JONATHAN CORDERO

Head of Corporate Development at Eurasian Resources Group (ERG)

Friedbert Pflüger, Director of the Ruropean Cluster for Climate, Energy and Resource Security (EUCERS) at the University of Boun, Founding Partner of Strategic Minds Company GmbH

I would like now to turn to the business side. We have Jonathan Cordero with us. Jonathan is a young German, working for a pretty young global company, Eurasian Resource Group, which is, from my point of view, one of the greatest hopes that we have, as it really tries to do everything in mining projects all over the world to help us diversify.

Jonathan started his career with Boston Consulting Group and, for 14 years, he has been dealing with the subject we have right now: critical raw materials. Today, he is number two in this global company and is responsible for its business development.

It is great that you could make it and, Jonathan, the floor is yours. What is the business side? Do you see changes concerning governments, EU Commission? Do you get enough support for your endeavors? Please.

Jonathan Cordero

Thanks, first of all, for having me. It is an honor to be here and very energizing to be on a panel that is so keen on making a difference on this very important topic.

As Friedbert mentioned, I am Mining Executive. I have been working in a lot of different countries, most of which are probably not on your vacation wish list. Our company is about 80 000 people, we operate in 20 countries, and we supply the metals needed for our global battery transition.

Through our work, we have seen first-hand the devolution of this very conversation that we are gathered to discuss, and we also recognize the urgency.

Let me get right to the point. Building energy systems powered by clean energy technologies requires a huge increase in the supply of critical materials, as we just heard. It is a 400% increase by 2030 or a 600% increase by 2050 to achieve our Net Zero goals. In other words, if we do not increase the supply massively, we will certainly miss our Net Zero goals.

We recognize that the irresponsible behavior of some mining companies over the years eroded the sector’s social license to operate, and now it is left to us to do much better across the spectrum of ESG considerations – because, essentially, sustainability and a social license go hand-in-hand. Resources companies need to dust themselves off. Our reputation has taken a hit over the decades, and rightly so, but we cannot hide anymore.

We will not be able to perform and uplift communities where they do not want us to operate, plain and simple. We operate at the discretion of these communities and society as a whole. We need to take a more active role in communities, not only the host communities in frontier markets, where we operate, but also and especially the communities in developed markets, the ultimate customers of iPhones, Teslas and co., that today can hardly name five mining companies if you ask them on the street. This is our fault and our responsibility.

At the same time, policymakers need to be open to mining as an industry. We are seeing this in the Middle East, where Saudi Arabia has made mining the third pillar of Vision 2030, but we also see adverse forces in Latin America, as we just heard, and a mere standstill in Europe.

Policymakers and advocates in this room also have the responsibility to not fall for an overly simplistic narrative. By way of example – mining companies are bad, electric vehicles are good.

The reality is that the EV sector alone will require 165 000 tons of cobalt by 2026, which is the equivalent of the total supply today. EVs also require four times more copper than a combustion engine. As you can see, the narrative is not as binary as some may suggest.

Yes, electric vehicles are good, but we need to accelerate our common understanding that our industry must be part of the solution and not part of the problem. If you are serious about Net Zero, you have to be pro-mining.

Now, you may ask, ‘But what about recycling?’. Well, recycling could help, but a binary argument here is also counterproductive. The answer is that both things are true. To meet global demand, we need to uplift primary production today and we need to learn more about recycling of batteries and scrap materials.

Analysts estimate that, by 2050, 40% to 75% of Europe’s clean energy metal needs could come from recycling but, if – and only if – Europe provides substantial financing and investment now. As of today, neither sufficient second-life material nor the required recycling technologies exist on an industrial scale. Just ask yourself how many old smartphones do you keep at home in your drawer.

The biggest purchase order in history, as my CEO likes to call it, also requires a fairer distribution of value along the supply chain. We heard the example of the Democratic Republic of Congo that holds 80% of the global cobalt reserves. If you take your smartphone that, in the store, costs maybe USD 1 000, the material costs in the smartphone is about USD 200, the battery is about USD 20, but only USD 1.50 is the value of Congo that goes back into the country that is indispensable for even having this device.

When national policymakers find the boundaries, industry participants need to take action. We at ERG, for example, brought together market participants to create binding rules of engagement for responsible sourcing. The 140 organization-strong Global Battery Alliance and its flagship project, the Battery Passport, is conveying digital information to end consumers about key ESG lifestyle metrics.

What does that mean? In the very near future, every single EV will have a QR code that allows full transparency on material provenance cradle to grave.

In closing, I would like to reference the importance of knowledge sharing and innovation. We heard building a copper mine takes 15 years, sometimes longer. We do not have this time. The role of accelerating exploration through technology is indispensable.

We spent, at ERG, the last couple of years developing smart exploration technology, among other initiatives, and we are about to unveil in Saudi Arabia a fleet of autonomous Mars Rover-like sampling robots. This is a technology that we hope to share with governments and industry alike. This is what positive action looks like.

Yes, it means sharing some secrets, and we may even take a hit in the short-term, but it brings us all forward. The future of critical minerals will not be owned by a single company, rather a brains trust of policymakers, governments and industry players willing to make a difference.

Once again, thanks for having me today and giving me the opportunity to address you today. I am looking forward to hearing each and every one of your proposals because what is very clear to me is that mining is a contact sport and no one company can tackle these issues alone.

Friedbert Pflüger

Thank you so much. It was also fascinating and very helpful.