



**The Arctic's Geopolitics on the 2024 Critical Raw
Material Act amidst the Green Energy Transition – An
Indigenous Sami Perspective**

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Introduction

The search for critical raw materials (CRM) and discussions about the green energy transition in the Arctic have gained prominence. Recent news articles, academic debates and political discussions, point to geopolitical tensions between protecting the Arctic environment and its indigenous communities, versus allowing European Union (EU) nations to continue seabed mining explorations and extraction of rare earth minerals (Hodgson 2024). The new legislation named the Critical Raw Materials Act (CRMA) (2024) issued by the European Commission as part of the European Green Deal (EGD) became enforced on May 23rd 2024 triggering several apprehensions.

The Critical Raw Materials Act aims to further Europe's economy by focusing on: “strengthening [...] CRM value chains,” “diversifying the EU's imports of CRM,” “monitoring and mitigating [...] disruptions to the supply of CRM,” and “ensuring the free movement of CRM, by improving [...] environmental protection, [...] circularity and sustainability” (European Commission 2023).

These goals highlight the EU's search for stability following the COVID-19 epidemic and the energy crisis allowing the EU to decrease its dependencies on other nations such as China and the Democratic Republic of Congo which represents countries of great importance for the EU in terms of mining and processing cobalt, a mineral crucial for electric vehicle batteries (European Commission 2024; IISD 2023). Additionally, the act aims to make the EU more industrially competitive while following the 2030 climate goals and the green and digital transition. Specifically, the EU plans to be able to extract “10%,” process “40%” and “recycle 10%” of its annual consumption rates of CRMs (European Commission 2023). As CRMs are becoming more attractive geopolitically to meet international demands for clean technologies, rare earth elements are at the top of political agendas.

The Arctic region is divided into several nations including the American Arctic, which includes parts of Alaska, the Canadian Arctic, the Russian Arctic and the European Arctic which encompasses Norway, Greenland, Sweden and Finland. These four nations in the EU have various stakes in the region. Within the EU, several critics from civil society, international organizations and indigenous communities have risen. Focusing on the concerns of the Indigenous groups, in Norway for instance, the latest developments point to the country's support for the High Seas Treaty (2023) on conserving ocean biodiversity while simultaneously the Norwegian Parliament authorized oceanic mining endeavours in the Norwegian Continental Shelf (Delivorias 2024). These mining exploration and extraction projects risk endangering marine ecosystems and negatively impacting the fishing sector and coastal



indigenous communities who rely on resources from the ocean for survival. Another example regards Greenland and its recent strategic partnership with the EU as the nation holds “25%” of global CRM reserves (European Commission 2023). This 2024 deal marks an opportunity for both the EU and Greenland to strengthen their economic and environmental policies by focusing on the value chain of raw materials, on Environmental and Social Governance (ESG) standards, on improving Greenland’s transport and energy infrastructure and developing innovative techniques through cooperation. This deal equally highlights the increasing amount of mining plans for the future which create environmental risks for indigenous communities. In the case of the CRMA, although stakeholders are taken into consideration the mention of indigenous communities and how this partnership will help indigenous people remain vague. Apart from the “exploratory momentum” section emphasizing Indigenous communities should be consulted in “good faith” when mining projects are planned, there are no sufficient inclusion possibilities for the Sami people (European Commission 2023). In Sweden and Finland as well, the Sami have raised their concerns about how the CRMA poses a threat to their livelihood as the creation of more mines leads to land exploitation and land degradation, affecting reindeer husbandry and herding which are central to Sami livelihood and culture. The case of Sweden is highlighted as last year, valuable rare earth minerals were found in the Swedish Lapland region of Kiruna (The Perspective 2023). This discovery, described as a “goldmine” by the Swedish deputy Prime Minister threatens local habitats due to extreme land deformation. This has displaced local populations and raised concerns within the Sami community about how mines affect reindeer herding routes and their search for food across the Arctic lands (Fiorillo 2023; Rankin 2023). This discontent from the Sami community was expressed by the President of the Sami people in Sweden in December 2023 who pointed out the EU’s CRMA disregarded Sami way of life and rights as it threatened their livelihood, economic activities and culture (Jonsson 2024).

With all these new articles, the tensions regarding the CRMA and the European nations bordering the Arctic Circle have been brought to light. This policy paper will explain the presence of the Sami in the Arctic, highlight their main arguments against the CRMA, and make policy recommendations on how indigenous populations should be more inclusively represented in this legislation.

Governance of the Indigenous Sami People in the Arctic Region and Key Criticism Points Regarding the 2024 Critical Raw Material Act

The Sami are the only indigenous people in Europe. They live in the Northern areas of the European Arctic and the Russian Arctic territories in close relation to nature. They are nomadic and travel depending on reindeer patterns surviving off of hunting and fishing (Heikka-Huber and Humboldt 2023). The community is governed on various levels, on a national level, Norway, Sweden, Finland and Russia have included in their parliamentary assemblies representation advocating for Sami rights, culture and interests. Regionally, there is the Arctic Council which includes



Canada, Denmark, Finland, Iceland, Norway, Sweden, Russia and the US as well as the Sami Council where indigenous groups take part in decision-making processes (Arctic Council 2024). Lastly, at the EU level, there are several committees, policies and programs such as within the European Parliament, the European Council, the EU Arctic Policy and the Northern Dimension and Arctic Program which cover indigenous Sami inclusion and sustainable development. Within these levels of governance, multiple bodies address Europe's indigenous communities.

As for the CRMA which falls under the European Commission, the Sami have long voiced their concern for what they call “green colonialism”. Green colonialism refers to their fear that the EU is implementing policies aimed at decarbonization at the expense of indigenous communities. Sami people argue that climate change policies are regulations advancing the green transition while harming Sami native lands and resources. Therefore, the EU's hegemonic manner and top-down approach to climate change policies is rejected by the Sami who contend measures such as adding more wind turbines do not address negative climate and environmental consequences (Normann 2019). Hence, the CRMA falls under this concern where the search for rare earth minerals under the Arctic seabed, is believed to deplete Sami resources, increase pollution, waste and environmental and biodiversity loss (Chuffart et al. 2021). From the Sami people's viewpoint, the CRMA does not sufficiently ensure indigenous rights and interests as protected by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) (2007) (United Nations 2024). Under UNDRIP, indigenous peoples have the right to “self-determination, culture and land” which although non-binding, is recognized under international law.

Specifically, the Sami people argue countries like Sweden and Finland have violated “EU agreements and obligations” towards the Sami people under this act. According to the CRMA, the Sami do not have the right to give or withhold the “free prior and informed consent” (FPIC) of Indigenous Peoples (Mirkovic 2022; UN 2016). This emphasizes that there is a missing legislative procedure which allows Indigenous representative bodies to withhold mining projects on protected Sami lands and that it is not a guarantee that Sami rights will be protected once companies plan mining projects. Further, the promise of the EU's “good faith” in consulting indigenous populations prior to mining projects is also not guaranteed, there are no reinforcing mechanisms that ensure this trust. The Sami are already sceptical of the EU's green plans due to their fear of green colonialism. Additionally, there have been prior cases where Sweden, Norway and Finland have all been recognized internationally for implementing policies against Indigenous populations, abusing their rights and discriminating against the Sami population (UN 2021; Dougall 2022). Hence, critics from the Sami community demonstrate the frustration of the Indigenous population as despite European bodies representing Sami interests, they must still continuously fight to uphold their rights and ancestral way of life.

Policy Recommendations

To maintain the core goals of the CRMA, strengthen the legislation's effectiveness, and reduce geopolitical tensions between the Indigenous communities and the European Arctic nations, the following points are strongly suggested:

- The Sami people must be more included in decision-making processes of mining projects. There should be an adequate mechanism in place allowing indigenous communities to exert their FPIC rights. This FPIC would therefore ensure that enterprises planning these mining projects properly consult the Sami people ensuring that their rights, land and resources are not jeopardized. The EU should institutionalize Sami FPIC rights allowing the Sami community to actively participate in mining projects within Sami territory. Additionally, it is part of the UNDRIP which highlights the importance of further enforceability and adherence. An example of Sami inclusion in decision-making is the Sami Climate Council appointed in August 2023, an independent expert body funded by the Finnish Government (Interreg Europe 2024; Ministry of the Environment 2023). This body utilizes Sami knowledge on Arctic nature to create well-rounded national climate policies. Hence, a council composed of various expert bodies including Sami traditional and cultural knowledge, offers an opportunity to implement policies more tailored to fighting and finding solutions for climate change. Sami inclusion should therefore be embedded as a binding requirement, with non-compliance mechanisms in the CRMA.
- In the case of Kiruna where local habitats were displaced, financial support, compensation for damages and restorative environmental projects should be put into place by the EU through a fund for individuals and groups affected negatively by mining projects. This creates a protective measure for the Sami people as well as an incentive for the companies mining to be wary of displacing locals and the extent to which they expand mines minimizing environmental consequences (Investigate Europe 2023). Mining projects and firms, may also be put under frequent monitoring mechanisms under Sami Councils or the European Commission, ensuring projects comply with Sami rights at all times.
- A mechanism should be outlined stating that not only in good faith, will the EU consult Sami people on mining projects, but this should also be safeguarded through a legislative procedure or relevant representative body. This would establish a guaranteed procedure for the Sami people giving them autonomy and inclusion in decision-making processes. This representative body could also provide legal advice for the Sami community in the case of rights violations, allowing concerns to be brought up to the European Court of Human Rights which protects indigenous populations as the CRMA falls under European Law.
- The CRMA should also highlight that prior acts protecting the indigenous population such as UNDRIP be respected and taken into consideration before,



during and after mining projects. This would ensure that Sami lands are protected, and that the environment they live in is conserved for their livelihood and the continuity of future generations.

Conclusion

The CRMA has valid objectives that are in line with climate change goals. However, more attention should be given to the impacts of how these mining projects impacts indigenous communities. Currently, the Sami people criticize that they are vaguely mentioned in this act. For these reasons, the Sami fight for a more inclusive approach to how these mining projects will affect their communities. Mechanisms regarding the governance of mining extractions and decision-making processes between the governments and the mining companies are missing.

The act, as currently published does not highlight Sami rights nor does it conserve their way of life. For these reasons, the above policy recommendations have been made implementing mechanisms that ensure indigenous communities are given a voice, are heard and have a judicial basis if their rights are not considered thoroughly. Including the Sami population is crucial to promote sustainable development in line with the green transition and the CRMA. These suggestions equally aid policymakers in making effective legislation, representing all members of their nations. Most importantly, these recommendations emphasize a way in which geopolitical tensions regarding the Arctic may be minimized between indigenous communities, governments and mining industries.

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