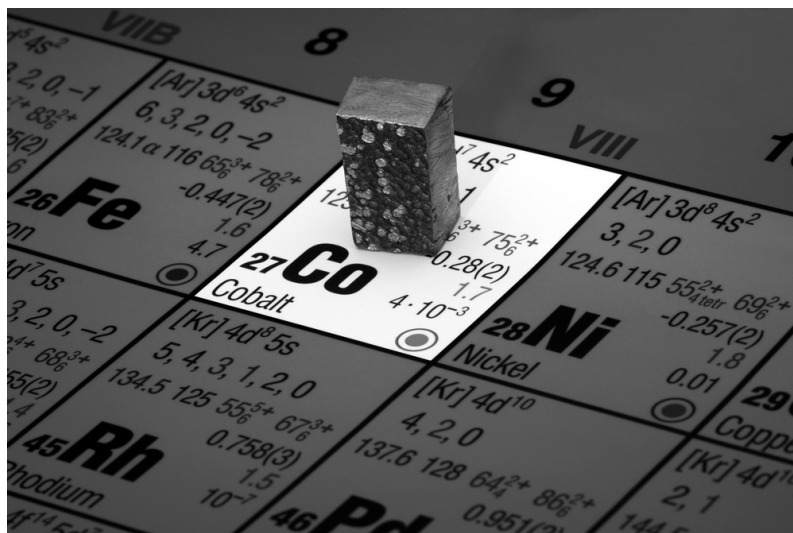


Small-scale mining

NEIL HUME AND HENRY SANDERSON
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- 1 Speaking at the start of the London Metal Exchange Week event, Jeremy Weir, head of commodities trader Trafigura, said battery-related demand for cobalt was expected to at least treble by 2025, leaving the market dependent on a handful of mines in Africa. He said



mining in the Democratic Republic of Congo (DRC) was fraught with problems. One of the challenges was artisanal and small-scale mining (ASM). "I'm completely clear about the risks and other problems involved in ASM. It would obviously be preferable if we could secure all the needed supplies through industrial mining operations. But the fact is that we're not in that happy position."

- 2 Mr Weir said the answer was not to shun subsistence mining or exclude it from the supply chain but to see if ASM-produced cobalt could be sourced in a responsible way, by improving conditions and safety for workers but stopping short of regulation. "The reality is that there are hundreds of thousands of people in the DRC who earn a living through work in the ASM sector. It's illegal in many cases; it's unregulated and can be very dangerous. But it can't be wished away."
- 3 Groups such as Amnesty International say children as young as seven are mining cobalt by hand in the DRC. The allegations have put pressure on carmakers such as Tesla and BMW to ensure that cobalt in their batteries is traceable to reputable mines. Elisabeth Caesens, founder of Brussels-based NGO¹⁾ Resource Matters, said: "It is too simplistic to think [all ASM is dirty and] all large-scale mining is clean. High-level corruption, for instance, is rife in the industry and is one of the key causes of the systemic poverty that prompts parents to send their kids into the pits. It is time for buyers to adopt a comprehensive and tailored approach to supply-chain due diligence."
- 4 Trafigura's approach differs from that of Swiss rival Glencore, which mines cobalt from largely mechanised open pit mines in the DRC.

Glencore has said that it does not support artisanal mining and that alternative livelihoods should be created for those in the sector.

5 In April, Trafigura signed a deal to buy cobalt from Chemaf, a subsidiary of Shalima Resources, a copper and cobalt company focused on the DRC. As part of that deal Trafigura is working with Pact, a Washington-based NGO, on a pilot project to allow artisanal mining under monitored conditions on one of Chemaf's concessions in the southeastern DRC. Miners excavate under close supervision in approved micro-pits and are properly paid.

6 Mr Weir's comments come after the London Metal Exchange said last week it would 25 cobalt traded on its exchange, in an effort to make sure it is sourced responsibly.

adapted from *Financial Times*, 2019

noot 1 NGO=non-governmental organisation, usually non-profit and active in humanitarian areas