

B.C. Critical Minerals Strategy

Public engagement summary: What we heard

MAY 2024



Ministry of Energy, Mines and Low Carbon Innovation

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Introduction

Critical minerals are required for low-carbon technologies like:

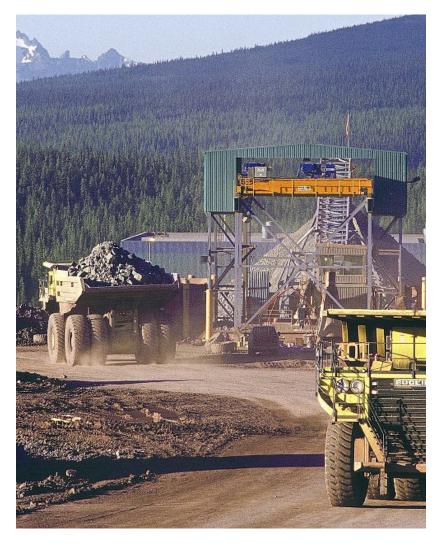
- Solar panels
- Wind turbines
- Energy storage

- Advanced batteries for transportation
- Telecommunications

Global demand for critical minerals is expected to increase as the world shifts to a cleaner economy. A British Columbia Critical Minerals Strategy (the Strategy) is needed to help B.C. seize this opportunity.

The Strategy will strengthen conditions for a competitive, responsible, and sustainable critical minerals sector in the province. The Strategy will contribute to advancing reconciliation with Indigenous Peoples and help us meet our StrongerBC and CleanBC goals for a clean and inclusive economy.

The Ministry of Energy, Mines and Low Carbon Innovation (the Ministry) is undertaking a collaborative and data-driven approach to inform the Strategy. Several processes have provided input, including public engagement, First Nations engagement, economic analysis and geoscience, and a multi-sectoral Advisory Committee.



This report summarizes public feedback regarding the importance of First Nations involvement in the critical minerals sector, but it does not directly reflect First Nations perspectives. The Province is undertaking a separate, ongoing engagement process to gather First Nations ideas and inputs on the B.C. Critical Minerals Strategy.

In January 2024, the Province launched Phase 1 of the <u>B.C. Critical Minerals Strategy</u>, which includes 11 key actions to support responsible and sustainable critical mineral sector development in BC. Phase 2 of the Strategy is in development.

Public engagement

In fall 2023, the Province gathered public feedback to help inform the development of B.C.'s Critical Minerals Strategy. The Province posted a discussion paper online for comments, which was downloaded nearly 450 times, received a number of comments on the discussion forum and close to 40 emailed written submissions.

Through the engagement, the Ministry heard from the mining industry, academia, non-governmental and environmental organizations, and private individuals.

What we heard during the engagement informed the development of Phase 1 of B.C.'s Critical Minerals Strategy and continues to inform work towards Phase 2 of the Strategy.

What we heard: **Key themes**

Respondents expressed a wide range of perspectives on what B.C. needs to consider in the development of a sustainable, responsible, and competitive critical minerals sector. This report summarizes the findings from public engagement under eight key themes.



First Nations involvement is imperative



Fiscal and regulatory environment



Environmental stewardship and innovation



Investment in supporting infrastructure



Sustainable and accessible career options



Geoscience and focus on critical minerals



Domestic capability to process critical minerals



Investment attraction

"Develop partnerships with Indigenous and non-Indigenous organizations and dedicate resources to strengthen the governance and management capacity of indigenous-owned businesses and Indigenous economic development corporations."

Respondents supported deep involvement of First Nations in all mining activities. They highlighted the need to respect Indigenous rights and support First Nations communities where mineral exploration and mining occur. Some respondents mentioned that current processes for First Nations consultation and consent in decision-making leads to uncertainty in resource development.

Much of the input provided can be summarized into three categories:

- 1. Mining projects should be designed with, supported by, and executed, in partnership with First Nations.
- Ensure adequate resourcing for administrative and technical capacity to participate fully and equitably.
- First Nations should have access to revenue sharing and be equity holders in resource development projects, recycling hubs, and re-mining projects.
- Increase access to <u>investment capital</u> such as a loan guarantee program.
- Support Indigenous Guardians and other community initiatives to help with monitoring and enforcement at mine sites.
- 2. Recognize and respect First Nations rights and title, land use, and Indigenous Protected and Conserved Areas.
- Update legislation such as the Mineral Tenure Act (MTA) to recognize the Declaration on the Rights of Indigenous Peoples Act (DRIPA), and other legislation that advances reconciliation and rights and title.
- Land claims must be settled to provide certainty for project planning.
- A process for Free, Prior and Informed Consent must be built into permitting and continue throughout the mining process.
- 3. First Nations must be supported to thrive in natural resource-dependent communities.
- Acknowledge the link between resource extraction and increased crime and gender violence, particularly with Indigenous women and girls, and include supports to address this issue.
- Enhance training, capacity building programs, and long-term employment opportunities to enable hiring from within the community.

Theme 2: We need a more competitive fiscal and regulatory environment

Many respondents discussed fiscal tools that could make B.C.'s critical minerals sector more attractive to investors. Improvements to the regulatory environment were suggested as a way to increase competitiveness.

1. Fiscal improvements to attract investment.

- Increase availability of existing mining tax credits and consider additional tax incentives, such as Investment Tax Credits, a Critical Mineral Exploration Tax Credit, or a Flow-Through Share Structure.
- Consider an equity fund to advance exploration.
- Increase work with the federal government on critical minerals funding opportunities.

2. Regulatory improvements to create efficiencies with better oversight.

- Clearly define project assessment and approval processes and improve permitting and environmental assessment processes to increase efficiency and reduce timelines.
- Improve regulatory coordination and decrease jurisdictional overlap between provincial ministries.
- Implement a disaster reclamation fund financed by industry.





Theme 3:

We need to ensure environmental stewardship, including through innovation and a circular economy approach

"B.C. should support innovative solutions that not only focus on reducing emissions and improving water quality but also on minimizing waste generation, reducing contamination at the source, and enhancing environmental protection throughout the mining value chain."

While the importance of critical minerals for a low carbon future was acknowledged, many respondents expressed the need to reduce reliance on new mining by focusing on innovation and a circular economy approach that champions reducing, reusing, recycling, and re-mining.

- Implement programs to encourage reduced consumption of consumer goods and improve efficiencies, including expanding "right to repair" laws and prohibiting planned obsolescence.
- Improve selectivity and efficiency of the mining process to extract as many minerals present as possible and reduce waste generation.
- Prioritize recovering materials from preexisting, shuttered mine sites and their wastewater, tailings ponds, and waste. This will also help with site remediation.
- Increase funds like the <u>CleanBC Industry</u> <u>Fund</u> to encourage the circular economy and decarbonization at a larger scale.

- Consider new regulations and incentives for new technologies and projects focused on reuse, reprocessing, recycling, and re-mining, such as battery recycling facilities.
- Ensure mining and associated laws are integrated with environmental stewardship and biodiversity requirements and targets, such as protection of species at risk, watershed health, a land protection target, and considering cumulative effects.
- B.C. should be a leader by publicly tracking the supply chain of its mineral production and ensuring transparency in environmental impacts.





Theme 4: We need investment in supporting infrastructure

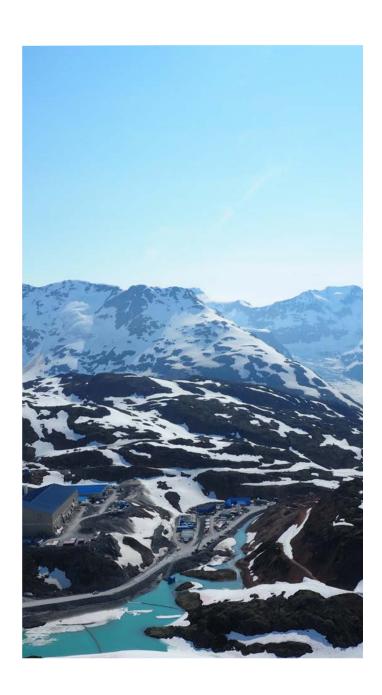
Respondents emphasized the importance of investing in infrastructure, such as highways and electricity networks to connect critical mineral sites to existing supply chain routes and clean power sources. Feedback was received in two general areas.

1. Supporting infrastructure for mining.

Support infrastructure investment, such as transportation corridors, including upgrades to Highway 37 to unlock strategic deposits. Governments should work with mining companies and utilities to ensure clean power is available to critical mineral operations; this might include faster permitting and development of new power lines to support cleaner electrification.

2. Supporting physical and social infrastructure for communities.

- Implement community supports to encourage community and workforce participation, such as housing, childcare, and high-speed internet, particularly in rural areas where mining typically occurs.
- Develop infrastructure for critical minerals sustainably, including consideration of cumulative impacts and the needs of local communities.
- Invest in infrastructure resiliency preparedness for climate change.
- Improve public transit and urban planning to reduce the need for individual transportation using fossil fuel transportation.





Theme 5:

B.C. should promote sustainable and accessible careers in all aspects of the mining and minerals industry, from exploration to recycling

"Invest in education and workforce development to support a skilled, diverse workforce in the critical minerals sector."

The Province heard about the importance of talent development and diversity:

- Address barriers and provide the support needed to increase diversity, equity, and women's participation in mining, such as access to skills development and actions to expand quality affordable childcare.
- Prioritize and incentivize education for young people and underrepresented groups in science, technology, engineering, and earth sciences.
- Boost employment and career opportunities in B.C.'s critical minerals, mining, and smelting industries, such as through scholarships and apprenticeships.
- Support opportunities to rapidly train or retrain workers, including through post-graduate and continuing education programs.



Theme 6:

B.C. should focus on certain critical minerals and support additional geoscience

Many respondents articulated the need to enhance provincial geoscience while focusing on certain critical minerals:

- Prioritize critical minerals that have strong global demand and are needed for the energy transition away from fossil fuels.
- Maintain or increase funding for geoscience and geological data, including survey work, post-secondary research, and the development of a B.C. Digital Core Library.
- Geoscience should include critical minerals present at abandoned and legacy mines for re-mining.
- Geoscience should include biodiversity and ecological data to enhance data transparency and public trust.



Theme 7: B.C. should advance critical minerals processing capacity

"The biggest long term economic and supply security impact we could have on the province would be to invest in refining and smelting capability."

Many respondents discussed the benefits of domestic processing capabilities:

- Creating incentives to advance domestic refining, smelting, and production capabilities would support an important part of the supply chain.
- Domestic refining will retain local jobs and economic benefits and diversify domestic supply chains.





Theme 8:

We need to attract investment to B.C. through responsible mining that increases public support for the mining sector

Many respondents recognized that B.C. has the critical minerals needed for the global shift toward clean energy and that the Province needs to enhance B.C.'s credentials as a reliable, responsible, and sustainable place to do business:

- Promote B.C. internationally as an <u>Environmental, Social and Governance</u> (<u>ESG</u>) leader and as a destination for mining investment that is ethical and sustainable.
- Collaborate closely with industry to share information about B.C.'s world-leading regulatory framework, showcasing the Province's commitment to responsible practices.
- Develop and implement education programs to inform the public about the importance of critical minerals in sustainable development.
- Enhance existing environmental regulations and commit to sustainable practices to address historical exploitation and abandonment.
- Prioritize long-term considerations for water quality and environmental impact, emphasizing the importance of responsible mining practices.

