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Enhancing EU Mining regional ecosystems to support the green transition and secure mineral raw materials supply

Takeaways of the OECD mission to Central Portugal and Lisbon

TSI OECD-DG REFORM project – February 22nd to 28th

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, limestone 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 signficant 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 with and involvement of municipalities is needed to enable informed decisions about the projects at the local level.

Strengths	Bottlenecks
Rich history in non-metallic and metallic mining, with significant operations contributing to the local economy and cultural identity.	Gaps in meaningfully involving municipalities in the decision-making on new 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 among the population 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) with promotion of innovation and circular economy.	Challenges in attracting and reskilling labour, particularly in the quarry sector, partially explained by competition from other sectors in a small labour market and the early retirement policy.
A diversified economy with three universities that attract young people to the regional capital.	Lack of an updated national minerals strategy (Sectorial Plan) with a clear promotion plan to attract investment.
Mining sector contribution to economic and demographic growth in interior municipalities, as is the case of Fundao.	There is a clear policy drive to boost circularity in the regional mining value chain, yet the regional circular economy strategy doesn't have 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 of local governments in project approvals. For example, municipalities opposing exploration permits highlight the lack of communication as a key

factor for their opposition. Regional bodies (CCDRs) can play a more active role advoking to the national government clarity and sectorial promotion in the national minerals strategy.

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 communities in decision-making, and proactive inter-municipal government dialogue and exchange of experiences around mining.

Better involvement of local stakeholders (municipalities and communities) in following 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 recognised and upscaled. National and regional authorities as well as industry associations can facilitate the uptake of industrial symbiosis, digital tools, and innovative technologies. National and regional authorities must continue supporting collaborative projects aimed at the characterisation and 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 marketplace for industrial waste could be replicated for mining processing waste.
- Mobilisation Agenda project has linked providers with academia and research 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

- An innovation centre that adds value locally to the value-chain of clay and stone (e.g. Technological Centre of Ceramics and Glass), a similar focus on stone will be also important.
- Law for quarries in natural areas that mandates rehabilitation upon mine expansion is a positive experience of simultaneous 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.