



MEMORANDUM OF UNDERSTANDING

ON A

STRATEGIC PARTNERSHIP ON SUSTAINABLE RAW MATERIALS VALUE CHAINS

BETWEEN:

THE EUROPEAN UNION REPRESENTED BY THE EUROPEAN COMMISSION

AND THE REPUBLIC OF RWANDA

I. Introduction and political context

The European Union and the Republic of Rwanda (hereinafter the “Participants”) wish to establish a strategic partnership on sustainable raw material value chains (hereinafter “the Partnership”) through signing this Memorandum of Understanding (the Memorandum). Under the Partnership, the Participants intend to cooperate to achieve closer integration of their respective raw materials value chains.

The Participants are committed to the green and digital transition. They recognise that securing a sustainable supply of raw materials is an essential prerequisite for delivering the objectives of the green and digital transition¹, including the decarbonisation of energy production and mobility ecosystems globally.

The Participants are committed to sustainable development in line with the Agenda 2030, local value addition and respecting each other’s right to extend the raw materials and net-zero technology value chains locally. In particular, the EU acknowledges the Republic of Rwanda’s ambition to become a processing centre for several raw materials. The Participants are committed to creating conditions favourable to open and fair bilateral trade and investment along sustainable raw material value chains.

The Participants further recognise that raw materials extraction and transformation and the development of the related value chains should be pursued in full compliance with internationally-recognised environmental, social and governance (ESG) standards, including those stemming from multilateral environmental agreements, respect for human rights and alignment with OECD Guidelines for Multinational Enterprises, with specific attention given to transparency, traceability and the

¹ As set out in, e.g.:

- COM(2019) 640 final – The European Green Deal;
- COM(2023) 62 final – A Green Deal Industrial Plan for the Net-Zero Age;
- COM (2023) 165 final – A secure and sustainable supply of critical raw materials in support of the twin transition;
- COM (2023) 160/3 Proposal for a regulation establishing a framework for ensuring a secure and sustainable supply of critical raw materials;
- Rwanda’s Vision 2050;
- the Sides’ respective commitments towards Sustainable Development Goals and the Paris Climate agreement.

contribution to regional peace and stability². As part of the environmental considerations, particular attention will be given to waste management for projects at all stages of the value chain.

The mining sector accounts for 3% of the Rwandese GDP³.

According to the National Strategy for Transformation (NST1), the mining sector is entrusted with the mandate to respond to the national objective of increased value addition for mineral and quarry products by attracting investment in mineral processing and value addition.

NST1 states that the extractive industry, especially mining sector, is expected to increase exports revenues from USD 373 million in 2017 to USD 1.5 billion in 2024. This sector is also expected to attract more investments in mineral value addition and playing a role generating jobs through mineral value addition and processing.⁴

The Communication 'Towards a comprehensive Strategy with Africa' adopted in early 2020 recognises the need for enhanced cooperation between the EU and Africa to develop a responsible raw materials sector, to promote secure and clean industrial value chains, while respecting ambitious environmental and climate standards.

The 2023 proposal for a European Critical Raw Materials Act⁵ recognises the importance of developing strategic international partnerships and the need to make financial resources available to secure a diversified and sustainable supply of critical raw materials.

II. Scope of the partnership and areas covered

The partnership covers the non-energy and non-agriculture raw materials that are necessary for the green and digital transition covering the entire value chain (exploration, extraction, processing, refining, recovery and recycling) as well as other minerals of strategic relevance to the twin transition, while minimising negative environmental impacts and benefitting local communities.

The partnership rests on five main pillars:

1. Integration of sustainable raw material value chains and support to their functioning and resilience through networking, joint identification and development of strategic projects of mutual interest (e.g. through joint ventures), promotion and facilitation of trade and industry linkages, support to economic diversification;
2. Mobilisation of funding for the deployment of soft and hard infrastructures required for project development, for leveraging private sector funding and cooperation to address trade matters, including inclusiveness and improving the investment climate;
3. Cooperation to achieve sustainable and responsible raw materials production and sourcing, including support to the "domestication" of the various tools operated under the International Conference on the Great Lakes Region (ICGLR) Regional Initiative against the Illegal Exploitation of Natural Resources (RINR⁶); this support is notably targeted to:

² In line with the renewed EU Great Lakes Strategy (Supporting the transformation of the root causes of instability into shared opportunities – Council Conclusions 20 February 2023)

³ Rwanda GDP National Accounts 2022

⁴ 7 Years Government Programme: National Strategy for Transformation (NST1), 2017–2024

⁵ Proposal for a regulation of the European Parliament and of the Council establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/102

⁶ The RINR has six tools: regional certification mechanism (RCM); harmonisation of national legislation; regional database on mineral flows; formalisation of the artisanal mining sector; promotion of the Extractive Industry Transparency Initiative (EITI); and whistle blowing mechanism.

Donc
tracabilité
impossible!
grotesque!
On demande
au volon
de rendre
son butin

- increased due diligence and traceability – and in particular support to the Republic of Rwanda's engagement with the Extractive Industry Transparency Initiative (EITI), the publication of key data for each mine and the use of scientific tools to check the documented origin of conflict minerals;
 - reinforced fight against illegal trafficking and laundering – including the enforcement of measures to intercept smuggled minerals entering the country and to repatriate them to the country of origin;
 - and alignment with internationally-recognised Environmental, Social and Governance (ESG) standards relevant for this sector, as well as compliance with applicable multilateral agreements;
4. Cooperation on research and innovation and sharing of knowledge and technologies related to sustainable exploration, extraction, processing, and recycling of raw materials, their substitution, waste management and monitoring of supply risks;
 5. Building of capacity to enforce relevant rules, increasing training and skills development related to the raw materials value chain.

III. Implementation and monitoring

Within 6 months from the signing of this Memorandum, the Participants intend to develop a Roadmap. The Roadmap aims to identify concrete actions for cooperation agreed by the European Union and the Republic of Rwanda, along the five pillars identified above. It should engage relevant stakeholders, including civil society and representatives from local communities, from both Participants and identify the leading organisations to implement each action.

The Participants intend to monitor the implementation of the Roadmap through a dedicated Working Group consisting of senior officials, experts and relevant actors as specified in the Roadmap. The Participants intend to organise an annual meeting to take stock of the Partnership's progress, discuss possible new strategic collaboration directions and update the Roadmap. The Participants may, by mutual agreement, propose a Ministerial level meeting for strategic matters. The Working Group should report and refer to Art.8 of the Political Dialogue between the European Union⁷ and the Republic of Rwanda and subsequently the partnership dialogue under the successor Partnership Agreement between the European Union and members of the Organisation of African, Caribbean and Pacific States (OACPS).

IV. Status of the Partnership

The partnership is not intended to create rights or obligations under international or domestic law. In particular, nothing in this Memorandum represents a commitment of financing on the part of either Participant.

Furthermore, this Memorandum does not represent any commitment from either Participants to give preferential treatment to the other Participant in any matter contained herein or otherwise.

The implementation of this Memorandum and any other activity hereunder is to be in accordance with each Participant's domestic laws, regulations, policies and procedures, as well as each Participant's international obligations.

⁷ Council Decision (EU) 2017/435 of 28 February 2017 on the conclusion of the Agreement amending for the second time the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000, as first amended in Luxembourg on 25 June 2005 (OJ L 67, 14.3.2017, pp. 31-32)

Signed in Brussels on the 19th of February 2024, in two original copies in English, both having equal validity.

For the Republic of Rwanda

Ms Jutta Urpilainen
Commissioner for International
Partnerships

Mr Vincent Biruta
Minister of Foreign Affairs