

MEMORANDUM OF UNDERSTANDING BETWEEN THE EUROPEAN UNION AND AUSTRALIA ON A STRATEGIC PARTNERSHIP ON SUSTAINABLE CRITICAL AND STRATEGIC MINERALS

Paragraph 1

Context

The European Union (EU) and Australia are committed to full implementation of the Paris Agreement, to achieve net zero emissions and to accelerate the transition to becoming net zero economies by 2050. The EU and Australia (hereinafter “the Sides”) recognise that sustainable critical and strategic minerals play an essential role in the development of a net zero economy and share a commitment to building secure, stable, ethical, and sustainable critical and strategic minerals supply chains.

To that end, the Sides wish to establish a Partnership on Sustainable Critical and Strategic Minerals (hereinafter “the Partnership”) and are signing this Memorandum of Understanding (the Memorandum) for this purpose.

Paragraph 2

Objectives

The Partnership provides a framework for the Sides to build secure sustainable critical and strategic minerals value chains between the EU and Australia that support the clean energy and digital transition and are relevant for other key industrial sectors such as defence and aerospace.

Concretely, the Partnership, based on mutual benefits, aims to support the following objectives:

- a. Identify and jointly develop projects of mutual interest and benefit along the entire value chain in the EU and in Australia, including by facilitating business-to-business links and supporting investments in sustainable critical and strategic minerals projects.
- b. Enhance economic and industrial integration of the Sides in the sustainable and strategic value chain of critical minerals.
- c. Develop open, fair and competitive markets for critical raw and processed minerals, to develop Australia’s domestic critical minerals sector and enable the EU to diversify its suppliers for materials necessary to achieve the green and digital transition and its open strategic autonomy.
- d. Closely cooperate on environmental, social and governance (ESG) standards and assessments and coordinate in international fora, where appropriate including to:
 - align international mineral pricing with high ESG standards;
 - strengthen supply chain transparency and promote market recognition for high ESG standards;
 - strengthen market opportunities and projects for EU and Australian industry players with strong responsible mining credentials.
- e. Closer cooperation on research and innovation along the critical minerals value chain, including advancing exploration and discovery, earth observation, innovative extractive, processing, refining, circularity and recycling technologies.
- f. Explore cooperation in third countries where the EU and Australia have mutual interests, while minimising environmental impacts and benefitting local communities.

- g. Promote innovative and digital technologies and services for mining and other projects along the critical minerals value chain.

Paragraph 3

Principles and scope of the Partnership

The Partnership should be conducted in concordance with the Framework Agreement, which establishes a framework to facilitate and promote cooperation between the two Sides.

The Partnership aims to facilitate strong multi-level public-private partnership with the participation from relevant representatives from EU and its Member States, Australian government agencies (trade, mineral resources, geoscience, foreign affairs, finance), companies, business associations, non-government organisations, and other financial, scientific, technical, and educational institutions and investors, as mutually decided by the two Sides.

The Partnership covers the entire critical and strategic minerals value chain - exploration, extraction, processing, refining, recycling, and processing of extractive waste.

The MoU sets the political framework, the shared commitment to enhance cooperation in the following three areas of collaboration:

- a. integration of sustainable raw materials value chains, including networking, joint facilitation of projects (e.g. via joint ventures), creation of new business models and promotion and facilitation of trade and investment linkages, ensuring the well-functioning, sustainability and resilience of these critical supply chains.
- b. cooperation on research and innovation along the raw materials value chains, including on minerals knowledge and the minimisation of environmental and climate footprint.
- c. cooperation to promote high ESG criteria and improved policy alignment, driven by high regard for worker conditions and worker safety, and the importance of sustainable and secure production of critical minerals.

Paragraph 4

Implementation

The Framework Agreement, and in particular article 27, gives the institutional framework for the implementation and monitoring of this non-binding Partnership, which complements the Framework Agreement in the area of cooperation on raw materials.

In order to implement this Partnership, the Sides intend to:

- a. Establish an officials' level Critical and Strategic Minerals Dialogue (the Dialogue), under the auspices of the broader Framework Agreement (Article 3 and of paragraph 4 of Article 27).
- b. Share requested information, as appropriate, to enable implementation of this Partnership.
- c. Within 6 months from the signature of this Memorandum, the sides envisage developing a Roadmap. The Roadmap would complement the Memorandum and include specific actions to start cooperating in each area of collaboration. It would engage stakeholders from both sides and would identify the leading organisations to implement each action.
- d. Discuss any other matters as decided by the Sides.

- e. organise meetings of the bilateral dialogue on a regular basis and as necessary, to take stock of the Partnership progress, discuss possible new strategic collaboration directions and endorse the Roadmap for the upcoming period. The Sides, may, by mutual consent, propose a Ministerial level meeting for strategic matters.

Paragraph 5

Status of the Partnership

The partnership is not intended to and does not create legally binding rights or obligations under international or domestic law. In particular, nothing in this Memorandum represents a commitment of financing on the part of either Side.

Furthermore, this Memorandum does not intend to represent any commitment from either Side to give preferential treatment to the other Side in any matter contemplated herein or otherwise.

In the process of implementing the Partnership, the Sides intend to ensure mutual protection of each other's interests, including of information that is confidential for the public authorities and companies concerned.

The Partnership may be modified by mutual written consent of the sides. The Partnership may be discontinued by either side giving at least six months written notice to the other Side. The Sides should consult to determine how to deal with any outstanding matters. The activities described in this Memorandum are to commence on the day after it has been signed by both Sides.

Signed at Canberra on the 28th May 2024.

Signed at Brussels on the _____ 2024.

For the European Union

For Australia

Thierry Breton

The Hon Madeleine King MP

Commissioner for Internal Market

**Minister for Resources and Minister for
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