

GLENCORE

Reference: IRE_PLG_002-SUB-MinPol_GZI

Geoscience Policy Division
Department of the Environment, Climate and Communications
29-31 Adelaide Road
Dublin, D02 X285

13 October 2021

Re: Submission on Draft Policy Statement on Mineral Exploration and Mining

Dear Sir/Madam,

We, Glencore Zinc Ireland Ltd., herein provide our comments on the *Draft Policy Statement on Mineral Exploration and Mining*. Glencore Zinc Ireland Ltd. is a subsidiary of Glencore Plc, one of the world's largest international mining companies. Glencore Zinc Ireland has its registered offices in Dromkeen, Co. Limerick and has operated in the county for many years. It holds a number of prospecting licences for barytes, base metals and silver and has been actively drilling in the Pallas Green area of Limerick for some time.

This submission sets out Glencore's overall approach, the context for the Pallas Green project and a series of observations in relation to the Draft Policy Statement. We welcome the opportunity to participate in the consultation process. At the outset, we would like to state our general support for the preparation of a national policy on mineral exploration and mining.

Glencore's Approach

Sustainability

Zinc is an important commodity from the galvanization of steel and iron to strengthening alloys, and is an important component in the production of rubber, paints, medical technologies and products, cosmetics, electronics and more. Base metals such as zinc also have a role to play in enabling the transition to a low-carbon economy.

Our business aligns with the United Nations Sustainable Development Goals (SDGs). As one of the world's largest diversified resource companies, we stand by our purpose of responsibly sourcing the commodities that advance everyday life. We seek to lower the carbon footprint of our own operations, and to support national programmes to achieve the goals of the Paris Agreement.

The aim of the development of green and carbon neutral economy will require an associated transformation of energy, industrial and land use systems. The provision of metals such as copper, cobalt, zinc and nickel that are essential to the transition to a low-carbon economy to assist decarbonisation of the global energy demand. Zinc is well placed to form part of future supply chains as an important element for the production of 'green technologies' and as zinc battery technology develops.

Environmental Protection

We are committed to environmental protection in all our exploration and mining activities. Our ambition is to be a leader in environmental performance and to minimise harm to the environment, through environmental stewardship, proactive closure planning and responsible resource management across our global operations.

Supporting Local Communities

As part of our Corporate Social Responsibility programme, we seek to incorporate social, ethical and environmental considerations in our relationships with suppliers and customers and the local community. We aim to be an active and valued participant in all the communities that host us, and identify where we can make the most effective positive contribution.

Regional and Local Economic Development

Mining activities can make a significant contribution to the national, regional and local economies in which they operate, through employment, tax and royalty payments, local procurement and social development. We look to build partnerships to support local economic sustainable development in collaboration with local communities where we operate.

The report *A social, environmental and economic assessment of Galmoy and Lisheen Mines* (Department of Climate Action, Communication Networks and Transport, 2020), for example, calculated that the two mines employed up to between 74% and 80% of persons living within a 30km radius around them, with 213 direct employees in Galmoy, Co. Kilkenny and 350 in Lisheen, Co. Tipperary.

International Context

Ireland's mineral assets are geo-fixed. However, it is important to note that, given the scale of investment required for mine development, international investors assess projects in Ireland in the context of prospects in other jurisdictions, focusing some attention on regulatory, permitting, royalties and tax regimes. It is important that Irish policy recognise the overall international context to mining in Ireland.

Ireland is host to some of the world's largest zinc deposits and has a long history of lead and zinc mining. In 2012, it was Europe's largest zinc producing country (32% of all European zinc mine output) and the 10th largest producer in the world (2.5% of the world output). It was also the third largest producer of lead metal in concentrate (13% of the European lead mine output) and twelfth in the world (1% of the world output). As of 2020, only one active mine remains - Tara Mines near Navan, Co. Meath.

The Pallas Green Deposit

Limerick accommodates some of the country's largest zinc deposits, namely at Pallas Green, which is currently at exploration stage. The Pallas Green deposit presents significant potential with an estimated resource of 45.4 million tonnes (Mt) grading 8% combined zinc-lead.

This is substantially higher than the former mines' reserves at Galmoy (4.02 Mt) and Lisheen (10.58 Mt)¹ (EMD, 2016). The deposit occurs over an area of approximately 1,600 ha and up to approximately 1 km below surface. The Inferred Mineral Resource is based on diamond drilling completed between 2002 and the end of 2018 under Prospecting Licences that remain valid and in good standing.

Submission on the Draft Policy Statement

The points of this submission can be cross-referenced with Section 4 of the Draft Policy Statement.

The Irish Government's commitment to minerals exploration and mining is welcome. It is important that national policy, regional and spatial economic strategies and county development plans reflect this commitment. A general commitment to translate this high-level policy to any updated National Planning Framework (NPF) and lower levels within the policy hierarchy would ensure that appropriate policies are incorporated into local policy, particularly in development plans. Applications for planning permission are assessed against these policy documents.

Key Principles

Robust and Stable Regulation

Section 4.1.1 of the Draft Policy Statement indicates that it will be a key principle to "Maintain and improve the robust regulatory regime for mineral exploration and mining activity." A key element of the regulatory framework is the *Mineral Development Act 2017*. Although enacted, it has not yet commenced. The absence of any reference to this key piece of primary legislation is unusual. It is imperative that the Policy Statement gives an indication of the commencement timeframe for this legislation. This is necessary to provide a robust and stable framework for regulation, which is a critical driver in major investment decisions.

A review of the permitting arrangements would be of benefit. The relationship between planning permissions, IPPC licencing, prospecting licences, mining leases and licences could be aligned and clarified. Given the scale of mining projects, which are of national and regional importance, consideration could be given to designating them as Strategic Infrastructure Development under the *Planning and Development Act 2000* (as amended). This would require amendments to primary legislation.

Ensuring the correct systems and procedures are in place for undertaking appropriate assessments (AA) under the Habitats and Birds Directives and EIA under the EIA Directive is important to ensure a robust and stable permitting system. Importantly, this includes all AA and EIA screening determination procedures. Safeguarding all decisions relating to the various aspects of exploration and mining will reduce risk for investors and developers. Ultimately, this will allow for development to occur and the potential of natural resources to be fully realised.

Sustainable Development

Section 4.1.3 of the Draft Policy Statement covers many aspects of sustainable development. In particular, a reference to the role which zinc can play in supporting future green technology and energy supply chains, including electric vehicles, battery technology, etc., could be highlighted.

¹ http://www.mineralsireland.ie/files/2016_ZincAndLeadInIreland.pdf

While zinc is not currently on the *EU Commission List of Critical Raw Materials*, zinc is well placed to continue to form an important part of the future supply chains, particularly as 'green technologies' advance.

Furthermore, the aforementioned section indicates a "...regular review of the Schedule of Minerals for which prospecting is permitted against several criteria..." Zinc is currently in the list of Scheduled Minerals under the *Minerals Development Acts 1940 to 1999*, as indicated in Appendix B of the Draft Policy Statement, and there are no restrictions on prospecting or mining. The *Circular Economy Bill 2021* removes coal, lignite and oil shales from the list of Scheduled Minerals. It is unclear from the Draft Policy Statement whether it is proposed to remove other minerals from the List. Any change to this position should be fully justified and subject to consultation with relevant stakeholders.

Building Capacity to Access and Knowledge

Section 4.1.4 states the objective to "Map and safeguard our mineral potential..." The GSI is responsible for mapping relevant deposits. However, this information should be reflected in land use development plans to ensure that deposits are actually protected as part of the statutory planning process. It is important to protect important deposits and reserves from competing land uses, given their geo-fixed nature. The methodology adopted could be reflected in guidance from the Department of Housing, Local Government and Heritage.

A key element in building capacity is coordination between agencies, government departments, licencing and permitting bodies and other key stakeholders. A single coordinating point of contact or organisation, which would assist in guiding mineral prospectors and developers through the system.

Key Priorities

Building Public Understanding and Trust

Under Section 4.2.1, it states that "DECC will develop a minerals communication strategy..." It would be useful to clarify that this is in addition to communications that are required through regulatory processes for mineral exploration and mining licencing and approvals.

Under Section 4.2.1, "DECC will establish a minerals exploration and mining advisory group", including working with industry on development of voluntary codes of practice for the sector in relation of moving towards 'zero waste' and becoming a leader in 'green mining'. This is a good initiative and is reflective of international best practice. Glencore would welcome the opportunity to contribute to this initiative and can make expertise available to this working group, if appropriate and as required.

Enhancing the Regulatory Framework

We suggest that a key priority is to commence the relevant provisions of the *Minerals Development Act 2017*. If any changes are envisaged to this legislation prior to commencement, such amendments should also be made as a matter of priority. Key investment decisions are made in consideration of a robust and stable regulatory framework.

As indicated above, a review of the overall regulatory framework to ensure that it is 'fit for purpose', will be important for investment decisions. Delays in the planning and permitting processes is a significant risk for mining projects with significant upfront capital expenditures and long-term returns. A review and update of these processes, as required, will reduce associated risks.

Examining the entire framework works and ensuring that planning permissions, IPPC licencing, prospecting licences, mining leases and licences are aligned will also reduce administrative burdens. Such a review should also consider all environmental approvals, including AA and EIA screening determinations.

We suggest that an important priority will be to designate a single body as having responsibility for coordination and liaison of different agencies and permitting authorities. This is a typical bottleneck in many jurisdictions and strong support through active coordination and/or training to ensure a fair and technically sound review within appropriate legislated timeframes is crucial, with an aim to reduce the potential for extensions in approval processes which can affect overall project schedules.

Monitoring, Review and Reporting

Reporting on the implementation of the Policy every two years is welcome. In the interests of building public understanding and trust, we suggest that the report should be made publicly available. The review of the Policy after 3 years is also welcome. Commencement on the review would have to commence after the 2 years.

Conclusion

Glencore welcomes the publication of the Draft Policy Statement and the opportunity to provide feedback. It provides a framework for decision-making and can be reflected in other national, regional and local policy frameworks. We look forward to the revisions and finalization of this Policy Statement to strengthen the overall framework for mineral exploration and mining in Ireland.

Yours faithfully,

Glencore Zinc Ireland Ltd.