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RESOURCING THE ENERGY TRANSITION

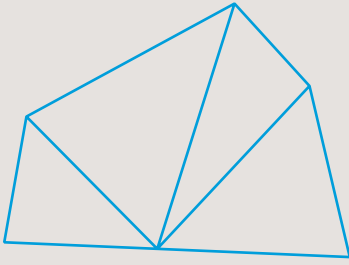
PRINCIPLES TO GUIDE CRITICAL
ENERGY TRANSITION MINERALS
TOWARDS EQUITY AND JUSTICE



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UN Secretary-General's Panel on Critical Energy Transition Minerals



EXECUTIVE SUMMARY

The global climate crisis has arrived. This year has already included the three hottest days in recorded history, with deadly extreme heat affecting much of Asia and the Middle East. Raging wildfires continue to devastate parts of North America and Europe. Record-setting floods have inundated communities from Brazil to Bangladesh. Severe droughts beset Southern Africa. Arctic permafrost is in thaw. Sea levels are rising, wildfires are burning, extreme heat is crippling. The window to limit global temperature rise to 1.5°C above pre-industrial levels and meet the goals of the Paris Agreement is closing.

There is still time, humanity with a shared future must act decisively to accelerate a global energy transition. At the United Nations Climate Change Conference (COP28) in Dubai, governments agreed to triple the roll out of renewable energy and double energy efficiency by 2030. The International Energy Agency (IEA) estimates that demand for the critical energy transition minerals required to enable this global energy transition will triple by 2030, and quadruple by 2040.

A transition of this magnitude brings with it tremendous opportunities, but also substantial challenges. Mining, at all scales, large and small, has too often been linked with human rights abuses, environmental degradation and conflict. Indigenous Peoples' lands and resources have been dispossessed and the lives of local peoples upended. Responsible companies, across the entire value chain, working to reform the sector continue to face an uneven playing field, with insufficient incentives for irresponsible actors to meet acceptable standards.

Yet harnessing critical energy transition minerals to build the renewable energy technologies needed to achieve the goals of the Paris Agreement and net zero emissions by 2050, also has the potential to lift hundreds of millions of people out of poverty through access to affordable, modern and sustainable energy and energy technologies. Developing countries as partners in the energy transition can foster development through opportunities for value addition, benefit-sharing, economic diversification and participation in the critical energy transition minerals value chains that will power the next generations, rather than serve only as the providers of raw materials.

This is why the United Nations Secretary-General established the Panel on Critical Energy Transition Minerals, to develop Guiding Principles which can serve as guardrails for the energy transition. The Panel was co-chaired by Ambassador Nozipho Joyce Mxakato-Diseko of South Africa and Director-General for Energy Ditte Juul Jørgensen of the European Commission and comprised of members diverse by geography, gender and age. The principles build on existing

international norms and legal obligations to which governments have already committed and are accompanied by a set of specific, actionable recommendations so that everyone can benefit from the opportunities inherent in a transition to renewable energy.

What exactly are 'critical energy transition minerals'? They are simply the minerals necessary to construct, produce, distribute and store renewable energy. They include the copper, cobalt, nickel, lithium, graphite, rare earth elements (REEs) and aluminium required for electric vehicles and battery storage; the silicon, cadmium, tellurium and selenium (to name a few) that build solar panels. Wind power requires copper. Hydropower uses copper too, and chromium, zinc and more aluminium.

For countries with the critical energy transition minerals required for these technologies – including developing countries in Africa, Asia, Latin America and the Pacific – the opportunity is significant. At the same time there must be no regression in the hard-won individual and collective rights of Indigenous Peoples. Respect for this is absolute.

Committed to intergenerational equity, the decisions we make today will shape generations, both present and future. We must ensure past mistakes do not become the hallmarks of the future, not just where minerals are mined, but along the entire value chain from refining and manufacturing, to transport and end-of-use recycling. Meeting this challenge in a principled way can only be done if governments, business, civil society and the United Nations act together to properly manage mineral value chains, uphold the rule of law in a non-discriminatory way, respect national sovereignty, invest in true multilateralism and peacebuilding and ensure universal human rights are protected. Peace and security, as well as cooperation are paramount for humanity to benefit from these minerals. Human security should be fostered in all its forms.

Resourcing the energy transition requires a new paradigm rooted in equity and justice.

GUIDING PRINCIPLES ON CRITICAL ENERGY TRANSITION MINERALS

The United Nations Secretary General's Panel on Critical Energy Transition Minerals proposes seven voluntary Guiding Principles, building on existing norms, commitments and legal obligations outlined in United Nations texts:

PRINCIPLE 1

Human rights must be at the core of all mineral value chains.

PRINCIPLE 2

The integrity of the planet, its environment and biodiversity must be safeguarded.

PRINCIPLE 3

Justice and equity must underpin mineral value chains.

PRINCIPLE 4

Development must be fostered through benefit sharing, value addition and economic diversification.

PRINCIPLE 5

Investments, finance and trade must be responsible and fair.

PRINCIPLE 6

Transparency, accountability and anti-corruption measures are necessary to ensure good governance.

PRINCIPLE 7

Multilateral and international cooperation must underpin global action and promote peace and security.

ACTIONABLE RECOMMENDATIONS

To embed and maintain these Guiding Principles across critical energy transition mineral value chains, the Panel has made a number of actionable recommendations that leverage the United Nations in the creation of key bodies and processes. These include the establishment of:

A High-Level Expert Advisory Group to accelerate greater benefit-sharing, value addition and economic diversification in critical energy transition minerals value chains as well as responsible and fair trade, investment, finance, and taxation.

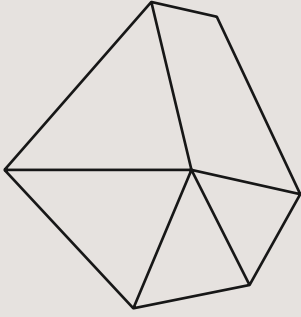
A global traceability, transparency and accountability framework along the entire mineral value chain – from mining to recycling – to strengthen due diligence, facilitate corporate accountability and build a global market for critical energy transition minerals, though the framework should not be used as a unilateral trade barrier.

A Global Mining Legacy Fund to build trust and address legacy issues as a result of derelict, ownerless or abandoned mines, and strengthen financial assurance mechanisms for mine closure and rehabilitation.

An initiative that empowers artisanal and small-scale miners to become agents of transformation to foster development, environmental stewardship and human rights.

Equitable targets and timelines for the implementation of material efficiency and circularity approaches across the entire life cycle of critical energy transition minerals.

“A world powered by renewables is a world hungry for critical minerals. For developing countries, critical minerals are a critical opportunity – to create jobs, diversify economies, and dramatically boost revenues. But only if they are managed properly. The race to net zero cannot trample over the poor. The renewables revolution is happening – but we must guide it towards justice.”



INTRODUCTION

Humanity is facing multiple inter-related crises of climate change, biodiversity loss, pollution and poverty, and our continued reliance on fossil fuels is pushing us towards irreversible tipping points. The window to limit global average temperature rise to 1.5°C above pre-industrial levels and meet the goals of the Paris Agreement is closing.

We must act decisively to accelerate the global energy transition. At COP28, all countries agreed to triple the global renewables capacity and double energy efficiency by 2030.

This urgent action is estimated to almost triple the demand for critical energy transition minerals¹ by 2030 and quadruple it by 2040.² The construction and production of renewable energy technologies, and the distribution and storage of energy will require a significant increase in these resources, including lithium, graphite, nickel, cobalt, manganese, rare earth elements, and others.

Minerals are essential to our societies and economies, and the way in which they are mined is of consequence to sustainable development. The scale and pace of expected mineral demand for the renewable energy transition demands a new paradigm of responsibility. This historic transition presents an opportunity to address challenges within mineral value chains, which have too often been linked to environmental degradation, greenhouse gas emissions, geopolitical tensions, and instability. By learning from past mistakes and supporting responsible actions, we can scale up the use of critical energy transition minerals while driving shared prosperity, lifting hundreds of millions out of poverty by providing affordable and reliable energy access, meaningfully contributing to the Sustainable Development Goals and a Just Transition.³ To achieve this, justice and equity must be at the core of the entire value chain ensuring no one is left behind.

Justice requires change. Urgent and impactful action is needed from the global community across critical energy transition minerals value chains. All countries, including resource-producing developing countries, should have the opportunity to meet their development objectives

equitably. We acknowledge that while we have shared responsibilities, each of us have different capacities and resources to enact change.

Pathways for industrial development and local value addition are pivotal. Mining in developing countries has too often operated as an ‘enclave’ with little value accrued to the host country. Developing countries, fixed at the bottom of global value chains, have faced significant hurdles in implementing industrial policy measures to transform their economies. This position could worsen if existing trade rules that hinder structural transformation remain static. Local and regional value addition can ensure a more equitable distribution of benefits and create opportunities for diversification, broader access to energy, and sustainable growth and development.

Human rights must be at the core of all mineral value chains. This is not only a moral imperative, but essential to meeting legal obligations, and ensuring justice, equity and sustainability. Human rights must be protected, respected and fulfilled, including those of workers, children, youth, women, local communities, and environmental and human rights defenders. Indigenous Peoples, who are custodians and owners of mineral resource-rich lands have been dispossessed of lands and resources, excluded, and marginalized from decision-making. They have infrequently shared equitably in the benefits and must have their individual and collective rights upheld and their knowledge and contributions recognized.

International cooperation is essential for a just, orderly and affordable energy transition for all, and the responsible management of mineral value chains. Peace and stability are paramount for justice, equity and prosperity. Strong multilateral,

1 This Panel uses the term ‘critical energy transition minerals’ (CETMs) to refer to the mineral commodities that are necessary for the construction, production, distribution and storage of renewable energy and associated infrastructure.

2 IEA (2024). *Critical Minerals Market Review 2024*. International Energy Agency. May.

3 A whole of society approach to just and equitable transitions “encompasses pathways that include energy, socioeconomic, workforce and other dimensions, all of which must be based on nationally defined development priorities and include social protection so as to mitigate potential impacts associated with the transition,” United Nations Framework Convention on Climate Change (2023). Decision -/CMA.5. United Arab Emirates Just Transition Work Programme.

national and multi-stakeholder governance is required to uphold the rule of law, and ensure human rights are protected, respected and fulfilled, including through redress, when needed.

At this historical juncture, we must build trust and cooperation to establish rights-based, just and responsible mineral value chains that will unlock their transformative power for sustainable development. All countries are entitled to affordable access to the renewable energy technologies necessary to meet their climate change commitments, which will require stable and resilient critical energy transition mineral value chains.

The Panel on Critical Energy Transition Minerals was established and tasked by United Nations Secretary-General António Guterres to develop a set of “global and common voluntary principles on issues which are key to building trust between governments, communities and industry, enhancing transparency and investment, and ensuring just and equitable management of sustainable, responsible and reliable value chains for terrestrial critical energy transition minerals.”

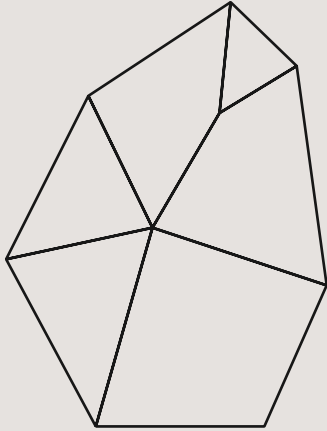
The Panel was co-chaired by Ambassador Nozipho Joyce Mxakato-Diseko of South Africa and Director-General for Energy Ditte Juul Jørgensen of the European Commission. Panel members, diverse by geography, gender and age, were appointed by the United Nations Secretary-General as “expert representatives” following their nomination by governments, intergovernmental and international organizations, and non-state actors. The report constitutes a collective view, and while members endorse the general thrust of the arguments, this should not be taken as unanimity on every finding or recommendation. Panel members participated in their expert capacities, not as representatives of their governments or organizations.

The Panel builds on decades of efforts and experience to foster responsible mining and uphold human rights and norms, including through intergovernmental agreements and commitments, as well as national, regional,

stakeholder and industry-led initiatives and standards. The Panel recognizes that past efforts have not yet brought the necessary justice and equity due to a variety of complex factors. Through its work, the Panel aims to elevate previous efforts and drive forward concrete and ambitious changes across the entire mineral value chain with its Guiding Principles and Actionable Recommendations.

The Guiding Principles take as their foundation existing norms, commitments and legal obligations outlined in international instruments, including obligations set out in the UN Charter, the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the UN Convention on the Elimination of All Forms of Discrimination Against Women, the Universal Declaration of Human Rights, the UN Framework Convention on Climate Change, the Paris Agreement, the UN Convention on the Rights of the Child and the UN Convention Against Corruption; as well as the commitments set out in the UN Declaration on the Rights of Indigenous Peoples, the UN Declaration on the Right to Development, the UN Guiding Principles on Business and Human Rights, the Rio Declaration on Environment and Development, and the Kunming-Montreal Global Biodiversity Framework. The Guiding Principles also build on various other multilateral environment agreements and ILO International Labour Standards, several of which include accountability mechanisms that have a role to play in the monitoring progress.

Our shared commitment to mitigating and adapting to climate change, the global energy transition and the related need for minerals provide a once in a lifetime opportunity. We must all work together with a common sense of urgency, shared purpose and responsibility, to build and power the future we need, while leaving no one and no place behind.



GUIDING PRINCIPLES

The Panel recommends the following voluntary Guiding Principles to be applicable to the entire value chain and life cycle of critical energy transition minerals. These interconnected Guiding Principles each carry equal weight and should be collectively advanced, and their order is not indicative of any priority.

PRINCIPLE 1

Human rights must be at the core of all mineral value chains.

PRINCIPLE 2

The integrity of the planet, its environment and biodiversity must be safeguarded.

PRINCIPLE 3

Justice and equity must underpin mineral value chains.

PRINCIPLE 4

Development must be fostered through benefit sharing, value addition and economic diversification.

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Transparency, accountability and anti-corruption measures are necessary to ensure good governance.

PRINCIPLE 7

Multilateral and international cooperation must underpin global action and promote peace and security.

PRINCIPLE 1 HUMAN RIGHTS MUST BE AT THE CORE OF ALL MINERAL VALUE CHAINS.

Increasing global demand for minerals has significant potential to advance social and economic progress, however, if not managed responsibly, could trigger or exacerbate human rights violations and abuses, conflicts, violence, and harm to affected communities and individuals along the value chain. Upholding human rights is therefore vital to ensuring a just, equitable and people-centred energy transition, with particular attention to protecting the rights of children, youth, women, workers and local communities, and recognition of the importance of a clean, healthy and sustainable environment for the enjoyment of all human rights.

Human rights include the individual and collective rights of Indigenous Peoples, and other rights holders with ancestral ties and rights to land. States shall consult and cooperate in good faith with the Indigenous Peoples concerned, through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, while taking into account national specificity and legal context. Upholding their individual and collective rights, including their right to be recognized as equal partners in development and to own, use, develop and control their lands, territories and resources is crucial for preserving their cultures and promoting equitable development.

Human rights risks and impacts must be identified and assessed, with the appropriate preventive and mitigation measures taken and remedied. This includes, implementing existing international human rights and labour rights law and frameworks agreed upon by all countries, applying credible industry standards throughout all parts of the value chain, performing human rights due diligence and impact assessments, engaging with and involving affected people

in decision-making, putting into effect accessible, culturally appropriate and effective grievance handling and redress mechanisms, and participating in traceability mechanisms, especially in conflict-affected and high-risk areas and situations of involuntary resettlement. Resettlement must be considered an option of last resort, accompanied by appropriate compensation, and in the case of Indigenous Peoples, should only happen with their Free Prior and Informed Consent.

The protection of civic space and human rights for environmental and anti-corruption defenders is crucial to ensure human rights are upheld and enable the democratic participation of all people in matters of public significance.

Safe and healthy working environments, a fundamental principle and right at work, must be ensured as workers face significant occupational safety and health risks, which can result in diseases, injuries, life-long disabilities and death.

PRINCIPLE 2 THE INTEGRITY OF THE PLANET, ITS ENVIRONMENT AND BIODIVERSITY MUST BE SAFEGUARDED.

Mineral production and supply inevitably impact the natural environment. Increased mineral demand risks placing additional pressure on biodiversity, water, geodiversity and ecosystems. We must redouble our efforts to safeguard the integrity of the environment and ensure the long-term health and resilience of people and the planet, in particular ecosystems that are vulnerable to these pressures, and noting the indispensable role of Indigenous Peoples in biodiversity protection.

Responsible practices should be implemented and regulations enforced to safeguard the environment. Pollution and waste in all its

forms should be avoided, reduced, eliminated and remediated, consistent with polluter-pays principle, and biodiversity loss and deforestation should be halted and reversed. Greenhouse gas emissions should be reduced and production processes decarbonized across mineral value chains as a matter of priority.

Any mineral wastes generated should be safely managed and stored to prevent disasters from catastrophic and chronic failures, consistent with best available technology and practice and the Global Industry Standard on Tailings Management, and in consultation with impacted rights holders and stakeholders.

Environmental bonds or other forms of financial assurance should be established before any mineral development. Prevention and remediation measures should be commensurate with the scale, impact and size of the disturbed area while respecting the ecological, cultural and social significance of the land on which operations take place. This is essential to build relations of trust with local governments, Indigenous Peoples and other affected rights holders and populations.

Environmental, social and cultural risks should be assessed prior to any activity (and as needed throughout) and managed, monitored and addressed according to the mitigation hierarchy across the mineral life cycle and value chain. This includes mineral exploration, construction, processing, smelting and refining, as well as production and manufacturing, closure, waste management, reclamation and recycling. Strategic assessments should inform participatory land use planning and geological exploration, to ensure that environmental impacts are understood and managed in a comprehensive manner. The financing, staffing and authority of regulatory and compliance officers should be sufficient to ensure the enforcement of environmental protection.

Best practices should be aligned with the principles set out in the Rio Declaration, inter alia the precautionary approach, and be utilized to ensure ecosystems are protected, including the possibility of declaring World Heritage Sites as

‘no-go areas’ and encouraging governments to consider declaring other protected and conserved areas as ‘no-go areas’ for activities related to critical energy transition mineral value chains, taking into account national legal contexts.

Innovation in product and service design, improvements to material and energy efficiency, circularity, and balancing consumption with sustainable supply, especially in high income countries, reduces pressures on environments and can contribute to fairer distribution of economic and social benefits and affordable access to energy.

PRINCIPLE 3 JUSTICE AND EQUITY MUST UNDERPIN MINERAL VALUE CHAINS.

Pursuing climate-resilient and sustainable development, particularly in the context of mineral value chains has significant social and economic implications, including changes in job markets, wealth distribution, environmental impacts, and access to resources. The benefits and burdens of these changes are too often unequally distributed, disadvantaging groups who may be vulnerable or marginalized. The urgency of the energy transition cannot justify irresponsible practices in mining, processing, smelting, refining trade and recycling of minerals. We must ensure that no one is left behind and that everyone has access to fair treatment, legal redress and the opportunity to meaningfully participate in decision-making processes.

Decent work, which includes adequate universal social protection, opportunities for skills development, rights at work, job creation, and social dialogue, is essential for any Just Transition, including those related to mineral development. These aspects must align with national development priorities and be consistent with internationally recognized laws

and labour standards that uphold fundamental principles and rights at work, such as freedom of association, the right to collective bargaining, the elimination of forced and child labour, the eradication of workplace discrimination, and the assurance of a safe and healthy working environment. Furthermore, they should provide labour protection through fair wages and limits on working hours.

Gender equity and respect for the rights of women, girls and gender-diverse people should be transversal throughout the entire mineral value chain, ensuring equal job opportunities, pay, benefits and fair treatment, active and meaningful participation in decision-making, physically and psychologically safe workplaces and an absence of gender-based violence, discrimination and harassment. Engagement should include women and non-majority groups, including in impact assessment, consultations, negotiations and resettlement. Data points should be gender disaggregated and publicly disclosed for accountability.

The role of responsible artisanal and small-scale miners in exploration and mining of critical energy transition minerals, and in creating jobs and livelihood opportunities in developing countries should be recognized. Artisanal and small-scale mining (ASM) should be transformed into legal, formalized, professional and safe activities, with significantly improved environmental management free of exploitation, child labour and conflicts, including conflicts with formal sector mining.

Intergenerational equity should guide decisions and actions such that they are characterized by a long-term, sustainable perspective and consider the well-being of not only present but also future generations.

Equity and justice also mean that all people, in particular those from countries that are not part of critical energy transition mineral supply chains or do not produce renewable energy technologies, should have universal access to affordable, modern and sustainable energy.

PRINCIPLE 4 DEVELOPMENT MUST BE FOSTERED THROUGH BENEFIT SHARING, VALUE ADDITION AND ECONOMIC DIVERSIFICATION.

Mineral production, processing and consumption can play a critical role in economic development, and spur industrialization through value addition and beneficiation. However, there is currently a significant disparity in how benefits are distributed between different actors, countries, and the upstream, midstream, and downstream sectors of the value chain.

The dependence of mineral-producing developing countries on exports of mineral commodities has resulted in vulnerability of their economies to mining cycles, and limited their realization of the economic benefits of mining. Value addition and beneficiation of minerals can spur industrialization, which plays a critical role in economic development.

Furthermore, the resilience of global critical energy transition mineral value chains can be strengthened by more diversified participation, particularly by developing countries, unlocking opportunities for economic growth and development and at the same time building more diverse and resilient value chains.

All countries, in particular developing countries, should have an equitable opportunity to harness technological innovation, participate in global mineral value chains and to benefit from these. This includes fair shares of sector revenues that are effectively managed, and participation through enhanced local content, the development of small and medium sized enterprises, local mineral processing and value addition to foster economic development of industries that use processed mineral commodities as inputs and manufacture products for domestic consumption, regional and international trade. Shortfalls in government capacities should be enhanced to

make the most of such opportunities.

The benefits derived from mineral exploitation are also often distributed inequitably between people, disproportionately affecting women, children, youth, workers, artisanal and small-scale miners, Indigenous Peoples, and other rights holders. Addressing these challenges is crucial for achieving sustainable and inclusive development. Specific measures should be implemented to ensure that Indigenous Peoples, and other rights holders with ancestral ties and rights to land, are recognized as equal partners, and benefit equitably from these opportunities, with benefit-sharing schemes aligned with their right to self-determination.

Tax systems should be transparent, equitable and underpin the principles of equity, justice so that adequate proceeds from taxes and royalties accrue to finance development. Taxation and royalties should be fairly levied, collected and utilized for the public good, including for the benefit of affected communities, while tackling tax evasion and abusive transfer pricing. Developing robust tax frameworks and addressing transfer pricing can address base erosion and profit shifting risks while supporting benefit sharing and value chain integration.

Economic diversification, supported by infrastructure, and industrial policies that promote the utilization of minerals for green industrialization, increased productive capacities, skills and quality job creation can help address the risks associated with an overreliance on raw commodity export. Stable legal frameworks, access to justice, respect for the rule of law, and anti-corruption and anti-bribery frameworks are important enablers of economic diversification.

Multilateral cooperation and partnerships can support value addition and fair trade through technology transfer, infrastructure provision, regional coordination, access to finance, scientific research and development, as well as skills and knowledge transfer via education, training and capacity building.

PRINCIPLE 5 INVESTMENTS, FINANCE AND TRADE MUST BE RESPONSIBLE AND FAIR.

Countries should have equitable opportunity to participate in mineral value chains. Responsible investment and fair trade are vital enablers of sustainable, inclusive development but are currently not sufficiently accessible or adequately tailored to the needs of the employers, workers, Indigenous Peoples, and communities in developing countries. Confronting these challenges is imperative to drive economic diversification and value addition close to the source, and to catalyse the overall transformation of mineral-dependent economies.

The financing of responsible mineral value chains should be driven by responsible investment principles that incentivize sustainable, long-term orientated decision-making. Investors, banks, insurers, commodity and stock exchanges, development banks, governments and businesses should provide access to finance on inclusive and affordable terms to actors across the mineral value chain. Financing should include environmental, social and governance protections consistent with internationally recognized sustainability standards, human rights laws and frameworks, including the individual and collective rights of Indigenous Peoples. Finance can also promote the implementation of these Guiding Principles. This includes ensuring all new mines needed to meet future critical energy transition mineral demand are developed in conformance with these Guiding Principles, all existing mines conform with them within a defined period; and that companies in the wider mineral value chain drive sustainable demand.

Inclusive, affordable, sustainable and tailored financial products, such as development finance, low-interest loans, project finance, blended finance, grants and credit guarantees, should be made available to support site-level transformation, value addition and associated

infrastructure. This is especially the case for small and medium-sized enterprises, Indigenous Peoples and other rights holders with ancestral ties and rights to land, and artisanal and small-scale miners committed to responsible practices.

Multilateral development banks have a particular role to play in supporting investment and development of local value chains in developing countries. There is a need for clear and relevant regulation and policy predictability from governments to support stable investment environments, as well as public accountability and transparency.

The centrality of the rules-based and non-discriminatory multilateral trade system should be retained and leveraged for sustainability, justice and equity so that mineral-producing countries can increase their access to investments and processing technologies for those seeking to add more value to their mineral resources. Rules-based and non-discriminatory international investments and trade agreements, frameworks and initiatives should account for the significant burden of debt faced by many developing countries, aim to buffer against price volatility, and promote structural transformation through value addition and economic diversification.

PRINCIPLE 6 TRANSPARENCY, ACCOUNTABILITY AND ANTI- CORRUPTION MEASURES ARE NECESSARY TO ENSURE GOOD GOVERNANCE.

Transparency and accountability are fundamental to good governance and responsible decision-making. All actors must uphold the rule of law and domestic legislative regimes and company practices must be consistent with international law, commitments and norms. Oversight, including through multi-stakeholder

mechanisms is fundamental to detecting, avoiding and addressing criminal activities, including organized crime and corruption, illicit financial flows, illegal mining and conflicts of interest which can lead to undue influence and policy capture.

Traceability mechanisms, more harmonized performance standards, and clear regulation are needed that cover all issues and actors. This can be enabled by supporting interoperability across standard systems, emphasising strong international standards that include independent third-party audits of operations, performance based environmental, social and governance metrics, equitable distribution of the costs of compliance, multi-stakeholder design and implementation. Technical assistance can support the widespread uptake and implementation of international standards. Performance standards and traceability mechanisms should also be made conditional for access to finance and markets. Indigenous Peoples and other rights holders must be actively involved in these processes, with their rights and perspectives fully integrated into governance frameworks.

Access to information is a human right. The availability and disclosure of transparent and accessible information is necessary for meaningful stakeholder engagement and participation, public accountability and equitable decision-making, as well as to reduce information asymmetry, combat corruption, and address human rights and environmental risks. This includes, inter alia, information on environmental and social impacts, mineral prices, production, contracts, licences, permits, revenue, taxes, royalties, payments, beneficial ownership of corporate entities, trade in commodities and resource-backed loans, as well as decision-making processes.

The surveying and mapping of geological deposits is essential for sound decision-making and should be accessible to the public, while respecting commercial sensitivities. This is particularly relevant for Indigenous Peoples and other rights holders so that they can be fully aware of, and

engage in, the processes affecting their lands and resources. Transparent environmental and social monitoring and inspection data is essential to demonstrate performance and compliance status.

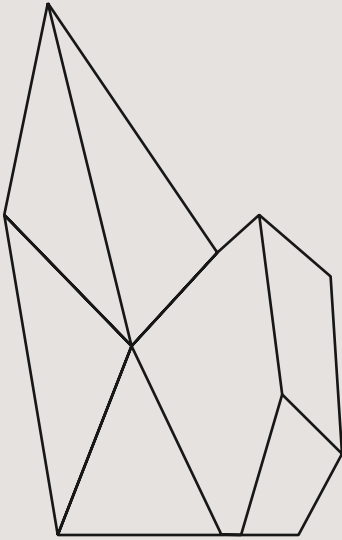
PRINCIPLE 7 MULTILATERAL AND INTERNATIONAL COOPERATION MUST UNDERPIN GLOBAL ACTION AND PROMOTE PEACE AND SECURITY.

International and regional cooperation is key to ensuring critical energy transition minerals do not become a source of tension and conflict. Sustainable development cannot be realized without peace and security, and peace and security will be at risk without sustainable development. Strong, more inclusive and agile governance structures, with true multilateralism at their centre, are crucial to guide coordinated and evidenced-based action at all scales. Dialogues between producer and consumer countries and other stakeholders are required to build trust and ensure country concerns are addressed.

International efforts to address climate change, energy security, poverty reduction and sustainable development, inter alia, should adequately address the diverse role of minerals, where relevant. Official development assistance related to minerals should be increased. Development cooperation can assist developing countries to enhance capacities in line with these Guiding Principles. This includes investing in knowledge sharing, improving access to quality professional education in policy and technical spheres, investment in science and technology for public good, promoting technology transfer, and improving the accessibility and affordability of technologies.

Multilateral trade frameworks play a significant role in shaping the opportunities presented by critical energy transition minerals, and it is crucial that they support resource-producing countries to diversify their economies and provide opportunities to advance up the value chain.

By fostering an environment that encourages innovation, sustainable and equitable growth, and the fair sharing of benefits, resilient and stable mineral value chains can be built for the sustainable development of all.



ACTIONABLE RECOMMENDATIONS

The following actions are recommended to support the implementation of the Guiding Principles. The Panel calls on governments, the private sector, civil society and other stakeholders to support the Guiding Principles and the Actionable Recommendations. To this end, the Panel recommends the following actions to the United Nations Secretary-General.

ACTIONABLE RECOMMENDATION 1 ACCELERATE GREATER BENEFIT SHARING, VALUE ADDITION AND ECONOMIC DIVERSIFICATION.

Establish a High-Level Expert Advisory Group to facilitate a multi-stakeholder dialogue on ‘Accelerating Critical Energy Transition Minerals Value Addition Towards Equity’ (ACTIVATE), through greater benefit-sharing, value addition, economic diversification, trade and investment, and fiscal policy with a view to unlocking the power of local mineral resources for a green future. The Advisory Group, hosted by the United Nations, will build on, and work with, existing fora and include governments, industries across the value chain, trade unions, relevant international organizations, civil society, Indigenous Peoples, other rights holders, youth and local communities. Actions will be informed by a mapping of current initiatives and definition of the enablers and priorities that advance equity and justice in critical energy transition minerals value chains and support governments, rights-holders and stakeholders in mineral-producing countries to:

- Mobilize resources and promote best practices on issues such as value addition, economic diversification, taxation and fiscal policy (including addressing transfer pricing, base erosion and profit shifting risks), local content policies, robust and efficient permitting, trade and investment, community benefit sharing, technology and shared infrastructure that supports downstream processing facilities and broader energy access, energy transition and green industrialization in developing mineral-producing countries;
- Work with UN Trade and Development (UNCTAD) and the World Trade Organization (WTO) to identify barriers to market access and trade to assist development;
- Liaise with relevant bodies in the United Nations system on the enforcement of human rights, environmental, governance, social and climate change safeguards, including the individual and collective rights of Indigenous Peoples, and recognising the role of Indigenous Peoples in safeguarding global biodiversity, supportive global ecosystems and sustainability.

ACTIONABLE RECOMMENDATION 2 TRACEABILITY FOR ACCOUNTABILITY

Launch a multi-stakeholder expert process to develop a global traceability, transparency and accountability framework along the entire mineral value chain – from mining to recycling – based on criteria and mechanisms that strengthen due diligence, facilitate corporate accountability and build a global market for critical energy transition minerals, not to be used as a unilateral trade barrier. The system would aim to provide:

- A framework for disclosures and comprehensive, independently verified due diligence on the mineral sector’s environmental, social and governance performance. This could include geographic location data, human rights practices, environmental practices (including greenhouse gas emissions, environmental harms, respect for no-go areas, tailings management approaches), social practices (including on gender, labour rights, Indigenous Peoples, and the obtainment of their Free, Prior and Informed Consent), and governance practices (including on corruption risks, fraud, illicit mining, illicit financial flows, money laundering, transparency gaps, fair deals and equitable benefit-sharing).
- Tools and guidance for collecting, verifying and communicating data to support regulators and

market actors to incentivize good performance and penalize bad or illegal practices. This could help to support procurement and investment decisions, as well as eligibility requirements for subsidies and tax credits.

- Platforms for multi-stakeholder dialogue at the national, regional and global level to facilitate scrutiny of disclosures, advance accountability and ensure that the information is accessible to all stakeholders, while protecting commercially sensitive information.

The process would build on existing initiatives in close consultation with relevant actors along the mineral value chain. The system would be informed by a mapping of, and lessons learned from, existing due diligence, traceability, and accountability models, seeking to implement best practices and address gaps. The framework should ensure the costs of compliance are reasonable and fairly distributed along the value chain, that reporting requirements are streamlined, that illicit mining and legitimate mining are clearly distinguished, and that responsible artisanal and small-scale miners do not face disproportionate barriers to participation.

ACTIONABLE RECOMMENDATION 3. GLOBAL MINING LEGACY FUND

Establish an initiative, with a view to creating a Global Mining Legacy Fund and encouraging the strengthening of financial assurance mechanisms, as a way to build trust and enable justice that will support affected individuals, communities, countries and Peoples, including Indigenous Peoples and other rights holders, to address multiple legacy issues as a result of derelict, ownerless or abandoned mines. The Fund is intended to be supported by industry and interested governments and will finance priority environmental remediation, human

rights remedy and economic revitalization at high-risk relinquished and/or abandoned legacy mining sites, including critical energy transition minerals sites, identifying opportunities to promote reprocessing and recycling of waste and local economic development simultaneously. This initiative does not replace or supersede current or future obligations, responsibilities and the liability of companies towards responsible mining operations, nor their role to implement and uphold traceability, transparency and accountability standards throughout the value chain. To advance the initiative the Panel proposes the creation of an International Taskforce to develop a practical plan and financing mechanism to operationalize the fund.

The plan will include a piloting phase in two to three mineral-producing developing countries based on a national assessment of legacy, abandoned facilities that are not known to have a responsible party nor currently being operated by a company. The fund would be accompanied by capacity building to improve mine closure practices and develop adequate financial assurance mechanisms to avoid future legacy sites.

ACTIONABLE RECOMMENDATION 4 EMPOWER ARTISANAL AND SMALL-SCALE MINERS TOWARDS RESPONSIBILITY

Convene an initiative that empowers artisanal and small-scale miners to become agents of transformation to foster development, environmental stewardship and human rights. The initiative would work with artisanal and small-scale miners, including of critical energy transition minerals, who are committed to responsible practices to support them on a pathway towards formalization, where possible, and divert them from situations where mining

is expressly illegal or when mining is associated with, or could lead to, civil conflict and criminality in all its forms, including illicit financial flows and transnational crime. The initiative would build on existing initiatives in close consultation with relevant actors and address the specific challenges faced by women, children, and Indigenous Peoples. The initiative could include:

- Support for the establishment of the International Council on Artisanal and Small-scale Mining, a nascent representative council for artisanal and small-scale miners at the international level to advocate for responsible mining;
- Support for knowledge exchange and capacity-building initiatives developed and implemented in partnership with artisanal and small-scale mining leaders, with the aim to improve practices, including on occupational health and safety, geological knowledge, environmental management, value addition, community relations, access to services and markets, and technical skills;
- Specific research and data gathering on the size, impacts, significance and economic contribution of artisanal and small-scale miners and small and medium-sized enterprises in critical energy transition minerals value chains;
- Improved access to (micro-)finance by artisanal and small-scale miners and small and medium-sized enterprises in mineral value chains, including those of Indigenous Peoples, accompanied by conformance with ASM-specific performance standards, and supported by capacity-building and awareness-raising programmes of both miners and financial service providers.

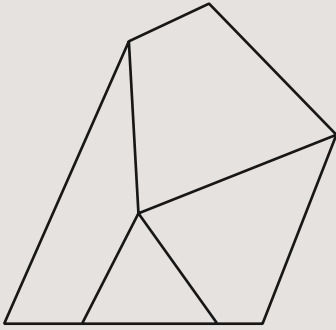
ACTIONABLE RECOMMENDATION 5. MATERIAL EFFICIENCY AND CIRCULARITY TARGETS TO BALANCE CONSUMPTION AND REDUCE ENVIRONMENTAL IMPACTS

Launch a process with a view to reaching agreement on equitable targets and timelines for the implementation of material efficiency and circularity approaches along the entire life cycle of critical energy transition minerals including extraction, on-site and off-site processing, protection of ecosystems as referred under Principle 2 under best practices, refining, management of mining waste and tailings, rehabilitation of sites and closed or abandoned mines, manufacturing of products containing critical energy transition minerals, reuse, recycling and other circular business models. In progressing towards improved material efficiency and higher share of circularity, attention should be given to:

- Innovation in product and service design, improvements to material and energy efficiency and sustainable consumption to reduce environmental impacts. For example, the price of resources could reflect externalities or products could be designed with circularity in mind.
- Engaging all actors across the entire value chain to design products and components to accelerate circularity and improve material efficiency.
- Ensuring benefit sharing of circular economy models across the entire value chain.
- Replacing critical energy transition minerals with alternatives where possible and accelerating research and development for technologies with lower mineral requirements, lower environmental impacts and higher

potentials of circularity.

- Strengthening the enabling conditions for circularity by aligning finance and investment to circularity; strengthening infrastructure and recycling systems; harmonizing policies on product design, waste management and recycling; exploring extended producer responsibility schemes, facilitating international cooperation to strengthen circularity across the entire value chain; reducing trade barriers; enabling equitable benefit sharing and aligning to multilateral environmental agreements.
- Strengthening knowledge and capacity to accelerate the shift to circularity, including by addressing data and information gaps (e.g. better tracking of critical energy transition minerals along the entire life cycle, including extraction rates, robust environmental assessments, recycling capacity, recycled volumes, collection rates, cross-contamination and traceability of end use).



CO-CHAIRS' CONCLUSION

At this moment, when humanity is navigating a confluence of crises from climate change to biodiversity loss, pollution and poverty, we, the Co-Chairs and Panel members of the United Nations Secretary General's Panel on Critical Energy Transition Minerals came together with optimism to put forward an ambitious but achievable vision – one where the mineral value chains that are necessary to reduce greenhouse gas emissions that are causing the climate crisis and resource the renewable energy transition come to be characterized by equity and justice.

Our mandate, which we accepted with a sense of pride and great responsibility, was to use the strength of our diverse perspectives and experiences to find common ground, foster cooperation and inspire urgent action. We believe that despite the significant risks and the chequered history, critical energy transition mineral value chains can offer a pathway to shared prosperity, economic transformation for developing countries, and the promise of energy security for all – but only if they follow the guardrails we outline above – chief of which are to leave no-one behind and to safeguard our fragile planet for future generations.

We are proud to present this report which demonstrates our shared commitment to change. We call on all actors to do their part to implement the Guiding Principles and Actionable Recommendations.

We emphasize the importance of ensuring the swift and immediate establishment of the High-Level Expert Advisory Group which is critical to ensuring the realization of the Guiding Principles to bring to life justice and equity.

Panel members are committed to, and hope that work will be taken forward for, mobilizing and bolstering multi-stakeholder cooperation globally to accelerate benefit sharing, value addition and economic diversification with a particular focus on the critical issues of non-discriminatory trade and investment, fair taxation to secure public revenues for industrial development and value addition, access to finance including the crucial role of the financial sector, as well as access to energy and support for the energy transition in developing countries.

In particular, we invite the United Nations High Commissioner for Human Rights, the UN Human Rights Council (UNHRC), all the Special Procedures of the UNHRC and Treaty Bodies, and other relevant institutions, such as the International Labour Organization (ILO) supervisory system, to integrate these Guiding Principles into their work and use their accountability instruments to monitor and ensure human rights and labour

rights compliance in critical energy transition mineral value chains and the protection of environmental human rights defenders and environmental defenders, with particular attention to safeguarding vulnerable groups such as children, women and elders. Particular attention should be devoted to the individual and collective rights of Indigenous Peoples.

Above all we call on all actors to uphold the rights of Indigenous Peoples, on whose lands much of the global reserves of critical energy transition minerals are located. Only by cooperating in good faith with Indigenous Peoples, treating them as equal partners in development, acknowledging their indispensable role in biodiversity protection, and respecting all of their rights, including as articulated in the UN Declaration on the Rights of Indigenous Peoples, and to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, will it be possible to resource the energy transition successfully, and with equity and justice.

ANNEXES



The UN Secretary-General's Panel on Critical Energy Transition Minerals meeting in Nairobi, August 2024. Photo: UN Environment Programme



MEMBERS OF THE UNITED NATIONS SECRETARY-GENERAL'S PANEL ON CRITICAL ENERGY TRANSITION MINERALS

Marit Kitaw, Interim Director of the African Minerals Development Centre, African Union

Warren Hauck, Assistant Secretary of the Energy Diversification and Security Branch, Department of Foreign Affairs and Trade, Australia

Lefoko Maxwell Moagi, Minister of Minerals and Energy, Ministry of Mineral Resources, Green Technology and Energy Security, Botswana

Gustavo Ludwig Ribeiro Rosas, Head of the Energy and Mining, Division Department of Energy, Ministry of Foreign Affairs, Brazil

Andrew Smith, Director General for International Assistance Policy, Global Affairs Canada, Canada

Rodrigo Urquiza, Chief, Department of International Affairs, Ministry of Mining, Chile

Chen Zhenyu, Director of Mineralogy Department, Institute of Mineral Resources, Chinese Academy of Geological Sciences, China

Johana Rocha Gómez, Vice Minister of Mines, Ministry of Mines and Energy, Colombia

Maurice Miema Miema, Director, Ministry of Mining, Democratic Republic of the Congo

Wael Abouelmagd, Assistant Foreign Minister for Legal Affairs, Ministry of Foreign Affairs, Egypt

Ditte Juul Jørgensen (Co-Chair), Director General, DG Energy, European Commission, European Union

Shri Vivek Kumar Bajpai, Joint Secretary, Ministry of Mines, India

Septian Hario Seto, Deputy Minister, Investment and Mining Coordination of the Coordinating, Ministry for Maritime and Investment Affairs of Indonesia, Indonesia

Yasuko Nishimura, Director, Resource Security Division, Economic Affairs Bureau, Ministry of Foreign Affairs, Japan

Zulfiya Suleimenova, Advisor to the President of the Republic of Kazakhstan - Special Representative of the President on International Environmental Cooperation, Kazakhstan

Mongolia

Teofilus Nghitila, Executive Director, Ministry of Environment, Forestry and Tourism, Namibia

Fatima Shinkafi, Executive Secretary and CEO, Solid Minerals Development Fund, Nigeria

Nozipho Joyce Mxakato-Diseko (Co-Chair), Former Ambassador and Permanent Representative to the United Nations, Former G77 Chair, Department of International Relations and Cooperation, South Africa

Abdulla Balala, Assistant Minister for Energy and Sustainability Affairs, Ministry of Foreign Affairs, United Arab Emirates

Tim Stern, Director for International Energy, Foreign Commonwealth & Development Office, United Kingdom of Great Britain and Northern Ireland

Anna Shpitsberg, Deputy Assistant Secretary for Energy Transformation, U.S. Department of State, United States of America

Do Hung Viet, Deputy Foreign Minister, Ministry of Foreign Affairs, Viet Nam

Gerald Mwila, Director, Geological Survey Department, Ministry of Mines and Minerals Development, Zambia

Gloria Magombo, Permanent Secretary for Energy and Power Development, Ministry of Energy and Power Development, Zimbabwe

Anabella Rosemberg, Head of Global Political Strategy and Senior Advisor on Just Transition, Climate Action Network International

Mark Robinson, Executive Director, EITI International Secretariat, Extractive Industries Transparency Initiative

Kristi Disney Bruckner, Law and Policy Director, Initiative for Responsible Mining Assurance

Rohitesh Dhawan, President and Chief Executive Officer, International Council on Mining and Metals

Tim Gould, Chief Energy Economist, International Energy Agency

Greg Radford, Director, Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development

Kemal Özkan, Assistant General Secretary, IndustriALL Global Union

Francisco Boshell, Head of Innovation and End Use Applications, International Renewable Energy Agency

Suneeta Kaimal, Chief Executive Officer and President, Natural Resource Governance Institute

Karim Dahou, Director for OECD Global Relations and Cooperation, Organisation for Economic Cooperation and Development

Adam Matthews, Chief Responsible Investment Officer, Church of England Pensions Board (Principles for Responsible Investment)

Dario Mejia Montalvo, Chairperson, Permanent Forum on Indigenous Issues, United Nations Permanent Forum on Indigenous Issues

Sara Olsvig, International Chair, Inuit Circumpolar Council, United Nations Permanent Forum on Indigenous Issues

Beniamin Strzelecki, Member, United Nations Secretary-General's Youth Advisory Group on Climate Change

Demetrios Papathanasiou, Global Director, World Bank Energy and Extractives Global Practice, World Bank



PROCESS OF THE UNITED NATIONS SECRETARY-GENERAL'S PANEL ON CRITICAL ENERGY TRANSITION MINERALS

The Panel on Critical Energy Transition Minerals was launched by United Nations Secretary-General António Guterres on 26 April 2024. It completed its work on 3 September 2024 and submitted its final report to the Secretary-General shortly after.

The Panel was supported by a UN technical Secretariat, co-led by the Secretary-General's Climate Action Team, the United Nations Environment Programme and the UN Trade and Development. Seventeen UN agencies provided the Panel with technical expert advice.

The Panel's workplan entailed a two-phase approach. Phase one focused on identifying priorities through four thematic workstreams: Benefit sharing, local value addition and economic diversification; transparent and fair trade and investments; sustainable, responsible and just value chains; and mineral value chain stability and resilience. Building on the outcomes of the workstreams, phase two was devoted to drafting the Guiding Principles and Actionable Recommendations.

The Panel met regularly online including thirteen virtual meetings, of which eight were dedicated to the workstreams. It met in-person twice, in Copenhagen in July, and in Nairobi in August.

To help the Panel develop stronger and clearer outcomes and recognizing the need for a transparent and inclusive process, the Co-Chairs and Panel members proactively engaged a broad variety of actors. This included stakeholder dialogues with civil society, finance, industry, and artisanal and small-scale mining representatives, briefings to UN Member States, numerous

bilateral meetings and small group discussions held by the Co-Chairs and Panel members.

Recognising the importance of inputs from a broader range of actors, an online consultation was completed via the United Nations website.

Over 100 submissions from governments, organizations, business, financial institutions and individuals were received over a one-month period.



TIMELINE OF MEETINGS AND ENGAGEMENTS

26 APRIL	PANEL LAUNCH
22 MAY	PANEL MEETING (VIRTUAL)
6 JUNE – 27 JUNE	<p>Workstream meetings (virtual):</p> <ul style="list-style-type: none"> → Workstream: Benefit sharing, local value addition and economic diversification → Workstream: Transparent and fair trade and investments → Workstream: Sustainable, responsible and just value chains → Workstream: Mineral value chain stability and resilience
8 - 9 JULY	COPENHAGEN PANEL MEETING
10 JULY	<p>Consultative meetings (in-person) with representatives from:</p> <ul style="list-style-type: none"> → <i>The seven sociocultural regions</i> → <i>The Group of 77 and China Geneva Chapter</i> → <i>United Nations Expert Mechanism on the Rights of Indigenous Peoples</i> → <i>International Labour Organization</i> → <i>Office of the United Nations High Commissioner for Human Rights</i> → <i>World Intellectual Property Organization</i> → <i>World Trade Organization</i>
12 JULY	United Nations Member States briefing (New York)
22 JULY	Stakeholder Dialogue: Civil Society Organizations (virtual)
29 JULY	Stakeholder Dialogue: Finance (virtual)

2 JULY - 30 JULY	Call for written submissions (online portal)
1 AUGUST	VIRTUAL PANEL MEETING
8 AUGUST	VIRTUAL PANEL MEETING
9 AUGUST	Stakeholder Dialogue: Civil Society Organizations (virtual)
12 AUGUST	Stakeholder Dialogue: Industry (virtual)
13 AUGUST	Stakeholder Dialogue: Artisanal and Small-scale Mining (virtual)
19 AUGUST	Secretariat briefing to the Committee of Permanent Representatives (hybrid, Nairobi)
20 - 21 AUGUST	NAIROBI PANEL MEETING
28 AUGUST	VIRTUAL PANEL MEETING
3 SEPTEMBER	VIRTUAL PANEL MEETING
11 SEPTEMBER	Release of the Report of the Panel

IV

TERMS OF REFERENCE FOR THE UNITED NATIONS SECRETARY-GENERAL'S PANEL ON CRITICAL ENERGY TRANSITION MINERALS

1. BACKGROUND

The energy transition and successfully reaching the goal of the Paris Agreement to limit global temperature rise to 1.5 degrees Celsius by the end of the century depends heavily on the sufficient, reliable and affordable supply of critical energy transition minerals. According to the International Energy Agency, the demand for these minerals is set to almost triple over the period to 2030 as the world transitions from fossil fuels towards renewable energy sources.

As extraction accelerates to match the needs of the energy transition, it will be crucial to ensure the countries and local communities endowed with these resources are the ones to benefit most, in line with a just and equitable energy transition and long-term sustainable development. Stakeholders will need to build trust, reliability, sustainability, and benefit sharing in existing and any new energy transition minerals value chains, while maximizing local value addition and minimizing negative environmental and social impacts.

Without proper management, increased demand for these critical energy transition minerals risks exacerbating geopolitical tensions and environmental and social challenges. These include adverse impacts on livelihoods, environment, health, human security and human rights. In response, there has been a proliferation of national, intergovernmental, and industry-led initiatives to address these various supply chain challenges and attempt to reduce risks.

However, there is a growing need to better coordinate, consolidate and strengthen these efforts and policies by providing globally agreed guidance to ensure responsible, fair and just value chains, as well as a reliable and sustainable supply of these minerals for the energy transition.

In response to calls from developing countries for support to develop such guidance, the UN Secretary-General announced at COP28 that he would establish a Panel on Critical Energy Transition Minerals. The Panel was launched in April 2024 and brings together governments, intergovernmental and international organizations, industry and civil society. It was tasked by the Secretary-General to develop a set of global common and voluntary principles to guide countries, extractive industries, the UN and other stakeholders up and down the critical energy transition minerals value chains in the years ahead.

The outcome of this process will overlay and complement the work of the UN Secretary-General's Working Group on Transforming the Extractive Industries for Sustainable Development and its flagship initiative on 'Harnessing Critical Energy Transition Minerals for Sustainable Development.'

2. TASKS

The Panel will develop a set of global and common voluntary principles on issues which are key to building trust between governments, communities and industry, enhancing transparency and investment and ensuring a just and equitable management of sustainable, responsible, and reliable value chains for terrestrial critical energy transition minerals.

The principles should seek to fulfil the following objectives:

- Support global decarbonization by enabling mineral-producing countries to yield sustainable economic and social benefits from their mineral resources and value chains.

- Support a just and equitable transition to renewable energy supply while harnessing critical energy transition minerals for sustainable development.
- Promote research and development, sound infrastructure, and a growing skills base in mineral-producing countries.
- Integrate and strengthen global supply chains of critical energy transition minerals and the support for economic diversification, and green industrialization, while ensuring sustainability of these value chains globally, particularly in developing countries.
- Ensure countries and local communities endowed with these minerals resources fully benefit economically, including through local value addition, while safeguarding human rights, social and environmental protections for affected communities and ecosystems.
- Build and preserve inter-generational equity through sustainable management and effective governance of critical energy transition minerals value chains.
- Strengthen international cooperation including through the transfer of technology and knowledge and the alignment and harmonization of existing norms, standards and initiatives and agree on areas for enhanced multilateral action.
- Promote global resource efficiency and circularity.
- Promote the implementation of the agreed to principles of the multilateral system, including the UNFCCC and its Paris Agreement.

3. SCOPE

The following non-exhaustive areas could be covered by the principles, building on existing commitments and agreed frameworks:

I. Benefit sharing, local value addition and economic diversification

Ensuring any benefits from the extraction, production and processing of critical energy transition minerals are shared fairly, particularly with local communities and mineral-producing countries, while also contributing to the economic structural transformation of mineral-producing developing countries by introducing new sustainable upstream, side-stream and downstream activities linked to critical energy transition minerals, generating more employment, higher and more stable revenues and intergenerational social economic advancement.

II. Transparent and fair trade and investments

Enabling trade and investments in critical energy transition minerals through fair, transparent and accountable practice and cooperation, across entire supply chains, supported by innovation, technology sharing and capacity development.

III. Sustainable, responsible and just value chains

Promoting environmental sustainability, ensuring the protection of human rights including the right to development, securing social justice, encouraging responsible businesses and governments to preserve the integrity of the environment, implementing and upholding the rule of law, contributing to climate action, supporting circular economy principles of reuse, recycle and recovery, and going beyond doing no harm to create net positive benefits, including through value addition and community benefit sharing. Furthermore, ensuring protection and respect of the human rights of Indigenous Peoples, local communities, workers, children and people affected by mineral development.

IV. Mineral value chain stability and resilience

Facilitating the reliable, resilient, secure, sustainable and affordable supply of critical energy transition minerals through cooperation between producers and consumers including

the expansion, access, financing, infrastructure and diversification of mineral supply chains, as well as respect for the principle of sovereignty, equal rights, right to development and self-determination of peoples.

4. MODE OF OPERATION

In discharging its tasks, the Panel will build on existing national, intergovernmental and industry-led initiatives and commitments to develop the principles through an inclusive and transparent process that intensifies international cooperation and collaboration in the field.

The Panel will conduct its work in accordance with the following modalities:

- **Panel meetings:** The Panel will meet as often as needed, based on a work plan to be proposed by the Co-Chairs at the first meeting of and agreed by the Panel, to ensure delivery of its tasks. Meetings will generally be virtual, but with in-person meetings as needed.
- **Consultations:** The Panel will engage in inclusive consultations with a broad range of stakeholders including Member States, UN entities, international and intergovernmental organizations, industry stakeholders and civil society, as well as existing initiatives and platforms focused on critical energy transition minerals value chains.
- **Technical and policy support:** Relevant UN and key technical partners will provide technical, scientific and policy advice to the Panel.

The Panel will be supported by a Panel Secretariat co-led by the United Nations Secretary-General's Climate Action Team (CAT), the UN Trade and Development (UNCTAD) and the United Nations Environment Programme (UNEP). The Panel Secretariat will lead operational activities and coordination.

The Panel Secretariat will include a Technical Advisory Group, composed of UNCTAD, UNEP, the International Labour Organization, the Office of the High Commissioner for Human Rights, Sustainable Energy for All, the United Nations Development Programme, the United Nations Economic Commission for Africa, the United Nations Economic Commission for Europe, the United Nations Economic Commission for Latin America and the Caribbean, the United Nations Economic and Social Commission for Asia and the Pacific, the United Nations Economic and Social Commission for Western Asia, the United Nations Children's Fund, the United Nations Industrial Development Organization, the United Nations Global Compact, the United Nations Office on Drugs and Crime, the World Trade Organization and the Assistant Secretary-General for Youth Affairs and potentially other relevant entities to provide substantial inputs and technical advice to aid the work of the Panel.

5. MEMBERSHIP

The UN Secretary-General will appoint members to the Panel ahead of the first meeting of the Panel. In doing so, due consideration will be given to ensure geographic and gender balance. Governments, intergovernmental and international organizations, and non-state actors selected by the Executive Office of the Secretary-General will be asked to nominate an expert representative to join the Panel. Panel members shall have proven expertise in the extractive industries field or a related area.

The Secretary-General will appoint the two Co-Chairs of the Panel from among its members, taking into account regional diversity.

The Co-Chairs will:

- **Convene and chair Panel meetings;**
- **Steer process and facilitate common ground and consensus;**
- **Oversee the work of the workstreams;**

→ **Oversee and guide drafting and finalization of guiding principles.**

Membership to the Panel is non-transferable, unless agreed by the Panel Co-Chairs in consultation with the Executive Office of the Secretary-General.

Membership to the Panel will be based on role and affiliation. Consequently, if an individual Panel member changes their position their membership will cease. Exiting or withdrawal from the Panel can be done at any time, by a letter addressed to the Co-Chairs and Executive Office of the Secretary-General. If such a situation arises, the Secretary-General will review the need to appoint another member as a replacement.

6. TIMELINE

The Panel will submit its work to the Secretary-General ahead of the United Nations General Assembly in September 2024.

7. BUDGET AND STAFFING

Operational costs of the Panel and Panel Secretariat will be funded by donor resources. This funding will be provided without stipulation of outcomes or objectives or conditions of any kind.

Decisions on resource allocations and expenditures will be made by the Executive Office of the Secretary-General, in consultation with the co-leads of the secretariat.

Members of the Panel will be responsible for their own costs related to their participation in the Panel meetings, unless otherwise agreed with the Executive Office of the Secretary-General.

8. CONFIDENTIALITY

Members of the Panel, as well as the entities or organizations that they represent, will treat as confidential the Panel's deliberations, all drafts of the Panel's work and any information, document or data that is communicated or received by the Panel on a confidential basis.

9. PRESS STATEMENTS

Issuance of any press statements by the Panel or its members concerning the work, findings and recommendations of the Panel, will be subject to the Executive Office of the Secretary-General's prior written approval.

10. PERFORMANCE OF FUNCTIONS

The UN, including its Funds and Programmes, and UN Specialized Agencies will exercise their role in relation to the Panel in accordance with their respective governing instruments, including their respective regulations, rules, procedures and policies.

11. ARCHIVING

Upon the completion of its work, the records of the Panel will be transferred to the Archives and Management Section.



UN SECRETARY-GENERAL'S PANEL ON
**CRITICAL ENERGY
TRANSITION MINERALS**

