MINED THE GAPS

Trust and Critical Minerals

Report for the Trust, Accountability and Inclusion Collaborative

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Executive Summary

The global debate around critical minerals is stuck. On one side, governments and industry argue that the energy transition demands rapid development of mineral resources, and that greater engagement and regulatory safeguards are an obstacle to that speed. On the other, communities and civil society argue that deregulation and fast-tracking will entrench harm. Both sides tend to treat this as a zero-sum contest. This report argues that it does not have to be this way.

The starting point is to be honest about what 'critical minerals' actually are. The term has become a catch-all that bundles together minerals essential for renewable energy, minerals essential for weapons production, and minerals that are simply economically important to individual countries. Case in point: roughly 60 per cent of minerals on the EU, US and Australian critical minerals lists have no energy transition use case. The factor that makes many of these minerals 'critical' is not scarcity in any absolute sense, but the geopolitical anxiety created by China's dominant role in processing and refining — and the rapid deterioration of trust in global trade. Donors working in this space need to be precise about which minerals genuinely matter for energy transition, and resist being drawn into programming that inadvertently serves trade-war or defence agendas.

The report challenges four further assumptions that currently shape the debate. First, while much of the policy conversation focuses on new 'greenfields' mines, the overwhelming majority of expanded critical minerals production is coming from existing 'brownfields' operations. This is where donor engagement can have the most immediate impact — but it also means confronting entrenched patterns of engagement and benefit distribution at sites where consent has already occurred or been bypassed.

Second, the market for developing new mines is structurally broken. The exploration phase is dominated by small, under-capitalised junior mining companies whose technical focus is almost entirely geological. Environmental and social risks are routinely created during this phase but go unaddressed because companies lack the resources, the incentives, and the regulatory obligations to consider them. By the time a project reaches the mine permitting stage, those risks are deeply embedded.

Third, there is now substantial survey evidence — drawn from tens of thousands of respondents across Australia, Canada and individual mine sites globally — that the key drivers of community trust in mining are procedural fairness – community having a voice in projects that impact them, confidence in regulation, environmental impact management, distributional fairness, and quality of engagement. This evidence consistently shows that strong regulation is an enabler of mining, not a blocker. The current push to 'streamline' or deregulate approvals processes risks undermining exactly the factors that allow projects to proceed with community acceptance.

Fourth, the financial case for speed is real but poorly understood. There are potentially massive benefits from speeding up the development of new mines, but at present any such surplus is currently captured entirely by the company. It could instead be shared — funding both enhanced community benefits and the regulatory mechanisms needed to sustain trust across the life of a project.

These observations lead to the following recommendations.

Recommendation 1: Be critical of critical minerals

Donors should assertively challenge the current critical minerals framing and ensure that any programming is explicitly focused on minerals essential for energy transition — not defence, not trade leverage, not domestic economic convenience.

Recommendation 2: Don't start a trade war with China.

The single most effective way to reduce the 'criticality' of critical minerals is to work towards restoring a more trust-based global trade system, rather than accelerating the resource nationalism that is driving supply anxiety.

Recommendation 3: Capacity building for companies.

The real capacity deficit in this sector is not with communities or governments, but with multinational mining companies whose corporate affairs models are corrosive to long-term trust. Donors should develop joint partnerships with major producers, focused on trialling new approaches to community engagement at the site level.

Recommendation 4: Find a radically curious regulator.

This report proposes an 'Adaptive Governance Partnership' — a continuous, multi-party regulatory mechanism that brings together company, regulator and community representatives to make decisions as information arrives across the full mining lifecycle, rather than relying on intense set-piece regulatory processes. This model embeds the key drivers of trust into the regulatory structure itself, with the explicit trade-off that projects progress faster and the resulting financial gains are shared.

Recommendation 5: Start a mining company.

If the core problem is the market, the most powerful intervention may be to enter it. Donors could create or invest in a new kind of junior mining company that ties exploration funding to environmental and social work programs — most logically in Australia or Canada.

Recommendation 6 (not a recommendation): Benefit sharing.

While benefits really do matter, they are rarely the primary driver of trust. This report is deliberately cautious about recommending benefit sharing as a lead intervention, because it risks reducing communities to economic actors waiting for the right price.

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