



A Green and Fair Transition - For Whom?

An analysis from Latin America

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Introduction

Extractive activities such as mining, industrial agriculture, heavy industry, and fossil fuel extraction have underpinned economic development and the global economy for centuries.

At the same time, they generate significant socioenvironmental impacts and have contributed greatly to the socio-environmental and climate crisis, which threatens the planet's balance and our very existence as humanity. This crisis also raises an issue of intergenerational justice and profoundly questions our relationship with nature, as it negatively affects the opportunities and rights of future generations, as well as those of animal and plant species whose habitats are threatened, reduced, and destroyed.

The harmful impact of extractive activities is felt primarily at the local level, contaminating soil, air, and water, causing severe damage to biodiversity, appropriating vast areas of land, and consuming large quantities of water and other natural resources. In doing so, they dramatically affect the human rights of local communities and Indigenous peoples, including the right to health, water, food, work, and a healthy environment. Often, extractive activities generate inequality, conflicts, and violence, which can severely threaten the safety of the population, particularly that of land, environmental, and nature defenders.

Given this reality, it is necessary and urgent to transition towards a global economic model that respects planetary boundaries and is fairer, more equitable, and more sustainable for all people, living beings, and nature. For this transition to be effective and not merely an exercise in greenwashing, it seems essential to establish robust regulatory and institutional frameworks that consider and incorporate the perspectives and needs of frontline communities, primarily in the Global South, who face the consequences of extractivism and the climate crisis most directly and who fight to safeguard their territories, cultures, and ecosystems. In an effort to move towards a greener economy, the European Union launched the European Green Deal in 2019. Initially, this Deal aims to transition towards climate neutrality in Europe by 2050, with the goal of addressing the climate crisis.



The European Green Deal aims to make Europe climate-neutral by 2050, boost the economy through eco-technology, create sustainable industry and transport, and reduce pollution. Turning climate and environmental challenges into opportunities will ensure that the **transition is fair and inclusive for all**"¹

EUROPEAN COMMISSION

¹ Green Transition - European Commission

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In recent years, the European Union has promoted the concept of a *just and green transition* in various declarations and public policies.

However, when analysing the package of strategies, policies, and legislation implemented under the European Green Deal, the concept of a just and green transition appears to be narrowly interpreted.

What is observed instead is a set of public policies and legislation primarily aimed at securing European economic growth and ensuring access to the raw materials necessary for a transition to cleaner energy sources in Europe, allowing the European population to maintain its standard of living and consumption patterns.

As this paper will explore, an energy transition framed in this way exerts additional pressure on communities living in extraction zones, as well as on their habitats both in the Global South, including Latin America, and in Europe. This approach risks replicating extractivist and neocolonial practices, further marginalising disadvantaged populations, who are the most affected by climate change despite having contributed the least to it. Instead of subverting established economic and geopolitical dynamics, such a concept of transition may perpetuate old structures, while also increasing dependence on mineral resources.

We argue that while an energy transition is essential, for it to be truly just and green, it must be accompanied by a transformation of economic and consumption models. This transformation should be anchored in strong regulatory and institutional safeguards, placing human rights and the sustainability of life at the core. Simply replacing fossil fuels with miningbased alternatives or renewable energies that cause significant socio-environmental impacts in the Global South risks replicating harmful patterns, reproducing bad practices from fossil fuel industries, and worsening conditions for directly affected communities.²

Therefore, six years after the launch of the European Green Deal, we ask: What does the just and green transition promoted by the EU truly mean? Who will benefit from its justice, and who from its sustainability? How transparent and respectful of human rights are these mechanisms? What does a just and green transition look like from a Latin American perspective?

To explore these questions, the first section of this paper presents a brief analysis of the European narrative on a just and green transition, as expressed in key legislation and public policies. We then examine the historical impacts of extractivism in Latin America, the region's struggles and resistance, and the potential risks and impacts if the European energy transition policy fails to prioritise human rights, due diligence, global justice, and the meaningful participation of affected populations. Finally, we provide recommendations for European policymakers.

² From a Vicious to a Virtuous Circle – Anti-slavery

01 The European Delicy

The European Policy for a Green Transition

In 2019, the European Union (EU) launched the **European Green Deal**³, later complemented by a Green Industrial Plan⁴, a set of measures, policies, and legislative projects through which the EU aims to address the environmental and climate emergency threatening the balance of the planet and our existence as humanity.

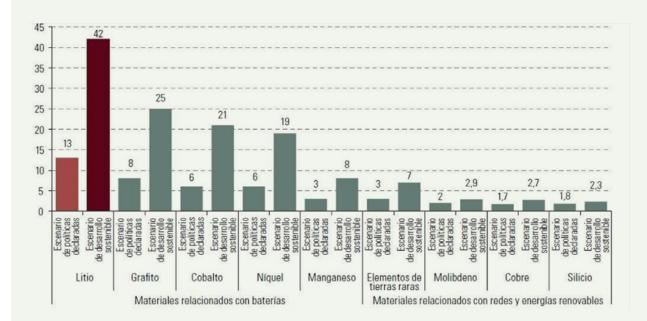
³ The European Green Deal – European Commission

⁴ The Green Deal Industrial Plan – European Commission

One of its central goals is to transition to climate neutrality by 2050, in line with the commitments made by the EU under the Paris Agreement.

Through this deal, the EU seeks to reduce its greenhouse gas emissions by promoting the use of renewable energy sources (solar, wind, hydrogen, among others). The infrastructure required to produce this electricity (through wind turbines, solar panels, etc.), transport it (via high-voltage lines), and store it (in batteries) typically requires vast stretches of land and large quantities of raw materials such as nickel, cobalt, copper, or lithium, many of which are classified as critical or strategic. The war between Russia and Ukraine and the growing commercial and geopolitical competition with China have exposed the vulnerability of the supply of these raw materials to the EU, which depends on very few supplying countries. China not only holds a large share of the world's critical raw material reserves but has also secured privileged access to deposits in other countries and controls much of the processing of these minerals. In fact, in 2020, China was the supplier of 44% of the critical raw materials used in the EU⁵.

Figure 1: Crecimiento relativo de la demanda de minerales seleccionados utilizados en energíaslimpias, proyección hacia 2040 (En número de veces sobre la demanda estimada de 2020)⁶



Fuente:

Comisión Económica para América Latina y el Caribe (CEPAL), sobre la base de Agencia Internacional de Energía (AIE), The Role of Critical Minerals in Clean Energy Transitions, París, 2021.

⁵ Critical raw materials for the EU Enablers of the green and digital recovery - European Parliament

⁶ The declared policies scenario refers to the prevailing direction of energy system progression, based on a detailed review of current policy frameworks. The sustainable development scenario outlines the pathway to stabilising global temperature rise at 1.5°C and achieving universal access to electricity and modern energy systems by 2030: <u>Executive summary – World Energy Outlook 2022 – Analysis IEA.</u>





of the global cobalt use in external batteries is extracted in the *Democratic Republic of Congo.*

97%

of the EU's magnesium supply comes *from China*.

100%

of the rare lands used for permanent magnets are refined **in China.**

98%

of the EU's borate supply comes *from Turkey.*

Source: European Commission⁷

The recent Letta and Draghi reports highlight the need to intensify efforts to secure the supply of critical raw materials⁸. Echoing this, the competitiveness, objective has become central to the new European Commission⁹, which is reflected in the "Competitiveness Compass", launched in January 2025, which seeks to reduce dependencies and secure raw materials provision¹⁰.

Thus, the EU has increasingly been pushing for mechanisms to reduce this dependency and seek greater "strategic autonomy", focusing on the diversification of supply. In this context, Latin America, a continent rich in raw materials, has become a strategic partner for the EU, which also aims to counter China's influence in the region¹¹. For instance, Chile, Peru, and Mexico are among the world's leading copper producers. As for lithium, Chile, Argentina, and Bolivia (considered the "lithium triangle") lead the way. Both are essential raw materials for Europe's energy transition.

- 7 European Critical Raw Materials Act European Commission
- 8 EU-Latin America: Enhancing cooperation on critical raw materials - European Parliament
- 9 EUROPE'S CHOICE POLITICAL GUIDELINES FOR THE NEXT EUROPEAN COMMISSION 2024-2029 - European Commission
- 10 Strengthening European competitiveness European Commission
- 11 China es el primer comprador de materias primas críticas procedentes de América Latina, recibiendo en 2023 un 34% de las exportaciones minerales de la región: <u>De-risking Critical</u> <u>Mineral Supply Chains: The Role of Latin America</u>

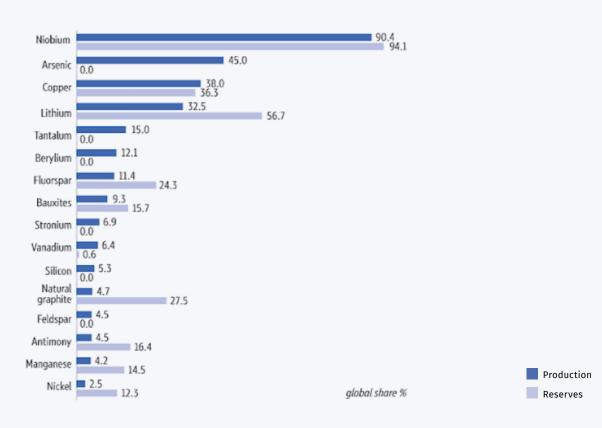


Figure 2: Latin America's share in global production and reserves of selected critical raw materials in 2023 (%)

Source:

EPRS, based on PEI and USGS data; graphic by Stephanie Pradier, 2024.

Figure 3:

América Latina y el Caribe - Participación en la producción mundial de minerales, 2022¹²

- Chile 1er productor mundial de cobra de mina (23.7%) y Perú 2do (10.2%)
- O Chile 2do productor mundial de litio (30.2%), Argentina 4to (4.8%) y 5to Brasil (1.7%)
- O México 1er productor mundial de plata (24.4%), Perú es 3ro (12%) y Chile 4to (6.2%)
- O Chile es 2do productor mundial de Molibdeno (17.4%), Perú es 4to (12.7%) y México 5to (6.3%)
- O Brasil: 2do productor mundial de hierro (16.4%) y 4to de Bauxita y alúmina (8.73%)
- O Cuba: 6to productor de cobalto (2%)
- Perú, Bolivia y Brasil: 4to, 6to y 7mo productores mundiales de estaño de mina (9.2%, 5.7% y 5.7%, respectivamente)
- O México y Perú 7mo y 9no productores mundiales de oro 3.9% y 3.2%, respectivamente.

Fuente:

Comisión Económica para América Latina y el Caribe (CEPAL), sobre la base estadística de U.S. Geological Survey, Mineral Commodity Sumaries.

12 La Minería en América Latina y el Caribe: Tendencias y Perspectivas

Critical Raw Materials Act (CRMA)

A key component of the EU's strategy for the so-called green transition is the Critical Raw Materials Act (CRMA)¹³, which was passed at record speed in the early months of 2024, following a legislative process of just one year.

This rapid adoption reflects the urgency and importance of the issue for EU policymakers, where critical and democratic debate has been significantly curtailed—despite being necessary, particularly for such a significant policy. Unlike the mining sector and other business interests, which have engaged in intense lobbying¹⁴, communities affected by the extraction of critical raw materials (CRM), both within and outside the EU, have not had the same opportunity or capacity to be heard and to influence the process.

The CRMA aims to secure the EU's supply of CRM by diversifying its sources. To this end, Annex II of the legislation lists 34 CRM, 25 of which are extracted in Latin America¹⁵. Annex I designates 17 of these as strategic, based on their relevance not only for the energy transition but also for the digital transition, as well as for the defence and space sectors.

A large part of the CRMA focuses on domestic (intra-European) supply, setting a target for 2030 whereby **at least 10% of the CRM consumed in the EU** must be extracted and 40% processed within the EU. To achieve this, Member States are required to promote mining exploration and streamline procedures for granting concessions and permits. Additionally, 25% of CRM **must come from recycling**. Even with a significant increase in mining production within its borders, imports from third countries will remain the EU's primary source of CRM. The objective is therefore to expand the number of supplier countries and avoid excessive dependence on a single provider. As a result, no third country may supply more than 65% of the EU's annual consumption of any given CRM. To achieve this, the CRMA allows for the establishment of strategic partnerships with third countries, providing a framework for cooperation or association agreements and facilitating investment projects through the Global Gateway initiative. For instance, in Latin America, strategic partnerships have already been concluded with Chile and Argentina. These partnerships complement existing mechanisms, such as trade and investment agreements that may include specific provisions on CRM and are used as instruments to secure the raw materials necessary for Europe's energy transition.

¹³ European Critical Raw Materials Act – European Commission

¹⁴ Mining the depths of influence- Friends of the Earth Europe

¹⁵ EU-Latin America: Enhancing cooperation on critical raw materials - European Parliament

Through such partnerships and strategic projects, the EU claims to seek a positive influence on the mining sector's performance and its impacts on human rights and the environment.

However, the CRMA's content does not always meet prevailing international standards on human rights and environmental protection. For example, it does not explicitly recognise the right to free, prior, and informed consent (FPIC) for Indigenous peoples, nor does it guarantee the participation of civil society and Indigenous communities in monitoring its implementation. Furthermore, it relies excessively on non-binding industry certification or self-regulation schemes, which cannot replace objective and binding mechanisms for oversight and sanctions. Despite claims that strategic partnerships are mutually beneficial and that strategic projects create added value for partner countries, all indications suggest that the CRMA is primarily shaped by the EU's own needs. In this sense, the legislation risks deepening and reinforcing extractivist dependency relationships of a core-periphery nature, with neocolonial characteristics that perpetuate global injustice.

Mining for the Energy Transition in Europe

According to some industry estimates, to achieve the target of 10% of CRM from European sources set out in the CRMA (currently only 3%), between 20 and 30 new strategic mining projects would need to be launched across the continent¹⁶. Mining or mineral processing projects in EU Member States that are classified as strategic will be considered "of overriding public interest." This means that they will have easier access to public and private financing, and the procedures for obtaining the necessary permits will be expedited.

This raises concerns among environmental organisations, which warn of potential impacts on the environment¹⁷ and the rights of local populations¹⁸. It is noteworthy that the most affected areas would be peripheral and rural regions of Europe. This situation has sparked protests in various countries, such as Portugal¹⁹, Sweden²⁰, and Spain²¹.

Furthermore, many organisations have emphasised²² the need for a much stronger social dimension in the Green Deal, to ensure that the transition to cleaner energy is truly just, and does not result in deepening inequalities or an increase in energy costs for the most impoverished households²³.

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¹⁶ Raw Materials Mining in Europe-Euromines

¹⁷ Can we mine our way out of the climate crisis? - MO*

¹⁸ Mining and social rights in the Iberian Peninsula -MINOB

¹⁹ Portuguese villagers fear hunt for lithium will destroy their livelihoods - Politico

²⁰ Sweden's ground zero for the EU's strategic materials plan - Politico

²¹ Protests across much of Spain over new mines planned for battery production - Información

²² For Instance: Open letter: <u>A bold and transformative Social Climate Fund is needed - WWF</u>

²³ The inequality pyramid of climate change and mitigation - ETUI



The EU and Latin America: trade agreements and investments for the transition

With the revival of relations between the EU and Latin America, through the joint communication to the European Parliament and the Council "A New Agenda for EU-Latin America and the Caribbean Relations" and the EU-CELAC Summit in July 2023 in Brussels, the EU has particularly sought to strengthen trade and investment relations between the two continents, with a clear emphasis on CRM, but accompanied by a discourse on "shared values" and "mutual benefit". Bilateral trade has experienced significant growth in recent years, positioning the EU as the third-largest trading partner of Latin America and the Caribbean. Furthermore, the EU remains the top investor and partner in the cooperation and aid sector for the region.



Published by the European Commission just before the 2023 summit, the new agenda for the region is framed as a "strategic partnership" aimed at increasing trade and renewing the investment strategy.

In this agenda, the EU expresses its objectives to revitalise negotiations and either ratify or modernise its trade agreements with Latin America (i.e. EU-Chile, EU-Mexico, EU-Mercosur, EU-Central America), clearly stating its renewed strategic, economic, and geopolitical interests in the region. Specifically, regarding these partnerships, the agenda highlights that "the EU will work with interested LAC partners to create, on a global scale, a Critical Raw Materials Club to strengthen sustainable supply chains and diversify supply, bringing together consuming countries and resource-rich countries to jointly tackle common challenges"²⁴.

Some of these agreements aim to promote the development of value chains that go beyond the mere extraction of raw materials, in an attempt to redress the historical unequal relations between the two continents. However, concerns over negative impacts persist. For instance, in July 2023, the EU signed a Memorandum of Understanding with Chile on establishing a partnership for sustainable raw materials value chains, and in December 2023, an advanced framework agreement—the first EU trade agreement with a specific chapter on energy and critical raw materials—was signed, aiming to, among other

things, "reduce the risks in supply chains, ensure the sustainable supply of critical raw materials, and tackle climate change"²⁵. However, the European Commission itself acknowledges the risk of negative impacts on communities, the environment, and human rights with the signing of the EU-Chile agreement modernisation. Similarly, numerous European²⁷ and Chilean²⁸ NGOs have raised concerns about these potential impacts.

In 2021, the EU's "Critical Raw Materials Diplomacy" toolkit was expanded with the addition of the Global Gateway, the European Commission's flagship strategy for infrastructure investments, which mobilises and reorients EU cooperation funds for these purposes. The **Global Gateway** was presented as a key goal of the new agenda for Latin America and the Caribbean, as well as the 2023 EU-CELAC summit, as a tool to channel investments around renewable energy, CRM, and green transition infrastructure. The committed amount through this strategy is approximately €300 billion, with around €45 billion earmarked for the region.

^{24 &}lt;u>A new agenda para EU-Latin America and the Caribbean relations – European Comission</u>

²⁵ The EU and Chile sign modern and ambitious trade and political agreements | EEAS

^{26 &}lt;u>Sustainability impact assessment in support of the negotiations for the modernisation of the trade part of the association</u> <u>agreement with Chile - Publications Office of the EU (europa.eu)</u>

^{27 100+} organisations call on MEPs to vote against EU-Chile deal - Friends of the Earth

²⁸ Joint Declaration from Chile without an FTA / MPs and social organisations from Chile and the UE on the signing of the Neocolonial Treaty

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The Global Gateway aims to be a positive, sustainable, and EU valuesbased offer for its partner countries, in contrast to the growing geopolitical and economic power of China in the world through its New Silk Road.

It focuses on investments in five sectors: digital, climate and energy, transport, health, and education and research, promising EU partner countries that it will "develop their societies and economies" while also creating investment opportunities and competitiveness for the European private sector²⁹.

In the case of Latin America, the Global Gateway began to be implemented in 2023 through "flagship projects" by country in these areas, to which the European Commission, Member States, public investment banks, and the private sector contribute. These projects range from facilitating urban mobility in Peru, the construction of a dam in Honduras, green hydrogen in Colombia, and access to vaccines in Mexico, to, for example, the exploration of critical minerals extraction in Bolivia³⁰.

However, the Global Gateway has faced criticism for various reasons. Firstly, it is a strategy created, adopted, and promoted unilaterally by the European Commission through an official communication, without undergoing the scrutiny and checks of a democratic discussion. There is a lack of transparency and information regarding the projects that are part of the strategy, and civil society and local governments in the recipient countries have little influence on decision-making or accountability. Moreover, there is a concerning lack of transparency in the impact assessment, due diligence, prior consultation, and monitoring processes for these projects, which increases the risk of negative impacts on human rights and the environment. This is further exacerbated by the fact that these projects often take place in contexts of shrinking civic space and human rights violations, as seen in several countries in the region³¹.

Finally, the Global Gateway is implemented through public-private partnerships primarily aimed at promoting opportunities for European companies in the Global South and securing CRM supply chains for Europe³².

This further deepens a growing trend in the EU's international cooperation efforts, instrumentalising and privatising them for geopolitical and economic purposes.³³³⁴

²⁹ Global Gateway - European Commission (europa.eu)

³⁰ Global Gateway: EU-Latin America and Caribbean Investment Agenda - European Commission

³¹ Who profits from the Global Gateway? - Eurodad, CounterBalance & Oxfam

³² Ibid

^{33 &#}x27;A sell-out of international cooperation': DG INTPA turns its back on commitments to put human development at the centre of its international cooperation in leaked briefing - CONCORD

^{34 &}quot;As a European Commissioner with the aim of contributing as much as possible to Europe's economic development. The International Partnerships portfolio will allow me to focus on strengthening the EU's economic security, diversifying our suppliers of critical raw materials, and opening new markets for European companies." / Jozef Síkela en X

02

A Fair and Green Transition, For Whom? A View from Latin America

Latin America has fertile soils, vast biodiversity, and ecosystems of great richness and value for life on the planet (such as the Amazon), a subsurface rich in minerals of all kinds, and the largest freshwater reserves in the world. In this environment, ancient civilisations have flourished, developing ways of producing food in harmony with nature and adapting to highly demanding climatic and geographical conditions.



As a result, they have generated a rich agrobiodiversity, which remains essential for human subsistence and global food security.

However, within the global economy, the continent has been pushed—since colonisation and later with industrialisation—into the role of a raw material supplier for European and North American countries, and more recently, China. This has contributed to the establishment and consolidation of productive structures and political-economic systems centred around **extractivism**, in pursuit of a promised economic development. Here, extractivism is understood as a specific form of natural resource extraction, carried out on a large scale or at high intensity, primarily for export as raw materials with little or no processing³⁵.

35 Gudynas, E., (2015). EXTRACTIVISMS Ecology, economy and politics of a way of understand development and Nature.



The impacts of extractivism in Latin America

From the 1990s onwards, under the influence and guidance of international financial institutions such as the World Bank, several countries in the region implemented neoliberal sectoral reforms that reinforced the role of the extractive sector in their economies³⁶.

36 F.Morandé, (2016) Nearly three decades of Washington Consensus, what is his legacy in Latin America?; Mining in Latin America in the late 1990s - Cepal Some examples and consequences of these reforms include:

(i) the privatisation of state-owned enterprises; (ii) the establishment of favourable fiscal regimes to attract private investment in mining and fossil fuels; (iii) the expansion of the extractive frontier, opening up new territories for these activities through concessions or the designation of extractive projects as matters of national strategic interest; (iv) the weakening of legal frameworks protecting communities; (v) the adoption of environmental regulations often below the standards recommended by global organisations such as the WHO, with weak and ineffective oversight mechanisms; and (vi) state institutions prioritising their role as promoters of extractive activities over their function as regulators and guarantors of community rights.

These reforms, combined with growing demand and a boom in commodity prices (between 2000 and 2014), have led to a significant expansion of the extractive sector in most countries of the region—a trend that has only continued in recent years. According to data from the Economic Commission for Latin America and the Caribbean (ECLAC), the share of raw materials in Latin America's exports increased from 20% to 37% over this period between the years 1995-97 and 2015–2017³⁷, this expansion has driven significant investments from the world's largest extractive companies and further deregulation of the industry³⁸. While it has generated fiscal revenues for the countries in the region-sometimes considerable but generally insufficient—the broader socio-environmental costs remain substantial.

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Historically, the imposition of extractive activities that radically transform local geography, economies, and social and cultural relations has threatened or even eradicated the existence and legacy of ancient cultures in Latin America. More recently, the expansion of mining-both legal and illegalhas led to a sharp rise in socioenvironmental conflicts across the region.

Extractive activities, particularly mining, have caused severe environmental damage and health issues for communities and individuals, leading to human rights violations such as the right to food, water, health, a healthy environment, and decent work. This is especially evident in states with weak institutions, corruption, or a lack of democratic oversight³⁹. While some newer mining projects have incorporated modern technologies to mitigate and prevent the most harmful effects of resource extraction, mining operations have also expanded in scale, increasing the volume of material extracted and, consequently, the industry's ecological and social footprint.

³⁷ Gobernanza de las Industrias Extractivas en América Latina- Natural Resource Governance Institute

³⁸ Ibid.

³⁹ Preventing Corruption in Energy Transition Mineral Supply Chains- Natural Resource Governance Institute

Examples abound across the continent. In Peru, for instance, the Ministry of Health⁴⁰ estimates that nearly 10 million people (30% of the population), particularly in mining and oil-producing areas, are exposed to heavy metal contamination.

Additionally, the accumulation of vast amounts of highly toxic waste in thousands of abandoned and active mining projects presents further risks, as demonstrated by the Brumadinho disaster in Brazil, where the collapse of a tailings dam resulted in 272 deaths and severe environmental damage⁴¹.

Meanwhile, despite global efforts to slow down oil investments, extraction has not only continued in fragile ecosystems such as the Amazon but has also been actively promoted through public policy reforms in some countries. These include authorising projects in protected natural areas without adequately addressing their environmental impact. In Peru, for example, despite a decline in oil operations, the number of oil spills has increased to 141 per year, affecting both the Amazon and the ocean⁴². Furthermore, the current government is pushing for regulatory changes to promote new oil exploration and extraction projects in Protected Natural Areas (PNA), where Indigenous peoples in voluntary isolation and initial contact (PIACI) reside⁴³. Finally, the environmental impact of extractive activities extends beyond the local level: mineral extraction and processing, for instance, are among the sectors that contribute most to global warming⁴⁴.

While the main justification for maintaining extractivism is its contribution to economic development—through tax revenues, infrastructure investment, and job creation—this argument remains highly debatable. For instance, mining regions in Latin America are often characterised by high levels of poverty and inequality, despite the wealth they generate. Mining is, by definition, a temporary activity that leaves behind significant environmental liabilities, severely limiting future economic and human development opportunities while causing irreversible damage to ecosystems. An economy increasingly dependent on mining can lead to an almost permanent cycle of extraction, creating so-called "mining sacrifice zones".

⁴⁰ In defence of people exposed to heavy metals, metalloids, and other chemical substances: the impacts of environmental pollution <u>- Defensoría del Pueblo</u>

⁴¹ Brumadinho Dam Collapse: A Tidal Wave of Mud - The New York Times

⁴² The Shadow of Hydrocarbons: Third Report on Environmental Emergencies, Liabilities, Remediation Processes, and Energy Alternatives between 1997 and 2003. Aymara León, , Mario Zúñiga y David Díaz. Grupo de Trabajo sobre Impactos de los Hidrocarburos (GTIH) de la Coordinadora Nacional de Derechos Humanos

⁴³ Congress and the Executive propose extracting gas and oil untouchable areas of the Amazon - Epicentro

⁴⁴ Together, the extraction and processing of natural resources account for more than 60% of the emissions driving global warming and 40% of air pollution-related health impacts. See: <u>Rich countries use 6 times more resources</u>, <u>generate 10 times the climate</u> <u>impacts than low-income ones - UNEP</u>

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On a macroeconomic level, countries heavily reliant on raw material exports are vulnerable to market fluctuations and international commodity price volatility.

Furthermore, the contribution of extractive industries to public revenues is relatively modest compared to the profits reaped by companies—mostly multinationals—due to favourable tax incentives, legal frameworks, tax evasion, corruption, and the illegal exploitation of natural resources.⁴⁵ Finally, despite the scale of investment and extraction, large-scale mining generates little local employment, as the industry requires highly specialised technical skills that local populations often lack.

The large-scale extractive industry, particularly mining, also profoundly impacts social and cultural dynamics in affected areas. Mining leads to significant migration flows, disrupting community life. In mining regions, increases in insecurity, alcoholism, petty crime, prostitution, and—in more extreme cases human trafficking are often observed. While these issues are more commonly associated with illegal and informal mining, they are not absent from legal mining operations. Additionally, corporate social responsibility programmes often create or exacerbate divisions and conflicts within local communities, whether intentionally or in good faith.

Finally, in extractive economies across Latin America, social, community, and Indigenous leaders defending their territories, nature, or human rights are frequently **criminalised and persecuted**. Mining, in particular, is one of the economic activities most associated with attacks on environmental defenders, and the most dangerous countries for environmental activism happen to be in Latin America.⁴⁶ In this context, many states and governments have become deeply aligned with the extractivist model, prioritising their role as promoters and protectors of investment over their duty to safeguard the rights of local populations. The situation is further complicated by the erosion of independent media oversight and the economic dependence of mass media outlets on business groups with interests in extractive activities. Moreover, many countries in the region still rely heavily on fossil fuels for their energy mix and fiscal revenues. Transitioning to a greener economy in these contexts presents a significant challenge, as states with limited fiscal space will need to invest in transforming their energy matrix, diversifying their productive structures, and generating alternative sources of employment and income⁴⁷.

If the goal is to achieve true global social and environmental justice, the transition to a more equitable and sustainable economic model must consider the economic and socio-environmental impacts of this shift on regions like Latin America. It must also address the historical and structural inequalities and violence that underpin these challenges.

^{45 &}lt;u>Illicit financial flows in Andean Countries. A view on Mining Sector - ECLAC</u>

⁴⁶ The violent erasure of land and environmental defenders | Global Witness

⁴⁷ The triple transition: Crossed visions from Latin America and the European Union - Fundación Carolina & Oxfam Intermón



© PBI Guatemala

Visions and resistance from Latin American communities and civil society

Generally speaking, the extractivist model has been imposed on the territories of peoples and communities in Latin America from centres of power, often displacing other economic activities and disregarding or destroying alternative worldviews that prioritise life and harmonious relationships with nature and among human beings. Many Indigenous, peasant, and other communities striving to preserve these ways of life feel disconnected from the notion of transitioning to a green economy, as they have always promoted and cultivated ways of living and economic systems that are more respectful of the environment and natural resources.

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These perspectives have fuelled the emergence of alternative visions from Latin America in response to the extractivist capitalist model of economic development

Since the 1990s, these critical ideas have been particularly shaped by social movements and their opposition to neoliberal practices, reviving Indigenous, peasant, and Afro-descendant proposals that embrace a conception of nature as sacred and uphold communal principles and practices of coexistence⁴⁸.

Alternative development agendas have been framed under the concept of shared *buen vivir*, which advocates for a model of development that goes beyond the satisfaction of individual desires and needs. Instead, it focuses on human well-being and proposes that the state ensures the basic conditions necessary for sustaining life without jeopardising the regeneration of the natural and cultural biodiversity of its peoples.⁴⁹ Both the Bolivian and Ecuadorian constitutions recognise the concept of *buen vivir*.

Local populations, community organisations, Indigenous peoples, ethnic groups, social movements, and environmental activists in Latin America have denounced the negative impacts of extractivism, employing various **strategies to defend their rights**. These range from legal advocacy and legislative proposals to political lobbying, peaceful resistance, popular consultations, and social mobilisation. As a result, **some progress has been made in the protection of rights**, both through political decisions in specific cases and the adoption of international agreements, legal norms, and jurisprudence. For instance:

•Free, prior, and informed consent has been recognised as a right of Indigenous populations in international agreements such as ILO Convention 169, the UN Declaration on the Rights of Indigenous Peoples, and national legislation in various countries.

• The Escazú Agreement establishes state obligations regarding access to environmental information and participation and recognises the role of defenders of land and the environment

• The Ecuadorian Constitution recognises that Nature has rights. In other countries of the region, courts have ruled that rivers or ecosystems, such as the Amazon rainforest, possess rights, with local communities acting as their guardians

⁴⁸ Torres Solis & Ramírez Valverde (2019) – Good Living and Living Well: Alternatives to Development in Latin America

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More recently, narratives around a **just transition** have emerged from the region, advocating for systemic change by demanding accountability for the ecological debt owed by the Global North to the Global South. These narratives push for more equitable relationships between core and peripheral countries and, within nations, between elites and the general population⁵⁰. In this context, the Latin American perspective on a just transition has been characterised as:

"A process aimed at transforming power relations to halt the expansion and deepening of socio-environmental conflicts, focusing on energy sovereignty, ecological restoration, participatory democracy, and the unrestricted respect for human rights. Special attention is given to historically excluded and marginalised groups, such as women, Indigenous peoples, local communities, dissidents, and workers".⁵¹

^{50 &}lt;u>Manifesto of the Peoples of the South - For a Just and Popular Energy Transition - Pacto Ecosocial e Intercultural del Sur - Pacto Ecosocial del Sur</u>

⁵¹ Just Transition: Context and recommendations for its implementaton in the Latin American Region - CEUS Chile



Just transition – or green colonialism?

The concept of a just transition emerged in the 1970s within the trade union movement. Since then, it has evolved into a broader framework that connects with environmental struggles and the social implications, in all their dimensions, of the transformative changes required to address the triple planetary crisis. At its core, the concept underscores the need for justice to be an integral part of these transitions⁵²

In this context, it is crucial to assess the fairness and sustainability of the EU's transition policies. As previously outlined, historically, most of the benefits from the extraction and export of natural resources in Latin America have remained in the hands of economic elites and a small segment of Latin American societies. Meanwhile, the communities affected by extractive activities suffer a double burden, as they are often the most directly impacted by the consequences of the climate crisis—even though Latin America is responsible for just 8% of global greenhouse gas emissions. At the same time, it is one of the region's most vulnerable to the effects of climate change.53 Given the Global North's urgent need for an energy transition, there is a real risk that extractivism in Latin America and the Global South will not only persist but intensify, driven by the demand for CRM from the North. This is particularly concerning as the largest reserves of these materials are found in Indigenous territories54, fragile ecosystems, and areas of high biodiversity.

This phenomenon has been conceptualised as green extractivism or green neo-colonialism, defined as the exploitation and appropriation of raw materials for ecological modernisation, accompanied by the increasing control and influence of state and nonstate actors (including transnational corporations and financial institutions) from the Global North over the politics, territories, and labour of regions designated as "sacrifice zones".^{55 56} Moreover, terms such as "green"⁵⁷ or "sustainable mining" allow mining companies in Latin America to legitimise their contested activities, positioning themselves as leaders in the fight against climate change and the transition towards a sustainable and ecological future⁵⁸. However, these initiatives often reproduce the same harmful impacts and problematic power dynamics with local communities.

For instance, there are currently **15 operational green hydrogen plants** in the region, located in countries such as Chile, Colombia, and Brazil. Green hydrogen has been promoted as a key solution for decarbonisation. However, its production using renewable energy remains minimal, costly, inefficient, and highly energy-intensive. At the same time, green hydrogen projects risk monopolising the availability of affordable renewable energy at the local level and may generate significant social, environmental, and human rights impacts due to the vast amounts of land, renewable energy, and water required for production.

⁵³ The World Bank calls for urgent climate action in Latin America and the Caribbean to accelerate the transition to resilient and lowcarbon economies

⁵⁴ Owen, J.R., Kemp, D., Lechner, A.M. et al. (2023) Energy transition minerals and their intersection with land-connected peoples. Nat Sustain 6, 203–211

⁵⁵ Energy Transition and Green extractivismo. The Energy Transition in Europe Heralds Green Extractivism in Latin America - Rosalux

^{56 &#}x27;Green' Extractivism and the Limits of Energy Transitions: Lithium, Sacrifice, and Maldevelopment in the Americas - Georgetown Journal of International Affairs

⁵⁷ Green Mining in Latin America and the Caribbean: Comparative Analysis of Public Policies and Industry Standards to Promote Sustainability in Mining - IDB

⁵⁸ Greenwashing at the world's biggest mining convention | by MiningWatch Canada | Medium

Cases

The cases described below provide insight into the complexity and risks associated with the expansion of a "green extractivism" model in Latin America.



THE ESPINAR CASE IN PERU. This emblematic case highlights the urgent need to ensure that European companies uphold human rights and environmental standards in Latin America and across the globe.

Copper extraction in Espinar, Peru

After Chile, Peru is the world's second-largest producer of copper, a key raw material used in solar panels, wind turbines, electric vehicles, and electricity transmission and distribution networks.

Copper and its concentrates topped the ranking of Peruvian exports to Europe in 2023, accounting for 21.2% of total shipments to the region. The province of Espinar, located in the Cusco department, is part of the so-called "mining corridor" in the Southern Andes of Peru. This area holds abundant copper and other critical mineral reserves, essential for various industrial applications, including the energy transition, and is home to several of the country's largest mining projects⁵⁹.

⁵⁹ Just Transition: Copper for the Energy Transition and the Southern Andean Corridor - CooperAcción

Impacts of the project on the region

Mining activities in Espinar have caused severe socioenvironmental impacts, documented over the past decades⁶⁰. Environmental damage includes water pollution with heavy metals, the illegal diversion of water sources, contamination of the Cañipia and Salado rivers with industrial waste, airborne dust from mining explosions, soil degradation, and air pollution. Official studies conducted between 2010 and 2017 have shown that over 700 people living in the mine's area of influence have toxic metals (such as lead, arsenic, and mercury) in their bodies due to prolonged exposure, which can have irreversible health consequences⁶¹. Women, in particular, have been disproportionately affected, facing heightened health risks, including high rates of anaemia among pregnant women, especially in the Yauri community. These environmental damages have also impacted local agriculture, leading to economic difficulties and loss of income for residents⁶². Recent reports from the Environmental Assessment and Enforcement Agency (OEFA) have established a causal link between mining activity and environmental pollution⁶³.

In recent years, the expansion of mining operations, driven by the growing demand for copper from the Global North, has also led to community displacements and conflicts, which have been met with violent police repression, resulting in the deaths of four people. Additionally, states of emergency have been abusively imposed to ban protests by affected communities, violating their right to demonstrate. Furthermore, the resettlement plan required under ILO Convention 169 has not been presented, despite the government making it a condition for approving mining expansion licences, and procedures to obtain the free, prior, and informed consent of communities remain unimplemented.

Since 2013, primary mining exploitation in this area has been managed by the Swiss company **Glencore**, which has been implicated in multiple corruption cases worldwide⁶⁴. In several Latin American countries, including Peru, more than 40 administrative and judicial proceedings have been initiated against Glencore⁶⁵. The allegations are remarkably similar, demonstrating a systematic pattern of negligence towards the negative impacts of its activities on communities and the environment.

^{60 &}lt;u>Glencore in Peru: The Antapaccay Case and an Analysis of Compliance with International Standards on Human Rights Due Diligence</u> 2023 – CooperAcción Oxfam

⁶¹ Peru: A toxic state: Violations of the right to health of Indigenous Peoples in Cuninico and Espinar, Peru - Amnesty International

⁶² MINING IN PERU: The case of ESPINAR - EU-LAT Network

⁶³ Pollution in Espinar: Proven Causality - CooperAcción

⁶⁴ Glencore Entered Guilty Pleas To Foreign Bribery and Market Manipulation Schemes - US Department of Justice

⁶⁵ Shadow Report on GLENCORE's Operations in Latin America - Red Sombra de Observadores de Glencore



Exploration work for lithium extraction in the Uyuni salt flats, Bolivia. © Wies Willems - Broederlijk Delen

The "Lithium Triangle": Chile, Argentina, and Bolivia

The Global North's energy transition has led to an exponential increase in global lithium demand. Lithium is crucial for manufacturing rechargeable batteries used in electric vehicles, among other applications. Argentina, Chile, and Bolivia form the so-called "Lithium Triangle", as they hold 53% of global lithium resources and 47% of the world's reserves. The EU sources 79% of its refined lithium supply from Chile.⁶⁶

66 EU-Latin America: Enhancing cooperation on critical raw materials- European Parliament

In 2024, the EU signed a Memorandum of Understanding with Argentina to collaborate on CRM-related matters, including lithium⁶⁷. A similar agreement was reached with Chile to finance lithium projects⁶⁸. Furthermore, under the Global Gateway framework, an investment project in lithium extraction in Bolivia was announced.⁶⁹ Bolivia is also negotiating a strategy with the EU for financing energy transition projects, including lithium industrial development⁷⁰. In December 2024, the Bolivian government formalised agreements with two European companies for this purpose^{71.}

Impacts on the region

Lithium extraction presents a range of environmental and social problems in affected territories. It degrades salt flat soils, pollutes the air and freshwater, and requires vast amounts of water (around 2.2 million litres per tonne of lithium⁷² when using the evaporation method) in extremely arid regions where water access is already challenging.

Local resistance

In Chile's Atacama Salt Flat, two lithium mining operations—run by Sociedad Química y Minera de Chile (SQM) and Albemarle—are active. This region is home to 18 Atacameño and Lickanantay indigenous communities, many of whom have long endured the impacts of large-scale copper mining. SQM, a company involved in corruption scandals⁷³ and accused of political state capture⁷⁴, has a history of poor relations with Atacameño communities, with water usage being a major point of contention. Lithium mining companies have been accused of depleting up to 65% of the region's vital water reserves⁷⁵. In 2019, Atacameño communities won a legal battle that led to the suspension of SQM's compliance plan approval, a prerequisite for expanding its operations⁷⁶.

In recent years, the Chilean government launched the "National Lithium Strategy" to "increase wealth for Chile and develop an industry that supplies the world with a critical mineral for the energy transition"77. This strategy grants the state a central role in lithium extraction, with production involvement beginning in 2025 and a majority stake from 2031 onwards. It remains to be seen whether this strategy will effectively reduce negative impacts on communities and the environment.

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⁶⁷ EU-CELAC Summit: EU and Argentina step up cooperation - European Commission

⁶⁸ Von der Leyen signs multi-million euro lithium deal in Chile - Euronews

^{69 &}lt;u>Global Gateway: EU-Bolivia: Country project examples - European Commission</u>

⁷⁰ The government and the European Union develop strategy to finance lithium and renewable energy projects – Bolivian Ministry of Hydrocarbons and Energy

⁷¹ Bolivia and European companies seal agreement for sustainable lithium production - Brújula Noticias

⁷² The Lithium Triangle: Where Chile, Argentina, and Bolivia Meet - Harvard International Review

^{73 &}lt;u>SQM Case – Chile Transparente</u>

⁷⁴ Diagnosis of Corruption in the Lithium Industry in Chile - Terram

⁷⁵ Lithium: Here's why Latin America is key to the global energy transition

^{76 &}lt;u>Chile: Court upholds complaint from indigenous communities against SQM over water usage rights linked to lithium mining -</u> <u>Business & Human Rights Resource Centre</u>

⁷⁷ Chile Advances with Lithium: These are the main definitions of the National Strategy

In Argentina, two major lithium projects have been established in the Olaroz and Cauchari Salt Flats in Jujuy province.

Around 4,000 people, including indigenous Atacama communities, live in the area and have experienced the impacts of these projects, such as water contamination and restricted access to water. Some residents report that reduced water availability has harmed their agropastoral practices, and they have observed an increase in wildlife mortality due to dust pollution from mining activities.

In June 2023, tensions escalated with mass protests followed by violent repression in response to a constitutional reform in Jujuy province that facilitates mining exploitation. According to a report by the Environment and Natural Resources Foundation, the new constitution violates indigenous rights⁷⁸ by altering provisions on private property, public land use, the right to protest, and water management. The most severe confrontations occurred on 20 June, leaving over 70 people injured and 25 arrested⁷⁹. With the arrival of a new government, civil society organisations warn of worsening human rights and environmental protection standards, exacerbating socio-environmental conflicts related to mineral extraction for the transition⁸⁰.

In Bolivia, which holds the largest lithium reserves in the region, large-scale extraction has not yet begun. However, the Bolivian government is advancing its extraction plans, primarily through agreements with Russia and China.

In September 2024, the state-owned company Yacimientos de Litio Boliviano signed its first contract with Uranium One Group, a subsidiary of the Russian state-owned Rosatom, to build a direct extraction plant. Negotiations with the EU and agreements with European companies are also being strongly promoted.

Several environmental organisations have raised concerns about this extraction plan, citing a lack of state transparency. According to them, Bolivian authorities have failed to provide project information or confirm whether necessary water studies have been conducted⁸¹. Identified environmental and social risks of lithium extraction in Bolivia include: (i) impacts on water reserves and fragile ecosystems; (ii) effects on community livelihoods; (iii) lack of transparency in access to information; and (iv) failure to conduct prior consultation with local communities⁸².

⁷⁸ Indigenous Communities in Jujuy Province and Civil Society Organisations Push for the Annulment of the Constitutional Reform -FARN

⁷⁹ The Inter-American Commission on Human Rights condemned the events, calling on the State "to respect the right to freedom of expression, the Inter-American standards on the use of force, and to carry out an effective, inclusive, and intercultural dialogue process that respects trade union and indigenous peoples' rights.". See: <u>IACHR: Argentina Must Respect Standards for Use of Force During Protests in Jujuy Province</u>

⁸⁰ Human Rights and Environmental Justice: The Missing Keys to a Just Energy Transition - FARN

⁸¹ Controversy Over Lithium: Bolivian government progresses with extraction plan amid criticism for lack of transparency - Mongabay

^{82 &}lt;u>Between safeguarding supply and promoting sustainable development: which role for the EU in South America's "lithium triangle"?</u> Insights from the case of Bolivia - Broederlijk Delen, CEDIB.



Wind farm and Wayuu community houses in Macuira Natural Park. © Jorge Mahecha - Wikimedia, CC BY-SA 3.0

Green Hydrogen Production in Colombia

The Guajira region, located in the far northeast of the country in the Caribbean region, boasts unique biodiversity and is home to indigenous peoples such as the Wayúu, Kinqui, Ika, Kogui, and Wiwa, as well as Afro-Colombian and peasant communities.

Since the 1990s, this territory has been exploited for coal mining for export—primarily to the EU—causing numerous environmental disasters and a humanitarian crisis for local communities. Lack of access to drinking water, hunger, and malnutrition are among the main socio-economic issues caused by coal mining in La Guajira.⁸³ Some 81.1% of the Wayúu population suffers from unmet basic needs, and 53.3% live in conditions of extreme poverty.

^{83 &}lt;u>Does Cerrejón always win? Between corporate impunity for human rights violations and the search for full</u> reparation in times of transition – CENSAT-Agua Viva, CINEP

Although the Colombian government announced in 2022 its plans for a just energy transition towards a productive economy based on renewable energy sources, Russia's invasion of Ukraine slowed these plans due to the reorganisation of energy supplies in many countries, including EU member states. For example, in 2022, Germany imported more than 5 million tonnes of coal from Colombia—three times more than in 2021⁸⁴. In the same year, Ireland's imports of Colombian coal reached a value of \$251 million⁸⁵, compared to just \$38 million in 2021.

Despite the delays in the energy transition plans, the Colombian government continues to project an end to coal mining. The promotion of renewable energy projects to produce green hydrogen in the department of La Guajira—some of which are financed by the EU through the Global Gateway⁸⁶—can be understood in this context.

The closure of coal mines would require consideration of the environmental and social impacts they have had on surrounding communities, including both cumulative effects and those that will persist indefinitely, to fully assume their costs.⁸⁷ Beyond this, indigenous, Afro-Colombian, and peasant communities in La Guajira fear that the extractivist coal model will be replaced by an extractivist green hydrogen model, generating new environmental impacts and repeating the same human rights violations⁸⁸. Another risk associated with green hydrogen extraction is the requirement for large-scale financial and technological investments, which could further increase debt and technological dependence on the Global North—especially considering that the primary goal is export to Europe.

According to Colombia's Ministry of the Interior, 65 wind farms are currently under review in the Upper and Middle Guajira, potentially affecting 288 Wayúu communities.⁸⁹ Some of these communities have already raised concerns that proper prior consultation is not being carried out, meaning they are unable to grant free, prior, and informed consent—an internationally and nationally recognised right. Furthermore, the rights to health, water, and food, among others, are reportedly not being respected.⁹⁰ The impact of these projects on Indigenous peoples' cosmovision is also being overlooked, as most developments are being deployed on their sacred territories.91 Another pressing concern for these communities is the criminalisation, persecution, and violence faced by those opposing the projects. Colombia remains the most dangerous country in Latin America for defending human rightsparticularly environmental, territorial, and Indigenous rights92—with a total of 382 environmental activists murdered between 2012 and 2023.93

⁸⁴ Imports of hard coal for the years 2018 to 2023 Hard coal imports - Destatis (in German)

⁸⁵ Colombia and Ireland Trade-OEC

⁸⁶ Global Gateway: EU-Colombia: Country project examples - European Commission

⁸⁷ Does Cerrejón always win? Between corporate impunity for human rights violations and the search for full reparation in times of transition – CENSAT-Agua Viva, CINEP

^{88 &}quot;Representatives of Indigenous Peoples have expressed their deep concern about the possibility of the previously mentioned abuses being repeated in the context of the green transition." <u>Final statement of the United Nations Special Rapporteur on the</u> <u>Rights of Indigenous Peoples, Francisco Calí Tzay, at the conclusion of his official visit to Colombia.</u>

⁸⁹ The Eastern Wind Brings Revolutions: Multinationals and the Energy Transition with Wind Power in Wayúu Territory - INDEPAZ

⁹⁰ Interview with Jakeline Romero, Wayúu Leader - FIAN

⁹¹ The Prairies of Pulowi - INDEPAZ

⁹² In 2023, the IACHR verified 126 murders of human rights defenders across Latin America, 70 of which occurred in Colombia. Of these, 34 were environmental defenders. <u>IACHR: 2023 Ends with High Rates of Violence Against Human Rights Defenders in the Americas.</u>

⁹³ Nearly 2,000 land and environmental defenders were murdered between 2012 and 2022 for protecting the planet – Global Witness

Conclusions and Recommendations for a Fair Transition in Latin America and Europe

No doubt addressing the climate and ecological crisis urgently requires the implementation of an energy transition. However, a truly just transition must respond to the various dimensions of the ecosocial crisis, such as extreme inequality, the transformation of the productive model, and consumption patterns, rather than continuing to promote a growth model that deepens the crisis and opens new frontiers for extraction, exacerbating the profound geopolitical asymmetries between the "North-Centre" and the "South-Periphery"⁹⁴.

The EU has sought, until now, to assume a global leadership role in the transition and considers Latin America a key partner in this endeavour. If this relationship is to be built on respect and mutual interest, it is necessary to acknowledge historical experiences and relationships, characterised by extractivism, dependency, and power imbalances, to avoid repeating and deepening them.

The cases mentioned in this document illustrate that the transition, as proposed by the EU, presents various challenges regarding its impact on ecosystems and biodiversity, the human rights of directly affected communities, economies, and the democratic institutions of Latin American countries. Investments in renewable energy and the extraction of CRM in Latin America do not occur in a vacuum; rather, they risk increasing pressure and existential threats to people, territories, and ecosystems upon which so many communities depend and in which they live.

If the EU and its Member States merely focus on reducing greenhouse gas emissions, increasing their energy security, and sustaining unlimited "green" growth without considering these impacts, they would once again be externalising the ecological and social costs of their transition. There is a risk of replacing one problem (dependence on fossil fuels and its impact on the climate) with another (dependence on minerals and its impact on nature, biodiversity, and human rights), or, in the worst case, combining both. We conclude that solutions that merely propose an energy and technological transition while ignoring the multidimensional and systemic nature of current crises, and that do not seek to change power structures or the dominant logic of growth and unlimited accumulation, fail to harness the potential for real change and transformation within a genuinely just, participatory, and popular transition.⁹⁵ This transition cannot be seen as merely a technical process but must have a significant social and cultural dimension, involving the construction of new ways of life and relationships around energy, production, and consumption, both in the Global North and the Global South, in a manner that respects life and the planet.

With this in mind, we propose the following approaches, actions, and processes that should be implemented by the EU, its Member States, and organised civil society for a truly global just and green transition:

^{94 &}lt;u>The triple transition: Crossed visions from Latin America and the European Union - Fundación Carolina & Oxfam Intermón. Page. 18</u> 95 Ibid

A just and green transition requires a systemic and global justice approach.

With only 6% of the world's population, Europe consumes between 25% and 30% of all metals produced. The CRM Act and associated European policies are based on projections and scenarios of continuous growth in demand and raw material consumption, which are incompatible with the availability of these resources. While we welcome the EU's priority on recycling and the more efficient use of CRM, as well as references to the importance of a circular economy, these measures and intentions are insufficient. Following the recommendations of the UN International Resource Panel, the EU must prioritise **transforming its economy towards one based on circularity and sufficiency,** through effective regulation that **sets limits on the consumption of certain raw materials**⁹⁷, with measurable targets for each sector of the economy.

02

This would also require prioritising the use of these resources from a perspective of social and economic justice, ensuring **access to basic services such as mobility, energy, and housing for all populations** in both Europe and Latin America. For example, rather than prioritising the electrification of all private vehicles—which is driving an explosion in CRM demand—efficient and accessible public transport systems, urban planning, and the use of public space should be improved.

96 IRP, Global Resources Outlook 2024

97 Open Letter: 100+ organisations call for EU legislation on Sustainable Resource Management - CAN Europe

The EU and its Member States must also recognise the contribution of other sectors in combating the climate crisis and biodiversity loss. In particular, we advocate for the **transformation of global food systems** as an integral part of a just and ecological transition, given that they are responsible for one-third of global greenhouse gas emissions.⁹⁸ This includes supporting sustainable and regenerative practices such as agroecology, which is characterised by low carbon emissions, ecosystem conservation, and a positive impact on the livelihoods of small farmers and food producers.**99** Furthermore, the EU must finally **ban the export of pesticides** whose use is already prohibited in Europe due to their dangers to human health and the environment. Latin America remains one of the main importers of these substances.¹⁰⁰

03

04

From a global justice perspective, the EU and its Member States must respect and consider the energy autonomy and sovereignty of Latin American partner countries, as well as the solutions and proposals emerging from local territories and communities that prioritise meeting their own energy needs, decarbonisation processes, and local value chains.¹⁰¹

⁹⁸ M.Crippa, et.al. (2021)- Food systems are responsible for a third of global anthropogenic GHG emissions- Nature

⁹⁹ By avoiding emissions associated with fossil fuel-intensive production and the use of synthetic fertilisers and pesticides, agroecology disconnects food production from fossil fuel dependence and thus responds to the needs of a green and just transition.

¹⁰⁰ According to recent research, 36% of pesticides imported by Brazil from the EU are banned in Europe. In the case of Mexico and Peru, the figure rises to 50%..

¹⁰¹ Thelma, J. and Roa García, M. C. (2023). The Energy Transition in Colombia. Current situation, projections, challenges, narratives and public policies – in relation to the energy transition in Germany

A just and green transition must be democratic and participatory.

The Latin American populations potentially affected by extractive and renewable energy projects in their territories must be guaranteed the right to participate in decisions regarding the use of their natural resources, by the **right to participation** (Articles 25 of the International Covenant on Civil and Political Rights and 21 of the Universal Declaration of Human Rights) and the **right to self-determination of peoples** (Article 1 of both the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), both recognised internationally.

02

Given that most CRM essential for the energy transition are found in indigenous, Afro-descendant, and peasant territories in Latin America, the EU must **ensure the respect of Indigenous peoples' internationally recognised rights**¹⁰², including through ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), **as well as the rights of peasants** as enshrined in the UN Declaration on the Rights of Peasants and Other People Working in Rural Areas (UNDROP).

102 <u>Report of the United Nations Special Rapporteur on the rights of Indigenous Peoples, José Francisco Cali Tzay, on Green Financing, a Just Transition to Protect the Rights of Indigenous Peoples (2023/1/HRC/54/31)</u>



In particular, the **prior, free, and informed consent** of indigenous and Afro-descendant peoples is a non-negotiable right that must be ensured and implemented at all stages of extractive projects that impact or could impact the territories of indigenous and Afro-descendant communities. This right must also be extended to rural communities and other ethnic groups in Latin America, whose existence and survival depend on the territories where they live. For the proper exercise of prior, free, and informed consent, affected populations must be provided with all relevant information and consulted in advance, free from pressure and manipulation.

04

At the level of implementing the EU's green transition policy, such participation can only be effective if **transparency and access to information are guaranteed**—information which, so far, has been inadequate—regarding decision-making processes and mechanisms, negotiations on strategic partnerships, the identification and approval of strategic projects, and Global Gateway projects. This should include **effective mechanisms for measuring impact and consulting** with affected communities and civil society organisations with clear mandates. We also call on the EU to promote and respect the implementation of the **Escazú Agreement**¹⁰³ in its relations with Latin American countries.

05

The above should be complemented with efforts to strengthen coordination and mechanisms between national authorities and international organisations to identify, prevent, and sanction acts of **corruption** in the supply chains of CRM at all levels.

¹⁰³ Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean - ECLAC

A just and green transition must place Human and Nature's Rights at the centre.

effective mechanisms and guarantees with precise language to protect human rights and the environment in all policies that support the green transition. This includes association, trade, and investment agreements, strategic partnerships under the CRM Act, and cooperation projects, particularly those under the Global Gateway, which must strengthen guarantees for rights rather than weaken them. Otherwise, they should be rejected or annulled. This also requires taking into account recent legal and jurisprudential developments in Latin America, such as the recognition of the Rights of Nature and collective rights.

We call on the EU and its Member States to establish clear, binding, and

02

The above should be done while ensuring a **gender and intersectional perspective**, taking into account, among other elements, the differentiated socioeconomic and cultural impact on women and other groups, as well as inclusive participation.

03

We call on the European Union to ensure that companies eligible to implement Global Gateway projects adhere to the **highest international standards of human rights**, Indigenous Peoples' rights, environmental rights, and governance in their own operations and those of their affiliated companies. This should include rigorous assessments of environmental, social, and human rights impacts, human rights and environmental due diligence, and anti-corruption measures.

04

Protected natural areas, ecosystems of high biodiversity such as the Amazon, which contain important water reserves or are of great cultural and spiritual value, must be excluded from the scope of exploration and extraction projects for CRM, with the precautionary principle applied to ensure effective **environmental protection standards**.

Following the new European Directive on Corporate Due Diligence in Sustainability, the largest European companies will be required to meet a series of due diligence obligations on human rights and the environment across their supply chains. However, this regulation will only affect 5,000 companies (less than 0.05%) across the EU and will exclude sectors such as the financial sector, which is responsible for severe human rights and environmental impacts. Therefore, we urge Member States to go beyond the provisions of the Directive when transposing it into their national legislation, including, where applicable, the aforementioned sectors.

We urge the EU to actively engage with a stronger mandate in the negotiations for a **UN Binding Treaty on Business and Human Rights**, in line with the European Parliament's 2024 Resolution.¹⁰⁴

The EU and its Member States must also continue supporting and strengthening civil society so it can play its role in defending rights both in the EU and Latin America. In particular, the EU must publicly recognise and actively protect **environmental and land defenders** and other rights advocates affected by extractive activities in states governed by the rule of law. The EU must strengthen the guarantees of protection for human rights defenders and **actively protect and respect the civic space** in Latin American countries with which it engages, recognising and promoting the diversity of voices, leadership, and perspectives within Latin American civil society



^{104 &}lt;u>European Parliament resolution of 18 January 2024 on shaping the EU's position on the UN binding instrument on business and human rights, in particular on access to remedy and the protection of victims (2023/2108(INI))</u>



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