latin America and the Caribbean and the European Union (LC/TS.2023/78), Santiago, 2023.



# Latin America and the Caribbean: Share of global mineral reserves, 2022 (percentage)

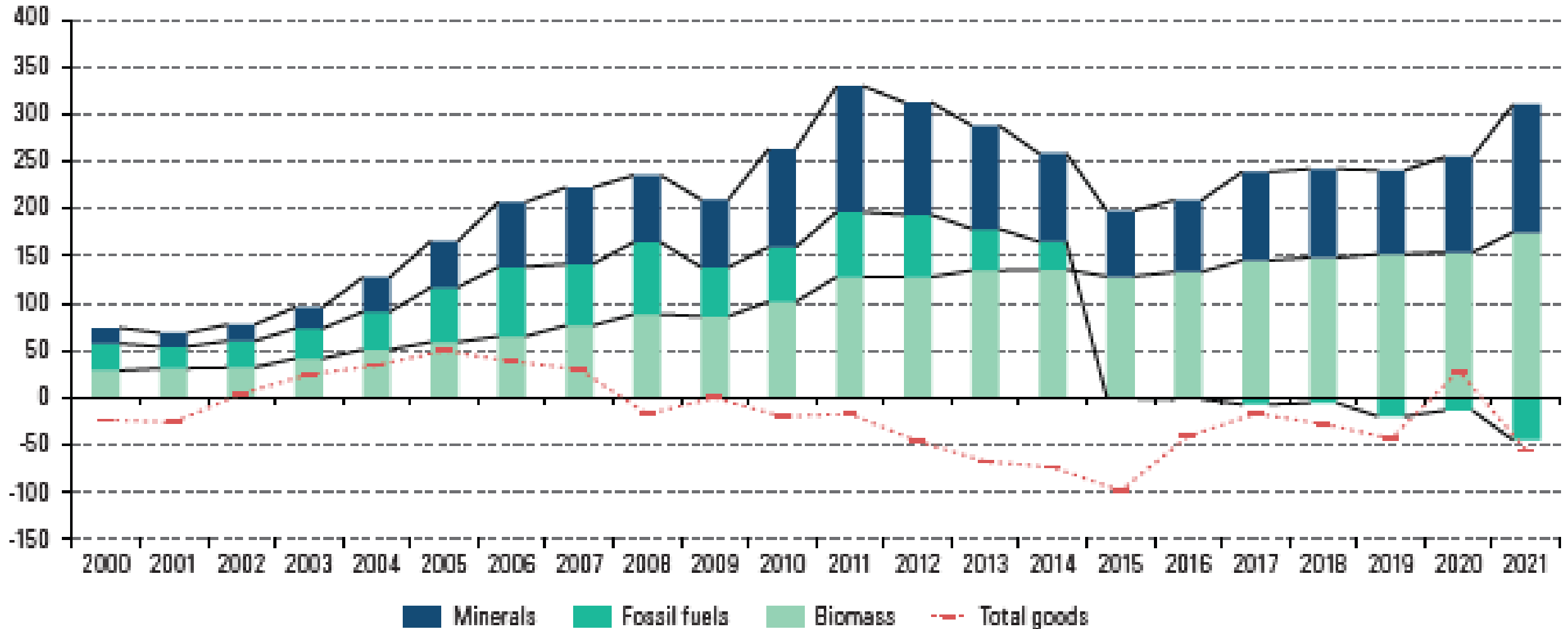


■ Argentina
 ■ Bolivia
 ■ Brasil
 ■ Chile
 ■ Cuba
 ■ Jamaica
 ■ México
 ■ Perú

Source: Economic Commission for Latin America and the Caribbean (ECLAC), based on statistical data from the U.S. Geological Survey, Mineral Commodity Summaries (2023).

# Latin America and the Caribbean: raw materials trade balance, by material group, 2000-2021

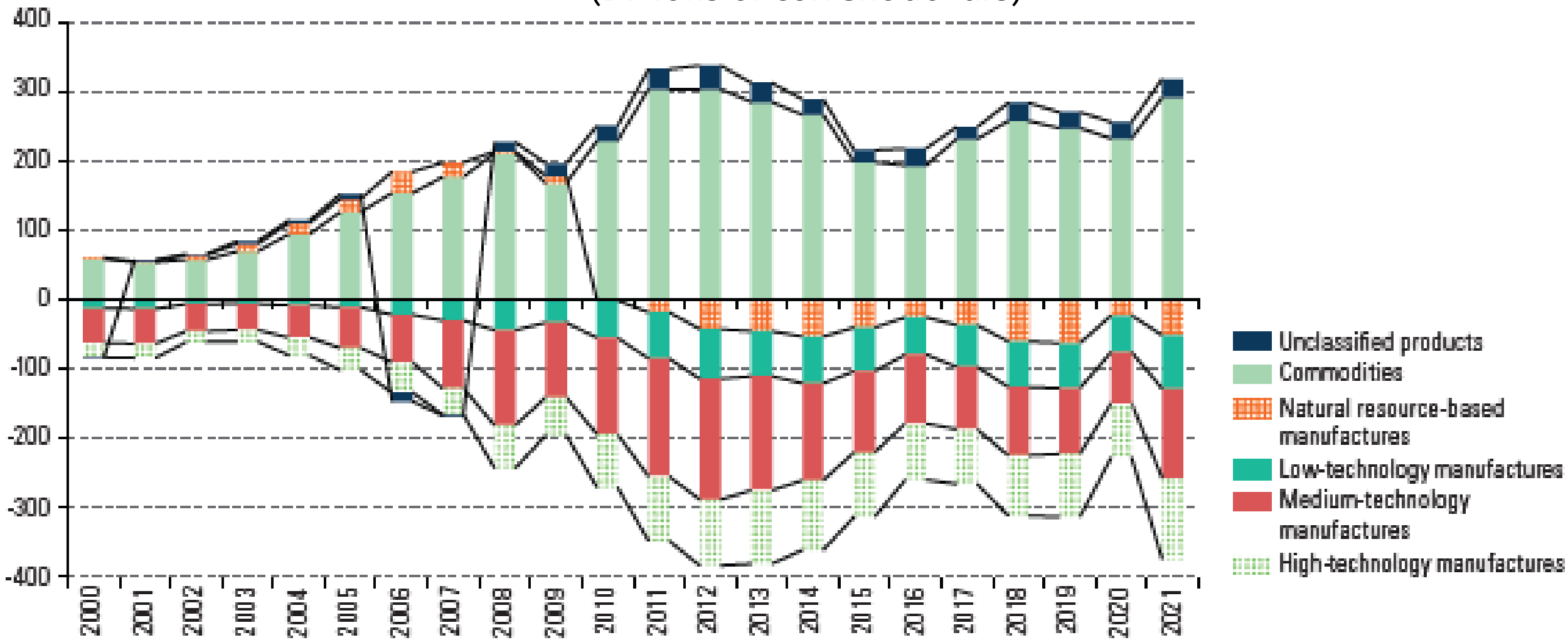
(in current US\$ millions)



Source : Economic Commission for Latin America and the Caribbean (ECLAC), based on UN COMTRADE statistical data and CEPALSTAT Environmental Indicators: CEPAL's Databases and Statistical Publications.

# Latin America and the Caribbean: evolution of the balance of trade in goods, by technological intensity, 2000–2021

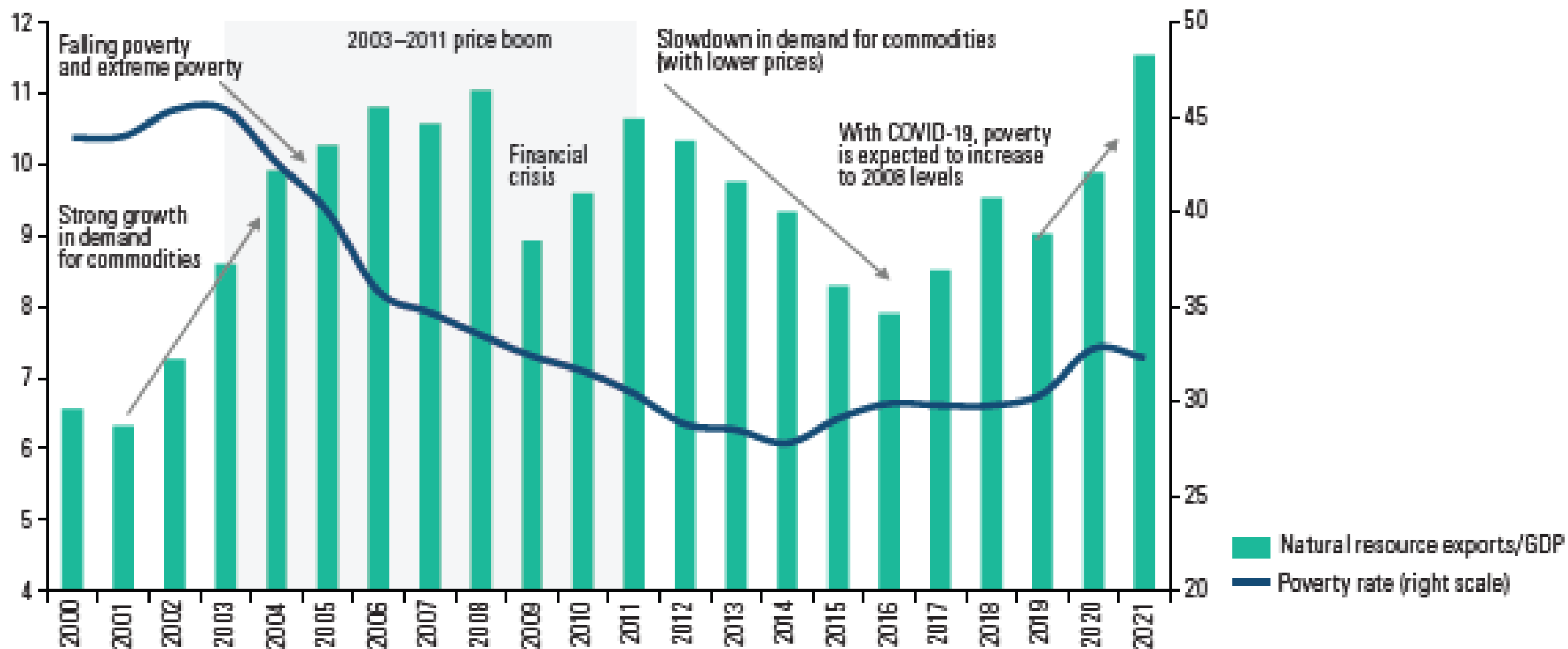
(Billions of current dollars)



Source : Economic Commission for Latin America and the Caribbean (ECLAC), based on UN COMTRADE statistical data and CEPALSTAT Environmental Indicators: CEPAL's Databases and Statistical Publications.

# Latin America: natural resource exports and poverty, 2000–2021

## (Percentages)



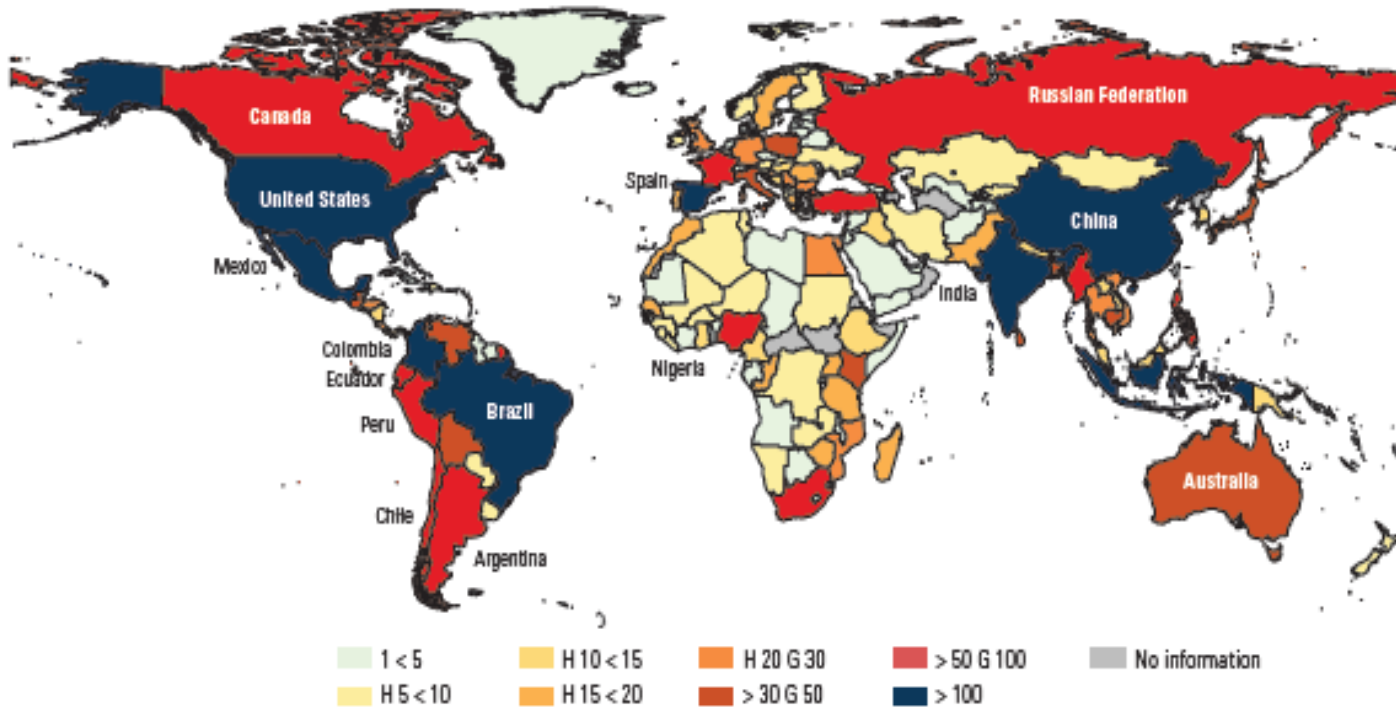
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of "Statistics and indicators: demographic and social", CEPALSTAT.

Note: The population of Latin America living in poverty is measured as a percentage of the total population. Natural resource exports cover biomass, fossil fuels and minerals as a percentage of GDP.



# Socio-environmental tensions are rising

## Environmental conflicts by category recorded in the Environmental Justice Atlas (EJAtlas) (Number of conflicts)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of data from the Environmental Justice Atlas (EJAtlas) [online] <https://ejatlas.org>, L. Temper, D. del Bene and J. Martinez-Alier, "Mapping the frontiers and front lines of global environmental justice: the EJAtlas", *Journal of Political Ecology*, No. 22, 2015.

Note: Data as of 14 February 2022.

- Ecuador → referendum prohibited mining activity in the Chocó Andino and oil extraction in the Yasuní YTT.
- Panamá → protests & court ruling led to cancelling copper project contract responsible for 1% of global production (First Quantum).
- Guatemala → discussion on mining moratorium, protests over mining impacts on cross-border river.
- Lithium Triangle (Argentina, Bolivia, Chile) → disputes over water use and impacts on fragile ecosystems.
- Brazil → soil sinking in Maceió due to salt mine operations (city in the Northeast).

# Challenges to specializing in natural resources

- Engineering, capabilities for complex network of providers, investment in I+D; education gaps.
- Green vs non-green copper → opportunity for the region to build smelters/refineries to diversify global supply (require agreement with market stocks to create indexes, ensure traceability and certification).
- Regional steel industry in crisis → difficulty to compete with low foreign prices, despite lower CO<sub>2</sub> emissions.
- US Inflation Reduction Act (IRA); EU Green Industrial Plan; EU Critical Raw Materials Act; “Made in China” 2025 → minimum domestic content, protective measures, subsidy race, antidumping coordination, etc.

*Latin America has a reduced fiscal space, limited investment attraction potential and bound by existing trade agreements.*

# Support to sustainability & value addition initiatives

## ECLAC's - Permanent Technical Dialogue Forum on Innovation, Technological Development, and Value Addition to Lithium in The Triangle Countries (Argentina, Bolivia, and Chile) and Mexico.

Biennial action plan:

- i) Articulate a vision of technological and productive regional integration around lithium.
- ii) Identify mechanisms for coordination and options for horizontal cooperation and exchange of experiences and knowledge.
- iii) Promote cooperative and complementary research among the parties.
- iv) Identify possibilities for value addition and regional value chains.

### Studies being published soon:

- 1) Direct Lithium Extraction (DLE) methods;
- 2) Conceptual model: integral salt flats monitoring.
- 3) Opportunities of insertion of Chile & South America in lithium related value chains



# Highlighted initiatives & collaboration opportunities

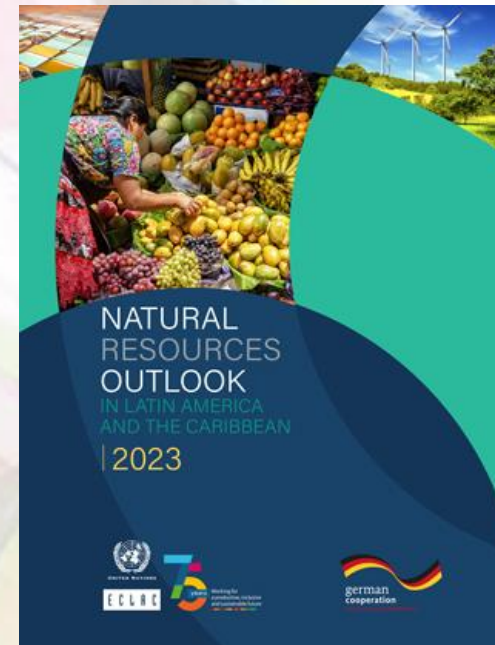
- European Raw Materials Alliance (ERMA) & European Battery Alliance (EBA) → multistakeholder initiatives to mobilize investments.
- Expert Group on Resource Management (EGRM), UNFC/UNRMS → regional methodological coordination on a rolling basis.
- ECA/Afreximbank → DRC and Zambia Special Economic Zone dedicated to lithium-ion battery precursors.
- Renegotiation of trade agreements (Modernization of EU-Chile agreement included clause to allow Chile to offer preferred prices for domestic value addition initiative).
- MoUs on critical minerals with support to technology transfer and value addition (EU & Chile; EU & Argentina).

*UN Framework & SG Panel on Critical Minerals for the Energy Transition.*



# Thank you!

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