

## Takeaways of the OECD mission to Central Portugal and Lisbon

TSI OECD-DG REFORM project – February 22 to 28

### Introduction

The OECD study mission to the Central Portugal took place from 22 to 27 February 2024, after the visit to Alentejo and before the final meeting in Lisbon on 28 February. This visit allowed for a series of discussions and engagements with diverse local, regional and national stakeholders, ranging from regional to local government representatives, industry, universities and local business associations. The peer reviewers were Jounni Ponnikas (Kainuu) and Kari Siirtola (Lapland) from Finland.

### Current state

Central Portugal, like its neighbouring region of Alentejo, boasts a rich history in mining. The region's strong ceramics value chain, from clay extraction to finished products, along with the historic Panasqueira tungsten mine, have significantly influenced the development of many rural municipalities. The region also features a diversified economy, anchored by an internationally renowned university and important tourist destinations. The ceramics and stone sectors have seen significant innovation through increased collaboration between industry, academia and government. For example, the region is home to a sectorial technological centre and a number of companies implementing innovative circular economy business models and practices. Moreover, the region has gained recognition for its positive experience in the rehabilitation of abandoned uranium mines.

The region also has important lithium deposits that have attracted interest for exploration. Yet, better communication and involvement with municipalities is needed to enable informed decisions at the local level around permitting.

| Strengths   | Bottlenecks   |
|---|---|
| Rich history in non-metallic and metallic mining, contributing to the cultural identity and local economy, as is the case of Fundao.  | Gaps in involving municipalities in the decision-making on mining projects, without a clear national framework to improve communication with the local level.   |
| Environmental restoration and rehabilitation projects, especially in uranium, undertaken by the National Company of Mining Development (EDM)  | Scope for better dissemination of good practices in mine rehabilitation and for clarification of national support to municipalities in tailings' rehabilitation.  |
| A dedicated sectorial centre for innovation and advice (Technological Centre of Ceramics and Glass) along with policies promoting innovation and circular economy.                              | Challenges in attracting and reskilling labour, mainly for quarries. This is partially explained by competition from other sectors in a small labour market and the early retirement policy.                                    |
| A diversified economy with a renowned university that attracts young people to the regional capital.  | Lack of an updated national minerals strategy (Sectorial Plan) with a clear promotion plan to attract investment.   |
| Inclusion of specific mining-related projects in the national Recovery and Resilience Plan, which has supported funding for value-added industrial projects (e.g. upgrading industrial plants). | There is clear policy motivation to increase the circularity of the mining value chains in the region, however, the regional circular economy strategy does not provide a sectoral focus, making the strategy less operational. |

### Key Takeaways

#### **Involvement of local communities in permitting decisions and policy making**

There is a need for more participatory and transparent permitting procedure to ensure that all actors involved in project approvals can make informed decisions, including municipalities (who hold veto power). There is room for enhanced involvement and communication with local governments in project approvals. For example, municipalities opposing exploration permits cite lack of communication as a key factor for their opposition. Regional bodies (CCDRs) can play a more active

role in asking the national government for clarity, in crafting a national minerals strategy and in promoting the sector internationally.

### **Social Perception and Community Impact**

Improved communication strategies can enhance knowledge about new mining projects and new legislation. This requires early involvement of municipalities and local communities in decision-making processes. Additionally, the inter-municipal government level can promote dialogue and exchange of experiences around mining development.

Better involvement of local stakeholders (municipalities and communities) in monitoring mining operations can enhance knowledge on the sector. Also, clear guidelines for operation and socialization of new mining projects could be instrumental to improve actions of companies in their relationship with communities (e.g. Finland's standards for sustainable mining assessed by local stakeholders)

### **Environment and circular economy practices**

The region of Central Portugal promotes the transition to a circular economy and is looking to strengthen the use of circular economy practices in the mining value chains in the region. There is a need to better integrate the minerals mining sector into the regional circular economy strategy and the regional smart specialisation strategy as well as within the existing circular economy initiatives.

Recovery business models where mining and material processing of wastes are used as a resource must be upscaled. National and regional authorities as well as industry associations and platforms can facilitate the uptake of industrial symbiosis, digital tools and innovative technologies. National and regional authorities must continue supporting collaborative projects aimed at the recovery of valuable raw materials from the mining and material processing wastes.

### **Labour Market and skills**

There is an enabling institutional framework to supply training and education in mining, including an employment institute able to create partnerships for new courses. However, these opportunities are not disseminated enough. Addressing labour shortages also requires greater promotion of the sector's benefits and formal partnerships among companies and educational institutions.

## **Good Practices**

### **ESG**

- A market place for industrial waste could be replicated for mining processing waste.
- Mobilisation Agenda project has linked SMEs and entrepreneurs with mining companies to promote innovation in the stone value chain.
- Panasqueira mine collaborates with universities to pilot circular economy projects in mine premisses and with the municipal government to promote tourism base on mining heritage.
- Vertical integration in the ceramics and stone value chains that align optimisation goals and resource efficiency objectives (examples Solancis and Mota Ceramic Solutions).

### **Government actions**

- Creation of an innovation centre to add-value locally to value-chain of clay and stone (e.g. Technological Centre of Ceramics and Glass).
- Law for quarries in natural areas that mandates rehabilitation upon mine expansion is a positive experience of simulations operation and rehabilitation.

### **The Role of University**

- Coimbra University supported the remediation process of uranium mines and leverage this know-how with a laboratory of natural radioactivity.
- Polytechnic of Leira serves as a good example of a practical and short formation to train the workforce based in industry needs.