

Sustainability vs Security: The Hidden Costs of the Geopolitical Race for Minerals

Link to the recording: <https://www.youtube.com/watch?v=0-ZDlSDttII>

The panel, held on October 30th at the 2025 Paris Peace Forum and moderated by **Karim Dahou**, Deputy Director of the Global Relations and Cooperation Directorate at the OECD, gathered three leading political figures and practitioners: **Ana Brnabić**, President of the National Assembly and former Prime Minister of Serbia; **Turki Al-Babtain**, Deputy Minister for Mining Development of Saudi Arabia; and **Kadri Simson**, former EU Commissioner for Energy and member of the Global Council for Responsible Transition Minerals.

The global agenda, increasingly dominated by the imperatives of climate action and digital transformation, is placing unprecedented strategic importance on transition minerals. Organized as part of the [transition minerals initiative of the Paris Peace Forum](#), this high-level panel convened to dissect the escalating tension between competition and cooperation within this vital sector.



At a time when the energy transition accelerates, digitalization is growing and mineral demand expands exponentially, governments are facing unprecedented pressure to secure access to strategic resources for their own national security. Yet, the security-driven and fragmented approaches to secure one's supply of minerals often come at the expense of the international cooperation needed to meet climate and decarbonization objectives. The panel drew a nuanced, often paradoxical, landscape: a clear and urgent need

for enhanced collaboration juxtaposed with a palpable resurgence of resource nationalism, fragmented value chains, and the complex interplay of economic ambition, environmental and social stewardship, and geopolitical rivalry. This session ultimately revealed that the path to resilient and sustainable mineral supply chains is fraught with challenges demanding innovative and equitable solutions beyond traditional paradigms.

The discussion opened with a stark assessment from the moderator **Karim Dahou**, Deputy Director of the Global Relations and Cooperation Directorate at the **OECD**, highlighting a fivefold increase in export restrictions across critical mineral sectors over the past decade. This trend, he posited, signifies a palpable rise in resource nationalism, a phenomenon not entirely new, as demonstrated by China's restrictions on rare earth exports to Japan in the early 2010s. Such restrictions, affecting materials crucial for clean energy, digital industries, and defense, directly contribute to fragmented value chains, raising concerns about cost escalation and potential delays in achieving global net-zero objectives. While initiatives like the Mineral Security Partnership (MSP) were conceived to foster cooperation between consumer and producer nations, progress has been notably slow, underscoring the barriers to collective action in an increasingly competitive environment.



Amidst this backdrop, both established and emerging mineral-rich nations are charting ambitious courses to secure their positions in the global supply hierarchy. **Ana Brnabić**, President of the National Assembly of Serbia, revealed the country's substantial lithium reserves, estimated to meet up to 90% of current EU demand, and emphasized a strategic partnership with the EU. This collaboration aims not merely at extraction, but at integrating Serbian lithium into European sustainability and

competitiveness frameworks, crucially upholding the EU's stringent environmental and social standards. The Jadar lithium project is currently undergoing a comprehensive environmental impact assessment, expected within 18 months, and a final decision on exploitation will depend on the outcome of this process and the social acceptance of affected communities. For Serbia, value creation must remain domestic: access to raw minerals is not sufficient without building processing, manufacturing, and research capabilities. Brnabić emphasized that Europe must develop entire value chains—not merely extraction—if it aims to reduce strategic dependency.

The conversation also addressed social tensions around mining in Serbia. Ana Brnabić highlighted the **paradox of strong public opposition to lithium extraction despite a lack of protests against highly polluting lignite coal, which still accounts for 70% of Serbia's electricity.** She argued that lithium mining under EU-level standards would have significantly lower environmental impacts, especially compared to existing open-pit coal operations. **The challenge is one of public communication, transparency, and acknowledging the broader climate context: renewable energy and electric mobility depend on lithium-based storage systems for at least the next two decades.** Effective governance requires transparent decision-making, engagement with local communities, and a rational understanding of trade-offs between environmental protection and decarbonization goals.



Ana Brnabić also stressed the **challenges and opportunities of developing battery manufacturing in Europe.** While Asian producers continue to dominate, Europe must identify technological niches - whether in LFP batteries or sodium-ion alternatives - to build competitive regional capacity.

At the same time, Saudi Arabia, as articulated by the Deputy Minister of Mining Development **Turki Al-Babtain**, is undergoing a profound transformation, with the ambition to become a global hub for mining and mineral-based industrialization. **Under Vision 2030, the country aims to elevate its mining sector to the third pillar of its national economy, shifting from mere resource extraction to value creation and global resilience.** The Kingdom aims to unlock over \$2.5 trillion in mineral potential by creating a stable, transparent, and investor-friendly environment. This effort includes a modernized mining law, extensive geoscience mapping across more than 600,000 square kilometers, a national geological database with 80 years of data to support investor decision-making, and targeted incentives such as early-stage exploration financing. Additionally, Saudi Arabia's strategy extends far beyond extraction: through *Manara Minerals* - a joint venture between the Public Investment Fund and Ma'aden - the Kingdom is investing in international mining assets across Africa, Latin America, and Asia, contributing to global supply security.

Furthermore, Deputy Minister Al-Babtain emphasized that the country's geographic position at the crossroads of Asia, Africa, and Europe, combined with renewable energy availability and major industrial zones, enables integrated value chains across aluminum, steel, phosphate, batteries, rare earths, and green steel. **The Future Minerals Forum, held annually in Riyadh, has become a major platform for mineral diplomacy, uniting over 90 government delegations to develop shared frameworks for responsible mineral development, capacity-building, and ESG alignment.**

Kadri Simson, former European Commissioner for Energy and member of the [Global Council for Responsible Transition Minerals](#) offered a perspective on the EU's autonomy efforts, including through the Critical Raw Materials Act. **While acknowledging EU's targets for domestic extraction, processing, and recycling, she conceded that these measures alone would not achieve full autonomy.** She recalled the lesson learnt from



Russia's weaponization of gas supply in 2022. Today, she argued, similar vulnerabilities exist with minerals, where Europe depends on a single source - primarily China - for up to 90% of input materials in the battery supply chain. Specifically, the EU's Critical Raw Materials Act aims to mitigate this by requiring that no single provider exceed 65% of supply for any strategic mineral.

Kadri Simson also championed recycling as a vital component, though recognizing its limitations. **Even by 2040, recycling will only supply about 25% of mineral demand, and recycling capacity is heavily concentrated in China.** Nevertheless, the EU seeks to accelerate investment in recycling technologies and increase circularity. She also stressed the importance of diversified partnerships, not just for supply security but also for promoting high environmental and social standards globally, ensuring that mutually beneficial partnerships are the bedrock of future supply.

Discussions held by this panel revealed that securing critical mineral supply chains is less about simplistic competition or cooperation and more about navigating a multifaceted global transition. The strategic imperative is to forge diverse, transparent, and equitable partnerships that prioritize shared value creation, advanced technological integration, and stringent environmental and social governance. The geopolitical and economic risks of fragmentation are too high, making a concerted global effort - one that balances national aspirations with collective sustainability goals – is the only viable pathway to a resilient and prosperous future for all.