



Brussels, 23 June 2023
(OR. en)

10304/23

LIMITE

COMPET 581
IND 291
POLCOM 106
RELEX 695
COAFR 187

'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Memorandum of Understanding to establish a partnership on sustainable raw materials value chains with Rwanda <i>- Authorisation to negotiate a non-binding instrument</i>

1. On 14 March 2023, the Commission informed the Working Party on Competitiveness and Growth (Industry) about its intention to enter into discussions to draw up a Memorandum of Understanding on behalf of the Union to establish a partnership on sustainable raw materials value chains with Rwanda¹.

On 13 June 2023, the Commission provided updated information in the light of latest developments in this country and new elements that the Commission deemed useful to add to inform Member States of the nature of the partnership², accompanied by additional information on the traceability of minerals³.

¹ WK 3584/2023.

² WK 7882/2023.

³ WK 7896/2023.

2. The partnership, as a non-binding instrument, aims to support a closer economic and industrial integration of the EU with Rwanda in the area of sustainable raw materials, in particular through mapping resources, identifying projects across the value chain, de-risking and attracting private investment through financial and investment instruments. It also aims to support a better alignment on high environmental, social and governance standards throughout the raw materials value chains, including through a harmonised legal framework and a strong traceability system, to underpin a sustainable and inclusive economic growth, the creation of local added value and domestic revenue mobilisation. Moreover, it aims to support closer cooperation on research and innovation including advanced exploration, earth observation, and clean and innovative technologies across the supply chain, as well as closer cooperation on skills and capacity building necessary for sustainable raw materials supply chains. And it aims to support promoting an open, fair and competitive market for critical raw and processed materials based on transparent and regular dialogue that ensure the well-functioning and resilience of raw materials supply chains.
3. The Working Party on Competitiveness and Growth (Industry), at its meeting on 20 March 2023, examined the Commission's intention to negotiate, on behalf of the Union, this non-binding instrument. A second examination, based on the updated and additional information provided by the Commission, was carried out at a meeting of the Working Party on 20 June 2023.

At that meeting, delegations generally welcomed and expressed overall support to the approach proposed by the Commission with the understanding that the Commission will revert to the Council at the end of the negotiation process to seek the Council's authorisation for the signing of the Memorandum of Understanding on behalf of the Union.

4. Following the examination by the Working Party, the Permanent Representatives Committee is asked to:
- confirm its agreement to the Commission to negotiate, on behalf of the Union, a Memorandum of Understanding to establish a partnership on sustainable raw materials value chains with Rwanda;
 - recommend that the Council, as an 'A' item on the agenda of a forthcoming Council meeting, authorises the Commission to negotiate, on behalf of the Union, this non-binding instrument.
-