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Access to Resources

Perspectives for Economic
and Trade Policy and
International Relations

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Lecture delivered by Philipp Mißfelder, MP, Foreign Policy Spokesman of the CDU/CSU Parliamentary Group, at an evening debate organized by the Konrad-Adenauer-Stiftung and the Keizai Koho Center in Tokyo, 2012.

Foreword

For some time, access to resources has been one of the important issues in the global discussion of economics and trade. For all countries, supply of affordable raw materials plays a decisive role for their industries. Globalization and growth require deepened economic engagement with the outside world at all levels. To maintain an open global order at many different levels therefore is a prerequisite for safeguarding sustainable access to resources.

In such an environment the conditions for economic success have grown more complex and all countries develop an increasing set of interests which stem from a wide range of factors. Interests may differ and, of course, depend on a country's very own and individual situation. However, the need to secure access to natural resources and raw materials, the need to secure energy as well as the need to ensure trade access are considered to be a fundamental common interest – in particular for such highly industrialized countries like Japan and Germany. Economies need predictable and sustainable supply of raw materials. And sustainability, one of the most important principles of market economies, rests on the convergence of economic efficiency, social responsibility and the fair access to resources.

Access to resources is firmly linked to economic and trade policy but also to foreign and security policy. There are many challenges ahead. Growing international competition for important industrial raw materials intensifies in times of upward global growth. Volatility of prices on the commodity markets can be dangerous for the demand and supply sides alike. The sometimes missing transparency in the exploitation of raw materials is increasingly questioned by users, international environmental groups and also by the civil societies in supplier countries. Supply restrictions, if applied, not only prevent a fair access but foster imbalances and economic distortions as can best be seen from the debates on rare earths. Furthermore, the issue of supply security including enhanced protection of the sea lines of communication is on the agenda of security experts around the world. And finally, the answer to the lingering

question whether the 21st century will be marked by clashes over the distribution of resources is still uncertain.

When Philipp Mißfelder visited Japan earlier this year we asked him to deliver a lecture on *Access to Resources – Perspectives for Economic and Trade Policy and International Relations*. We did so, as this topic is equally important for Japan and Germany. Philipp Mißfelder was destined to take it up. He is the Foreign Policy Spokesman of the CDU/CSU Parliamentary Group and the youngest member of the Christian Democratic Party (CDU) Executive Committee which is the highest policy body of the party. He has visited Japan several times in the last years, has realized the importance of the country and has become a convinced friend of Japan. Philipp Mißfelder is a politician with a clear global vision, well aware of the growing global inter-dependence among nations and conscious that national responsibilities do not stop at the border. He is an important voice within and without the German parliament on both value and interest based German and European foreign and security policies including an open and equitable international trading system.

His speech was delivered in Tokyo as the keynote address of an evening debate which was organized by the Konrad-Adenauer-Stiftung and the Keizai Koho Center. It was received with a wide interest by the audience so that we decided to publish it within our KAS program on Social and Economic Governance in Asia.

This new program covers at its core market economic challenges in the region, aims at discussing and analyzing economic and social governance issues which are of practical relevance in Asia and takes up issues of global economic policies to deepen the analysis of the dense patchwork of interconnections that crisscrosses the regional and global economy including their economic and policy spillovers between Asia and Europe.

Tokyo, autumn 2012

Jörg Wolff
Resident Representative Japan
Regional Representative Economic Policy

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Perspectives for Economic and Trade Policy and International Relations

Philipp Mißfelder

Today our world stands at an important crossroads. Emerging and developing countries are industrializing and modernizing, driving demand for raw materials like never before. Germany and the rest of Europe need raw materials too, but we face significant challenges in meeting our needs.

Imagine the consequences if we didn't have lithium: car manufacturers wouldn't be able to produce batteries for new cars. Without cobalt we wouldn't be able to use our mobile phones, and without important rare earths we couldn't make windmills – a key element in our plans to counteract climate change. Raw materials are of paramount importance to our economic, political and environmental security. They are an integral part of modern society.

Germany's goal is to create a political, legal and institutional framework in which all stakeholders – business owners, resource-demanding nations and resource suppliers – are treated with respect and have the opportunity to achieve their strategic aims. That means a world in which we all have fair access to the resources we need to keep our economies running, a world in which states cooperate with international bodies to ensure global markets are as liberalized as possible.

We are pursuing clear strategic interests in our quest for raw materials security, but in doing so we are not ignoring the needs of others. We aim to be a strong, trustworthy and reliable partner to the rest of the world and to avoid a "race for resources." To that end, we are pursuing a strategy of developing close partnerships with resource-producing countries in order to diversify our sources of raw materials, while at

the same time being as efficient as possible. In exchange, we can offer key recycling technology and other benefits to our partners so that their own needs are also met. Today Germany is building the basic infrastructure that it needs to achieve its goals, through new agencies, ideas and strategies. We are committed to ensuring our raw materials security, while helping our partners to increase their capacity and resolving disputes in a peaceful way.

As the foreign policy spokesman of the Christian Democratic Union and Christian Social Union parliamentary group in the German Bundestag, I have made this issue one of the top priorities on our foreign policy agenda. During this legislative period, the CDU / CSU parliamentary group has organised three conferences on the issue of raw materials. A fourth conference is currently being planned for spring 2013.

German Chancellor Angela Merkel and I now want to speed up the debate. Over the last few years, we have played host to several conferences on the subject and have been developing strategies to tackle this issue head-on. In 2010, the German government and my parliamentary group published comprehensive resource security strategy documents. And at one conference last April, Chancellor Merkel firmly placed raw materials security at the top of the German agenda when she said that deeper thinking was necessary to help us maintain our technological edge and retain our place in the world.

"It must be prevented that a country like Germany with a large output can no longer realize its research possibilities, innovation, creativity and even precision, because there is a lack of access to raw materials," Merkel said in Berlin.

Raw materials – challenges and opportunities

Though Germany is not totally lacking in resources – it is largely able to meet its own demand for gravels, sands, stones, soils, potassium salt and rock salt through domestic deposits – it is nearly completely dependent on the outside world for key metallic raw materials. And, like many other countries, it faces major challenges in trying to achieve

resource security. The earth's resources are finite and expendable. Experts agree, however, that there are sufficient mineral resources to meet global demand in the long term. The real challenge is ensuring equitable access to these resources.

They are often located in politically and economically volatile regions of the world that are now emerging from decades of trouble – countries in Central Asia or Africa, for example. In many cases, key resources are in truly lawless countries like the Congo, which has spectacular reserves of coltan and tin, but which has been wracked by bloody conflict for years. There, rebel groups and human rights abusers are known to exploit supplies of raw materials for their own benefit. We are faced not only with the challenge of finding and extracting these resources, but doing so in an ethical and sustainable way.

According to the World Bank, more than half of global raw material production takes place in countries classified as politically unstable or extremely unstable. In the case of metallic raw materials, over 60 percent of production stems solely from unstable or extremely unstable countries. The entire global production of several metal ores comes from countries that fall into these categories. There's a high risk that important raw material production could be curtailed or stopped entirely because of war, coups or other unstable situations. According to a 2011 study by the Institute for Future Studies and Technology, more than a dozen raw materials, including silver, tin and chrome, are basically essential to the German economy. Yet they are all subject to unacceptably high supply risk.

Challenge: political risks

In countries like China, we have a different problem altogether. China has imposed export restrictions on vital rare earths and, in 2010, even refused to export them to Japan for a time over a diplomatic spat. It is also a rapidly growing and resource-hungry country itself and has been snapping up mining contracts in Africa and elsewhere.

Emerging economies, with their insatiable demand for resources, are

increasingly pursuing strategies that attempt to secure beneficial and cheaper access to raw material deposits for their own raw material processing industries, while putting foreign competitors at a serious disadvantage. The European Union has identified over 450 export restrictions for more than 400 different raw materials. And it's not just China that has taken protectionist measures, others countries have too, including Russia, Argentina, South Africa and India. Emerging economies need raw materials just as we do, and they are proving to be serious competition for our industries.

Challenge: market volatility

The supply of raw materials is a closely interwoven global network and, as such, is subject to a wide range of influences that can only be controlled to a limited extent by any one state or single company. Market disruptions can lead to volatile price and supply variations. Often they are unpredictable and triggered by unexpectedly rapid growth in developing or emerging countries or as a result of technical advances, which cause demand to peak or plummet. A prime example of this happened in 2000, when the mobile phone boom triggered shortages in tantalum, sending prices soaring to around \$550 per pound, a roughly 10-fold increase.

The potential for disruption is particularly high where no, or no readily available, substitutes exist for scarce and expensive raw materials, especially when their supply is located in volatile regions of the world. There is no substitute for chromium (largely found in southern Africa) in stainless steel, for instance, nor for cobalt (found in Central Africa) in wear-resistant alloys, nor for indium (found in parts of Canada but also in South America and China) in liquid crystal displays in flat-panel screens, nor for neodymium (found in China) in powerful permanent magnets. Research is being undertaken to see if substitution is possible. But it will take time for the research to bear significant fruit.

Technological progress comes into play as well. The high volatility of raw material prices in recent years can be largely attributed to new technology, which has sometimes radically altered industry's need

for resources. This has not only challenged industry, but also mining companies and other suppliers, who have been forced to rapidly change their priorities in order to get much-needed materials onto the market. In some cases, market players have simply failed to anticipate technological change in time. But in many cases, massive shifts in demand have happened quickly and with little warning. Prime examples include the fluctuating tantalum prices referred to earlier and the sharp rise in the demand for and price of tin as a result of the switch by the electrical and electronics industries to lead-free solders, which require a much higher percentage of tin. Technological progress is likely to have a similar impact on supplies in the future and all players need to be aware of this possibility.

Challenge: demand difficult to predict

Overall raw materials demand is only likely to grow in the future, according to Germany's Federal Ministry of Economics and Technology. If current world economic growth rates of around 4 percent per year remain constant, economic output will have more than doubled by 2030 compared to 2006. Demand for raw materials will increase rapidly as a result. The demand for gallium and neodymium, for example, will rise by six and 3.8 times respectively, according to the report. Demand for indium will rise by 3.29 times and germanium by 2.44 times. Reliable information on potential future innovations is vital for both governments and raw material companies. This information allows governments to adjust legislation and policy in order to support industry. And it helps raw material companies to adjust their constantly fluctuating production demands in order to meet future needs. But predicting the evolution of technology is virtually impossible in practical terms. Flexibility is the key.

Prices for raw materials have recovered since their decline between 2008 and 2009 as a result of renewed high demand driven by economic growth, but also by speculation, as was recognized in reports published by the European Commission and Germany's coalition government. Financial instruments such as futures and options can help to hedge risk and determine prices, but they can also lead to problems and price distortion.

There is a way forward however: following a clear plan to secure Germany's raw materials future. Here are eight solutions we need to be pursuing:

1. Diversification

One way to achieve more resource security is by establishing raw material partnerships and by aiming for more diversification amongst our suppliers. Through these partnerships we can increase our overall supplies and reduce our dependence on places where future access to resources, and especially rare earths, may well be much more tenuous. This is a win-win situation. We ensure our own raw materials security, while our partners receive technology and other benefits that only we can provide, and which contribute to their security and stability. Germany's reputation as a trustworthy and reliable partner will also be further enhanced as a result.

New agreements with Mongolia and Kazakhstan are good examples of the kind of frameworks we hope to establish with other partners in the future.

Mongolia and Germany first announced a comprehensive partnership in 2008, but in October 2011, the two governments signed a unique, in-depth raw materials agreement that will offer German industry one-of-a-kind access to the country's huge supplies of coal, copper and other raw materials, while benefiting the Mongolian people.

The partnership commits both sides to achieving concrete supply agreements, while exchanging information that will help Mongolia to develop its own economy. German industry will benefit from access to raw material supplies and administrative support from the Mongolians. In turn, Germany will offer Mongolia a host of valuable benefits, including special educational programmes, which will train young Mongolians to be the leaders of the future, and state-of-the-art recycling technology that will increase efficiency and decrease waste. Special working groups will be set up to monitor and implement the agreement, which could be further expanded in a few years time.

Another agreement concluded in February with Kazakhstan – rich in valuable rare earths and other raw materials – provides similar benefits to both sides. Under the agreement, Kazakhstan will support German industry trying to do business in the country, while Germany will offer training programmes for managers, advise the country on environmental and economic issues and transfer recycling technology that could be vital to Kazakhstan’s future development.

Although they are only recent innovations, the agreements are already bearing fruit. Initial feedback from industry and our international partners has been positive and encouraging. We know that these agreements are being watched closely by others. If the ultimate outcomes are successful – if all sides agree that they are benefiting from the partnerships – important models will have been established that we can follow with other partners in the future. They will contribute to the developing world’s march toward stability, sustainability and more development and offer important, valuable benefits to all concerned.

We are constantly looking for more alliance partners and have signed a raw materials agreement with Australia, under which Germany and Australia are committed to undertake joint efforts in research and development.

2. Solving conflicts through international law, using China as an example

We recognize that conflicts over raw materials can arise from time to time and we are committed to working within the framework of international law to resolve them. We believe that this is the most effective way to resolve disagreements both peacefully and in an orderly fashion, and we expect our partners to be equally committed to resolving disputes both equitably and through the rule of law.

China has huge raw material resources, a stable government and a strong desire to engage with the world. But we are concerned about whether it is really committed to being a sustainable raw materials partner with Germany and the European Union and whether it is willing to adhere to international standards that will make the world a fairer

place for everybody.

The huge volumes of rare earths supplied by China are almost impossible to find anywhere else. Some of the materials that can be extracted from Chinese rare earths include gallium, which is needed for photovoltaic panels and circuits, neodymium, which is used in permanent magnets, indium, which is used in LCD-displays and germanium, which is used for fibre optic cables, infrared lights and optical technology. The European Union imports more than €350 million worth of rare earth minerals from China every year.

China's moves to cut off rare earth exports to Japan in 2010, following a territorial dispute, sent shock waves around the world. Over the last twelve months it has suspended the issuing of new rare earth mining licenses on several occasions and has imposed tariffs and production and export quotas – something we find unacceptable as a country committed to liberalizing the raw materials trade.

China argued in a recent white paper that lack of regulation has led to environmental damage from mining, prompting the imposition of quotas. However, we and our partners believe that not enough has been done to find an equitable solution to this problem that takes into account both environmental needs and the needs of industry and consumers. This is why several parties to the dispute, including the European Union, the United States and Japan, have filed a complaint with the World Trade Organization, asking the body to declare China's restrictions illegal. It follows a WTO ruling this year, which found that China was illegally restricting exports of certain materials, including bauxite and zinc.

China initially rejected the setting-up of a WTO dispute panel to investigate the matter further. However, in July the WTO announced that a team of judges would indeed be empanelled. This rejection was a matter of some concern to us, as it seemed to call into question China's commitment to allowing international law to run its course. But the government later said that it would abide by any future WTO ruling. This is encouraging because it shows that we are developing stable, internationally recognized frameworks that will allow us to resolve

disputes in future in the appropriate way. We believe that the end result will be a fair resolution of the Chinese issue.

In a world of rapid change and potential resource insecurity, we risk violent conflict – or at the very least seriously damaged relationships – if we can't find ways to peacefully resolve trade disputes. The dispute with China shows that the WTO can offer a powerful mechanism for finding fair and equitable solutions. Germany and the European Union view the establishment of such mechanisms as crucial to raw materials security. We want to see more of these clear frameworks established in order to avoid problems escalating in the future.

3. Boosting material efficiency and resource productivity

Our strategy cannot be based solely on diversification and obtaining more and more raw materials. The fact that the German and the European economies are highly dependent on certain raw materials underlines the pressing need to be much more efficient in how we use them. Recycling clearly makes sense. In many cases, it provides Germany's only significant domestic source of metals. It also helps businesses by saving money. Typically, recycling raw materials is much more cost-effective than mining them and shipping them across the world in the first place. Material costs can run at around 45 percent of a company's budget and tend to be one of industry's biggest expenses. Moreover, experts believe that more efficient recycling is the only real way to solve our raw material challenges in the long run, as we are will eventually run out of finite raw materials.

In a very real sense, Germany's success with recycling is our secret weapon because it can not only serve as a model for us, but for the entire world. Germany recycles around 54 percent of its copper, 35 percent of its aluminium, 90 percent of its steel, 25 percent of its cobalt and 94 percent of its glass, making it one of the most resource-efficient countries in Europe.

Our partners want to learn about our technology and we are sharing it in exchange for access to raw material supplies. German companies

have a 25 percent market share in the international recycling sector. We offer technology for low-waste production that meets the highest environmental standards and can help countries to develop legal frameworks to further improve their efficiency.

We are in a good position to help develop this type of framework – the 1996 Closed Substance Cycle and Waste Management Act was a major step towards assuring Germany’s position as a leader in recycling, as it linked together product responsibility and resource protection. Germany has created globally recognized guidelines on the disposal and re-use of batteries and electronic items, as well as other goods that use raw materials.

Rethinking the way that we use and re-use raw materials is a common sense way of increasing our resource security. But it’s also the right thing to do. It’s a well-known fact that dumped mobile phones and computer hard drives, which contain materials that can be damaging to both people and the environment, sometimes find their way into landfills in developing countries. More recycling will help us to get more out of raw materials and prevent dangerous dumping from happening in the first place. We can improve conditions at home and overseas while pursuing our own interests.

Collaboration amongst businesses can also improve efficiency. The German government is trying to assist a new raw materials alliance formed earlier this year, a sort of holding group formed by 12 major companies that need raw materials to do business, including heavyweights like Bayer, BMW and Daimler. The idea is to pool resources and gain better access to critical materials overseas. The alliance will invest in mining and exploration overseas to counter competition from resource-hungry countries like China. In the long run, shares might also be taken in mines or other international raw materials projects. Though this project is long overdue, it could be hamstrung if common sense doesn’t prevail. It needs a small and efficient structure that supports flexibility and innovative ideas.

4. Promoting research and development

We can also secure our raw materials security by being smarter in the way we use what we already have. I support robust research, supported by the government, into finding new ways to use raw materials, as well as into alternatives that could take their place.

With its “Material Innovations for Industry and Society” programme, the federal government has been working with academia and industry to reduce dependency on strategic metals by, for example, developing new surfaces that can better withstand corrosion and need less metal and by finding ways to extract phosphate from secondary sources. There are several other programmes with similar aims, including initiatives set up by the Federal Ministry for Education and Research and efforts within private industry. All of these are important.

I would like to see us put more emphasis on research into the substitution of raw materials. Finding good substitutes will help companies deal with shortages and disruptions in supply chains, and could support a more sustainable economy by fostering the use of more economical and ecologically friendly materials.

In the same way that we are sharing our existing recycling technology with partners and friends, we are also sharing our research and development innovations with the world through the Federal Institute for Geosciences and Natural Resources. This is another step towards establishing Germany as an unrivalled source of technology – something that will make the world want to enter into partnerships with us.

5. Using domestic raw material deposits

No, Germany is not a resource-rich country, but we shouldn't ignore what we do have. As we look to secure our raw material supplies, it makes sense to find ways to make more domestic raw material production possible. To this end, the Federal Government, together with the individual states (Länder), must ensure that a more equitable balance is struck between raw material extraction and other interests

such as nature conservation. We should also ensure that there are no untapped domestic supplies that we are not aware of. The European Union, through its own raw materials strategy, is working to put better licensing procedures in place within its member countries, while improving the networking between the various national geological services. Greater involvement of the national services in land-use planning, together with better networking within the EU itself, could result in raw material deposits being made available in the future, something that could partially reduce our reliance on sources from outside the Union.

6. Working within a European framework

Germany's raw materials strategy is part of a larger European framework, which includes a European strategy on raw materials that aims to secure the entire Union's future. We are working in tandem towards more open markets and looking to break down unnecessary protectionism, including taking advantage of World Trade Organization mechanisms to challenge Chinese protectionism. We want quotas, export restrictions and duties to be dismantled. We believe that all countries should have equal access to raw materials to allow their economies to prosper.

The political challenges associated with securing raw materials are complex. They concern economic and environmental policy as well as foreign, trade and development policy. As Europe has grown closer together, responsibility for much economic, environmental, foreign and trade policy has fallen, at least in part, to the European Commission. In November 2008, the European Commission put forward a proposal for meeting the critical need for growth and jobs in Europe based on three pillars: securing access to raw materials on world markets under undistorted conditions, promoting the sustainable supply of raw materials from European sources, and reducing the EU's consumption of primary raw materials. This was followed by several strategic documents, including a more in-depth raw materials strategy in 2011, entitled "Tackling the Challenges in Commodity Markets and on Raw Materials."

In recent years, the European Commission has been trying to break down trade barriers that damage the raw materials trade. Its accomplishments include imposing bans on future export duties with various countries, including Colombia, Peru and Ukraine, while continuing to negotiate with other states. It has started negotiations with Kazakhstan, Russia and Australia on raw materials partnership agreements, and, as part of Russia's WTO accession negotiations, secured an agreement that Russia would refrain from imposing export duties on many raw materials. It is also working to establish productive communications with resource-dependent countries such as the USA. The Transatlantic Innovation Action Partnership provides a framework for us to mutually support each other as we pursue resource security.

7. Supporting industry by turning words into actions

Developing political frameworks and breaking down barriers can only go so far. Building the infrastructure that we need to support our raw materials strategy demonstrates that the government is committed to turning its words into actions.

The new German Mineral Resources Agency (DERA), founded in 2010, which plays a critical coordinating role between the international community, government and business, is one example of this commitment. In future, DERA will be resource-rich countries' first point of contact with Germany. Among other activities, it aims to seek cooperation on raw materials issues while working closely with the Federal Ministry for Economic Cooperation. Domestically, DERA provides important advice to companies and business associations – especially small and medium-sized businesses – to help them reduce their commodity risks and diversify supply sources. It is also establishing a raw materials information system that will increase transparency on commodity markets and help industry to make better decisions about raw materials. The creation of DERA was important because it provided a one-stop-shop that focuses on Germany's raw materials security and interests, something that many other countries of our stature generally already had. However, it is unfortunate that there are no commodities trading companies of any note in Germany. This will be a task for the future.

Germany can go further to support industry by offering wide-ranging support in the form of financial instruments such as export credit insurance, investment guarantees and guarantees on untied loans. Procuring raw materials will still, however, ultimately be the responsibility of industry itself. We are committed to giving businesses both the support they need and relevant information, such as how they may be able to better diversify their network of suppliers.

8. Fighting for the rule of law, avoiding the “resource curse”

The suppliers in question are most likely to be in developing countries, the lands most prone to the so-called “resource curse,” the paradox of plenty, in which resource-rich countries suffer oppression and poor economic growth. History gives us many examples of the curse in action. We must avoid what happened in Chad, where the World Bank attempted to help finance an oil pipeline in 2000 in exchange for promises that the money earned would be channelled into fighting poverty and building national capacity. The plan was adopted and hundreds of millions of euros flowed to a corrupt elite, to the detriment of the population in general. Germany believes history can teach us lessons to prevent this from happening again. It is engaged in several new initiatives, such as a programme designed to certify trading chains in the raw materials sector. The concept proposed by the Federal Institute for Geosciences and Natural Resources involves working with industry to identify illegally extracted and traded raw tantalum, tungsten, tin and gold with the aid of a unique geochemical “fingerprint.” The Extractive Industries Transparency Initiative (EITI) announced in 2002 and already implemented in more than 30 resource-rich countries, is another example of attempts to tackle corruption.

Germany is a major funder and political supporter of EITI, which ensures that payments channelled to public bodies, including license and concession fees, are publicly and transparently disclosed by the companies involved. But EITI is not the only innovative anti-corruption initiative being pursued. The Publish What You Pay campaign has similar aims. Its network of more than 650 civil society organizations demands full disclosure of all mining and other extractive contracts and also

has the support of the German government. Meanwhile, the Global Reporting Initiative asks companies to provide reports that measure whether they are supporting sustainable development. Other groups are pursuing similar projects – all important in helping to create and enforce international standards and frameworks that help countries use their raw material wealth responsibly.

Our commitment to dialogue with supplier countries is aimed at promoting internationally agreed social standards, including respect for human rights and the rule of law. We also want the environment to be protected. Europeans can provide the knowledge and expertise to help develop special independent and accountable natural resource funds (of the type already being used in Norway and other countries), which will ensure that money goes where it is intended.

Industry too must be responsible in supporting stable development and good governance in the places where it works. The International Council on Mining and Metals (ICMM), founded by internationally active mining and metals companies, has formulated ten principles to serve as sustainability standards for its members. These range from implementing ethical business practices to being transparent in how business is conducted. These types of initiatives should be dovetailed with bilateral and multilateral efforts in order to be truly effective.

Outlook

As demand for non-energy raw materials increases exponentially, we face a number of significant challenges. How can we ensure that we access the raw materials that we need while maintaining sustainable, fair relationships with our partners? How can we support our partners in their quest for stability and good governance? How can we avoid the problems of the past, prevent unnecessary protectionism and ensure a prosperous world for everybody? These challenges may seem daunting, but solutions must be found and I am confident that we are on the right track towards finding them.

The basic plan is this: we need to build strong and enduring alliances

and give industry the framework it needs to help secure our raw materials future. At the same time, we need to support initiatives that look for potential substitutes for resources and which promote additional recycling, so that our reliance on foreign imports is reduced. We must also find ways to abolish unnecessary barriers to trade and to limit opportunities for corruption that could damage our efforts.

Europeans, and Germans in particular, have a very important role to play. We are generally seen as trustworthy and fair partners, some of the most dependable in the world. And we are not all talk. We support initiatives aimed at promoting international transparency and the rule of law and want our partners to be stable, secure and prosperous. Through state-of-the-art recycling technology and groundbreaking research and development, we can help other countries in ways nobody else can. The rest of the world is looking for exactly the same things as us – they want raw materials security and stable, sustainable international partnerships. We aim to work hand in hand with our friends abroad not only to accomplish Germany's strategic aims, but also to secure our raw materials future together, for the benefit of all mankind.

Philipp Mißfelder



Philipp Mißfelder was born in 1979. After his military service and studies of history he was elected as Federal President of the Junge Union (Youth Wing of CDU/CSU), a position he holds since then. In 2005 he was elected as Member of the German Bundestag and was re-elected in 2009. He is a Member of the Foreign Affairs Committee. In October 2009 he was elected as Foreign Policy Spokesman of the CDU/CSU Parliamentary Group. Since December 2008 he is one of the seven members of the CDU Executive Committee. Philipp Mißfelder is a Member of the Executive Board of the German Council on Foreign Relations, a Council Member of the German Institute for International and Security Affairs and a Member of the Konrad-Adenauer-Foundation.



Philipp Mißfelder at the lecture event "Access to Resources" in Japan

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