



POLICY BRIEF

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Fostering stakeholder dialogue and co-management for sustainable raw materials management in Europe

Summary

- *European raw materials policy pursues a three-pillar approach: (1) enhancing sustainable use of European domestic mineral sources, (2) fostering resource efficiency, recycling and substitution, and (3) securing access to resources, good governance, and creation of local value added in developing countries. The European Innovation Partnership (EIP) on raw materials is a core strategy to support this.*
- *Natural resource governance is taking place in high institutional complexity and surrounded by substantial uncertainty and ambiguity. Therefore, co-management of stakeholders, i.e. sharing of responsibilities, rights and duties between local communities, businesses and public institutions, becomes crucial. Here, participants must know from the beginning, what the outcome of the process can be and which influence the process can have on this. This is important also for the perceived fairness of the process and the outcome. Only if the latter is achieved stakeholder acceptance can be reached. To create space for a successful process the time-factor has to be taken into account.*
- *The closing conference highlighted a diverse set of contentious and wicked issues, needing more dialogue and improved co-management of stakeholders in order to better align economic needs with environmental and social concerns. In this context, openness to different visions and perspectives, and commitment to mutual learning are essential. This requires stakeholders' willingness to participate and their access to or influence on decision-making processes. Furthermore, it needs a skilful, independent facilitating actor, as well as simple and tangible dialogue topics for the target audiences.*

[European raw materials policy context](#)

[Principles of co-management need to be taken into consideration for effective multi-stakeholder governance](#)

[Meaningful dialogue requires skilful, independent facilitation, clear objectives and tangible dialogue](#)



1. What is the European Raw Materials Policy context?

Overall, Europe's economy and society's well-being largely depend on the secure supply and use of natural resources, and raw materials in particular.

The strategic importance of secure supply as well as efficient and sustainable management of raw materials are focus areas in EU's policies since the adoption of the **Raw Materials Initiative** (European Commission, 2008) through to the latest policy initiative, the **European Innovation Partnership (EIP) on raw materials** from 2012. Following a **three-pillar approach to improving access to non-energy and non-agricultural raw materials**¹ (see Figure 1) raw materials management must include: (1) sustainable use of European domestic mineral sources, (2) fostering resource efficiency, recycling and substitution, and (3) an international dimension of securing access to resources, good governance, and creation of local value added in developing countries.

The EIP on raw materials aims to **reduce the EU's import dependency on raw materials by 2020** by accelerating innovations that ensure secure, sustainable supplies of both primary and secondary raw materials or prevent wastage of key raw materials during all their life cycle (European Commission, 2012b). In this endeavour, the EIP attempts to bring together a **wide range of different stakeholders along the entire value-chain** (Member States' governments, companies, NGOs, research institutions, etc.) to develop joint strategies, pool together capital and human resources, and ensure the implementation and dissemination of innovative solutions within Europe.

In September 2013, a **Strategic Implementation Plan (SIP)** was adopted that specifies the following action areas with the aim to implement the EIP's objectives:

Technological	Non-technological	International
e.g. developing environmentally friendly and resource efficient technologies for raw material production; coordinating raw material research and innovation	e.g. improving public trust, communication and transparency for exploration and mining activities; preventing illegal waste shipments	e.g. facilitating global raw materials governance; improving health, safety and environmental performance of mining activities worldwide

Innovation is fostered both through funding and collaboration structures, as well as through launching an open call for **raw materials commitments**. Stakeholders from the private, public and non-governmental sectors, including academia, are encouraged to commit themselves to raw material related innovation actions in order to mobilise a substantial part of the European raw materials community and, therefore, extend the potential impact of the EIP.

¹ I.e. including metallic minerals, industrial minerals, construction materials, wood, natural rubber.

EU raw materials policy integrates domestic extraction, boosting recycling and international resource access.

EIP on raw materials fosters innovation and stakeholder dialogue along the value-chain.

Implementation plan for the EIP on raw materials sets action areas and issues call for commitments.

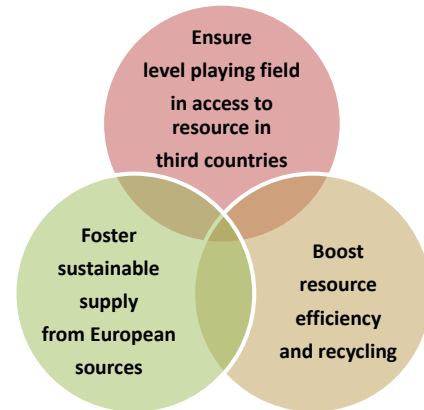


Figure 1: Pillar-based approach of EU raw materials policy

Source: adapted from Pellegrini (2013)



2. Need for fostering dialogue in sustainable raw materials management

Raw material policy is happening in the context of highly volatile commodity prices, geopolitical issues, scarcity concerns and increasingly a nexus perspective, e.g. the energy need for and climate change impacts associated with materials production. In order to address these challenges, raw materials policy will need, inter alia, to

Challenges for raw materials policy call for new governance modes.

- enhance knowledge on primary and secondary resources and reserves, innovation potential, existing policy frameworks;
- establish international networks and partnerships;
- encourage alliances and new business models;
- create and foster inclusive institutions (ready to and capable of meaningfully involving relevant stakeholders) at all levels.

As natural resource governance is taking place in high institutional complexity and surrounded by substantial uncertainty and ambiguity, (enhancing the capacities for) co-management of stakeholders should be taken seriously. Co-management means the “sharing of responsibilities, rights and duties between primary stakeholders, in particular, local communities and the nation state, as well as a decentralized approach to decision-making that involves the local users in the decision-making process as equals with the nation-state” (World Bank 1999, p. 11).

Co-management of stakeholders empowers local stakeholders

The power between the public and private actors must be shared, and the process and goal must be clear to the stakeholders. The stakeholders must know from the beginning, what the outcome of the process can be and which influence the process can have on this process. This is important also for the perceived fairness of the process and the outcome. Only if the latter is achieved stakeholder acceptance can be reached. However, co-management is not a panacea, nor is there a blue-print for successful co-management processes. In all cases, however, it is important to generate knowledge, coordinate, create transparency and accountability, and have a legitimate process. In this regard, the time factor is crucial in order to provide a setting for a successful process.

Principles of co-management need to be taken into consideration for effective multi-stakeholder governance.

3. The COBALT closing conference: Issues needing further dialogue

The COBALT Closing Conference, that took place in Brussels on 23-24 March 2015, brought together more than 70 stakeholders from all over Europe. The event was designed to **enable various stakeholders to exchange experiences and perspectives, for mutual learning and understanding.** Through interactive group work, the following issues were highlighted as needing (to foster) dialogue and improved co-management of stakeholders:



Fig. 1: Graphical recording of wicked issues identified during the COBALT closing conference



Wicked issue 1: Peak resources

Wicked issue:
Reframing peak resources to security of supply is deemed necessary.

In exchanging different perceptions on and arguments for or against peak resources the table group recommends framing the dialogue on this topic better, i.e. not speaking of peak resources, but rather of criticality and security of supply, which will be more likely to resonate with larger stakeholder audiences. Such a framing should then be used to create and foster dialogue at EU level, having relevant stakeholders (business, research, policy makers and civil society organisations) discussing the issue and bringing in (their) relevant knowledge.

Wicked issue 2: Optimal recycling rates

Wicked issue:
Constructive discussions on economically, environmentally and socially optimal recycling rates are needed.

The table group agreed that it is essential to bring (new) stakeholders (e.g. investors) into the dialogue and to openly and constructively discuss what would be economically, environmentally and socially optimal recycling rates. In this context, the dialogue participants discussed (i) what recycling means to and (ii) what the (main) purpose of recycling is for different stakeholders, (iii) what we need to (do and put in place to) get there, (iv) how this fits to the current prevailing definition of recycling, (v) and hence what should be improved. In order to foster the importance of the Circular Economy narrative in the EU. Participants argued that there is a need to enter into the dialogue discussions relevant issues and success factors, such as highlighting the societal benefits through jobs and growth as well as resource security; providing incentives to producers and consumers, e.g. through taxation systems; supportive framework conditions, including ambitious recycling rates, certifying recyclers, defining quality criteria and strict monitoring; channeling the waste streams clearly.



Wicked issue 3: Acceptable mining practices in our backyard

Wicked issue:
Developing a code of conduct for mining operations requires open and honest exchange between key actors.

It was deemed crucial to develop and establish a code of conduct for mining operations. Here, a main challenge is how best to make the code of conduct trusted by local communities. This links to the question of which actor(s) should communicate this code of conduct, e.g. the question of who might be the most trustworthy player for the communication. Local authorities should play an important role in this process as they operate on and are rooted in the local cultural and socio-economic context. They could thus be(come) key players for communicating on and creating awareness of the code of conduct of mining operations in a local community. However, this will depend on whether or not local authorities are considered trustworthy players in the local community.

Based on experience of participants in the working group, another discussion centered on how to engage activists campaigning against mining operations. For instance, in different mining conflicts, opposing activists were not from the local community, but from other regions or even other countries. Hence, there should be ways of ensuring that the local community gets involved, too, and thus the chance to voice their concerns and views. Here, participants agreed that while providing space to voice concerns is important, an engaging mechanism must not stop at exchanging positions, but to progress towards bringing it to a conclusion.

Wicked issue 4: Internalising environmental costs

Wicked issue:
Internalising external costs requires defining the costs addressed and the stakeholders to be involved.

In many EU Member States, industries already have to internalise some of their external costs, for instance through taxation. It seems that many stakeholders do not really know or have different perceptions of what environmental costs are, hence the question arise how far we should go in defining what exactly environmental costs are, whether they are pre- or post-operational, what should be the considered time frame and altogether how far environmental costs should be internalized?

Furthermore, when generally speaking about internalizing costs, the discussion emerged to what extent social and economic aspects should be considered, even though they will have to be assessed in a different way?

Participants also debated about who would be relevant stakeholders? This needs to be considered carefully in each specific situation as it can be difficult to understand and identify those who should be involved. Participants concluded that this largely depends on the question who bears the (major part of the) costs, whether society as a whole, consumers, or specific industries. In this context, mistrust and uncertainty as to which information and sources are credible and could be used in dialogues should be overcome.



Wicked issue 5: Embedding eco-design approaches

Wicked issue:
Embedding eco-design approaches needs stakeholder capacities and incentives.

Working group participants strongly favoured the development of a “radical” systemic information platform with new rules, which are created by the participants that pursues a holistic approach. In this context, in particular the capacities of CSOs to enter into this dialogue must be enhanced, e.g. through providing financial support for their participation.

Furthermore, participants argued that incentives are also relevant for industries to encourage rethinking of business models and attitudes. Through the use of incentives, industries could furthermore be encouraged to implement new measures, learning from front runners. The discussion largely revolved around the context of new business models where services are sold instead of products.

In this regard, the development of specific product or services groups with different value chain representatives and also pilot-testing and implementing projects and new business models would be supportive.

Wicked issue 6: Influencing consumer behaviour

Wicked issue:
Relevant, targeted and accessible information as well as attractive behaviours are needed for consumer behaviour change.

Participants concluded that consumers need to be provided with relevant, targeted, sufficient and accessible information in order to make more sustainable purchasing decisions. The dialogue should start at a specific product area level, jointly defining a vision and objectives of why, how and for what purpose to influence behaviour. As consumer behaviour is not purely rational, but also depends on emotions, habits, etc., it appears crucial to include trend-setters into the stakeholder dialogue in order not only to provide information, but to make the expected or “wanted” behaviour trendy, attractive, emotionally relevant, etc. for those expected to show the “wanted” behaviour.

In such stakeholder dialogues, whether on specific product level or scaled-up, all relevant stakeholders along the value chain should be approached and invited for participation: inter alia consumer associations, producers, marketing, trendsetters, retail/trade (salespeople), service providers, government (legislation, standards), education/schools and media.

4. Conclusion

Meaningful dialogue requires skilful, independent facilitation, clear objectives and tangible dialogue topics.

The closing conference highlighted a diverse set of **contentious and wicked issues**, needing more dialogue and improved co-management of stakeholders in order to better align economic needs with environmental and social concerns. In this context, openness to **different visions and perspectives and commitment to mutual learning are essential**. This requires setting up and maintaining meaningful dialogue with participants who are **willing to participate and with access to or influence on decision-making processes**. Furthermore, it needs (i) a skilful, independent facilitating actor, creating or ensuring a catalysing environment and framework conditions; (ii) clarifying the dialogue objectives, the dialogue process, and possible outcomes of the dialogue early on; and (iii) keeping dialogue topics simple and tangible for the target audiences.



5. References

Pellegrini, M. (2013). How innovation can deliver solutions for raw materials and the EU's needs: Objectives of the European Innovation Partnership on raw materials. Presentation to the COBALT opening conference, 28/29 November 2013, Brussels. Available from <http://www.cobalt-fp7.eu/conference>

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Authors

This policy brief was written by Martin Hirschnitz-Garbers, Andreas Endl and Gerald Berger. Results are based on the discussions during the COBALT closing conference 23-24 March, 2015 in Brussels. An extended conference report can be downloaded here: <http://www.cobalt-fp7.eu/download>

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