













Procedure file

Basic information	
INI - Own-initiative procedure	2023/2031(INI)
The role of EU development policy in transforming extractive industries for sustainable development in developing countries	
Subject 3.70.20 Sustainable development 6.30 Development cooperation 6.40.12 Relations with developing countries in general	
Procedure completed	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Development	 ANDREWS Barry	31/08/2022
		Shadow rapporteur	
		 BENTELE Hildegard	
		 ZORRINHO Carlos	
		 RIVASI Michèle	
		 KEMPA Beata	
	 URBÁN CRESPO Miguel		
	Committee for opinion	Rapporteur for opinion	Appointed
	 International Trade	 MAUREL Emmanuel	21/03/2023
	 Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
	 Industry, Research and Energy	The committee decided not to give an opinion.	
European Commission	Commission DG International Cooperation and Development	Commissioner URPILAINEN Jutta	

Key events			
16/03/2023	Committee referral announced in		

	Parliament		
24/10/2023	Vote in committee		
31/10/2023	Committee report tabled for plenary	A9-0322/2023	
13/12/2023	Results of vote in Parliament		
13/12/2023	Decision by Parliament	T9-0465/2023	Summary

Technical information	
Procedure reference	2023/2031(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	DEVE/9/11487

Documentation gateway					
Committee draft report		PE750.116	26/06/2023	EP	
Amendments tabled in committee		PE751.820	19/07/2023	EP	
Committee opinion	INTA	PE749.291	20/07/2023	EP	
Amendments tabled in committee		PE753.466	19/10/2023	EP	
Committee report tabled for plenary, single reading		A9-0322/2023	31/10/2023	EP	
Text adopted by Parliament, single reading		T9-0465/2023	13/12/2023	EP	Summary
Commission response to text adopted in plenary		SP(2024)79	04/04/2024	EC	

The role of EU development policy in transforming extractive industries for sustainable development in developing countries

The European Parliament adopted by 357 votes to 179 with 97 abstentions, a resolution on the role of EU development policy in transforming the extractive industries for sustainable development in developing countries.

Enhancing EU development policy

Parliament stressed the importance of mainstreaming sustainable development principles across all EU external action and invited the EU to promote a partnership between equals between the EU and the developing countries significantly dependent on the extractive industries. It underlined that all EU projects in extractives in developing countries should create win-win situations, including for local communities, and should place people-centred and environment-centred development at the heart of their objectives and all operational policy frameworks.

Members called on the EU to enhance its support for resource-rich developing countries in reducing their dependency on the extractive industries and in diversifying their economies, which are sensitive to economic shocks and price volatility, by promoting sustainable alternatives.

The Commission is called on to put forward an EU Code of Conduct on Responsible Investment in Extractive Industries in Developing Countries that would be voluntary for businesses and development finance institutions, drafted with inputs from industry and trade unions, as well as from civil society organisations and from representatives of indigenous communities and local communities.

This code should cover, at a minimum, commitments on:

- stakeholder involvement: the agreements should be negotiated within the framework of multi-stakeholder platforms meaningfully involving indigenous people and local communities, complying effectively with the principle of free, prior and informed consent and should be made publicly accessible;

- transparency, including proactive environmental, social and governance (ESG) reporting on projects in developing countries, in line with the principle of double materiality, as well as the publishing of contracts and financial transactions, including detailing the payments made to host governments;
- the rule of law and preventing corruption;
- human rights issues, such as the use of forced and child labour, workers rights, displacement, discrimination, indigenous rights, womens and girls rights, education, health and safety, as well as safe working conditions;
- environmental protection, performance and impact;
- local content and economic diversification, including opportunities for adding local value, skills development and technology transfer to promote economic diversification and inclusive growth in partner countries;
- conservation and biodiversity;
- capacity-building initiatives, including training programmes and knowledge-sharing platforms.

Parliament urged the EU to redouble its efforts to combat child labour in the extractive activities and increase technology transfers, knowledge sharing and capacity building in relation to sustainable resource management in developing countries.

The Commission is called on to support incentives and capacity-building programmes, particularly those involving women, for developing countries taking steps to formalise the ASM sector and integrate it into the rural and national economy.

EU actions at multilateral level

Parliament called on the Commission to propose a G20 initiative on making extractives work for local sustainable development in resource-rich developing countries. The initiative should be tailored to each context and could comprise, inter alia, financial support, debt assistance, debt relief and cancellation, capacity building in governance, taxation and anti-corruption.

The Commission is asked to support the reform and expansion of the Debt Service Suspension Initiative to include vulnerable middle-income countries, many of which are dependent on extractives, and to operationalise a long-term Debt Swap Mechanism (DSM) to facilitate debt-for-climate and nature swaps.

Members called on the EU to support developing countries in building their capacity to negotiate fair and transparent contracts with extractive industry companies. They reaffirmed the urgent need for a UN binding treaty on business and human rights and called on the Commission and the Member States to play an active role in the current negotiations on the instrument.

Strengthening the EU policy and legal framework

Parliament welcomed the fact that EU has taken steps to develop binding regulations in the area of corporate due diligence. It called on the Commission to use the 2023 review process of the Conflict Minerals Regulation, which since 2021 has obliged EU companies to source their imports of tin, tantalum, tungsten and gold responsibly and to ensure that their supply chains do not contribute to funding armed conflict, as an opportunity to assess thoroughly the impact of the regulation on the ground and the possibility to include further mandatory measures and cover other minerals. The Commission is called on to better assess the impact of EU development assistance on sustainable development in the extractive industries sector in order to ensure effective and accountable use of EU financial resources.