

Far and Wide

Every week we share selection of six news from six continents that we believe will impact our world in the near or distant future

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US, Indonesia to discuss potential for deal on EV minerals

The **United States and Indonesia** are set to engage in discussions during Indonesian **President Joko Widodo's visit** to the White House, in the second week of November 2023, to explore the potential for a minerals partnership and subsequent steps for formal negotiations, particularly centred around nickel—crucial element for **electric vehicle (EV) batteries**.

The Biden administration is still concerned about **environmental, social and governance standards in Indonesia** prompting a thorough examination of the feasibility of such an arrangement. Notably, the extensive nickel mining in Indonesia has been associated with **significant environmental issues**, including **deforestation** and **water pollution**. The administration also plans further consultations with U.S. lawmakers and labour groups in the coming. Indonesia expressed an interest in a trade deal specifically tailored for critical minerals, aiming to include its exports under the U.S. **Inflation Reduction Act (IRA)**. However, despite promising momentum, there remains substantial groundwork to be covered before any formal agreements can be established.

The only U.S. nickel mine is **set to close** in a few years, posing challenges to the Biden administration's **goal of leading in EV manufacturing** as there is no nickel smelter. The **guidelines set by Washington** earlier this year mandate that a certain proportion of critical minerals used in EV batteries must be produced in **North America** or a **free trade partner** for EVs sold in the United States to qualify for tax credits. Indonesia lacks a free trade agreement with the United States, furthermore, the ongoing discussions are also exploring methods to exclude nickel extracted from Indonesia but processed in China from receiving IRA credits.

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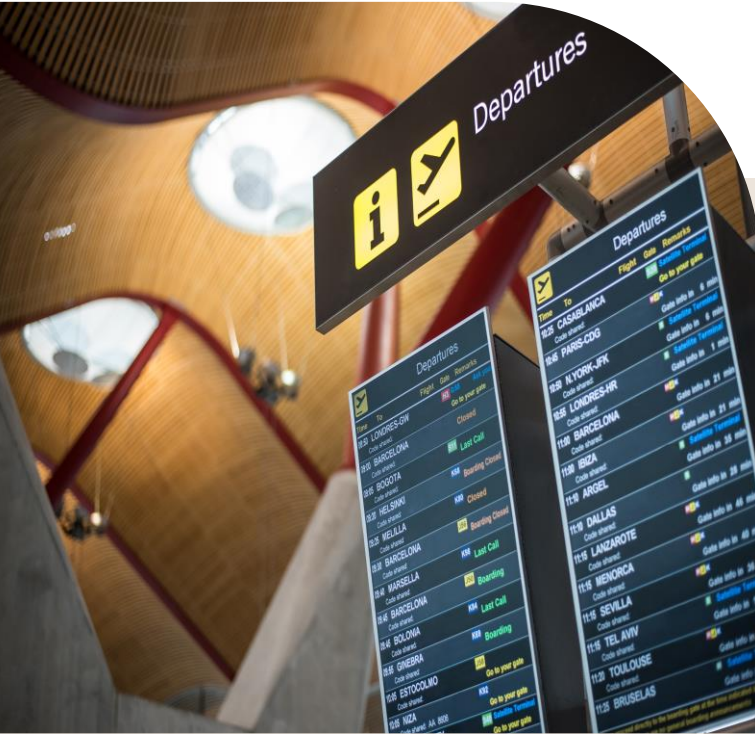
Promoting Green Energy

Latin America to play essential role in global transition to a secure, sustainable energy system



Europe

European air fares 'rising way above inflation', says ACI Europe



Airfares in Europe **are experiencing a significant surge** beyond inflation rates, according to a statement from Airports Council International (ACI) Europe on 14th November 2023. This statement has countered claims made by the airline lobby group, the International Air Transport Association (IATA).

IATA, representing **approximately 300 airlines** such as Lufthansa and SAS, had previously indicated that while airfares were escalating below the inflation mark, charges imposed by airport operators have grown above it.

The trade association representing European airports stated, "While IATA states that airfares in Europe only increased by +16% as of June this year compared to 2019, independent and authoritative data from RDC shows such increase actually standing at +38% over the peak Summer months". This upward trajectory in fares persisted into October, with ACI noting a 47% increase in fares for bookings made three months in advance. The Financial Times had reported in early November that the European Union was pressuring airlines over soaring fares.

Source: Business Standard

https://www.business-standard.com/economy/news/european-air-fares-rising-way-above-inflation-says-aci-europe-123111401267_1.html



North America

Exclusive: US, Indonesia to discuss potential for deal on EV minerals

The upcoming meeting between **Indonesian President Joko Widodo** and U.S. President Joe Biden aims to **explore a potential minerals partnership** aimed to stimulate trade of the **electric vehicle (EV) battery metal nickel**. Discussions between the two nations will assess the feasibility of formal negotiations during the visit, with the **Biden administration** scrutinizing environmental and governance standards in Indonesia. This initiative follows Indonesia's request in September for trade discussions to include its exports under the U.S. Inflation **Reduction Act**, **showcasing** the country's intent to leverage its vast nickel reserves for EV battery materials. The discussions underscore the need for environmentally responsible production, considering the environmental impact of Indonesia's extensive nickel mining. Additionally, deliberations encompass strategies to comply with **U.S. guidelines mandating** local production for EV battery components and exclude nickel processed in China from eligibility for specific credits.

The Biden administration is still concerned about environmental, social and governance standards in Indonesia prompting a thorough examination of the feasibility of such an arrangement. The global market value for the nickel industry reached an estimated **\$33.5 billion in 2022**, **despite** facing oversupply. The only U.S. nickel mine is set to close in a few years, posing challenges to the Biden administration's goal of leading in EV manufacturing as there is no nickel smelter.



Source: Reuters

<https://www.reuters.com/markets/commodities/us-indonesia-discuss-potential-deal-ev-minerals-sources-2023-11-12/>



South America

Latin America to play essential role in global transition to a secure, sustainable energy system



The **IEA's landmark report** highlights Latin America and the Caribbean's potential in driving global energy change, emphasizing their abundant resources and clean energy efforts/initiatives. This inaugural analysis covers the region's comprehensive energy landscape, emphasizing its clean electricity sector and substantial reserves in critical minerals and fossil fuels. The Latin America Energy Outlook is the IEA's first in-depth and comprehensive analysis of the region, covering the full range of fuels and energy technologies **across all 33 countries**. Although the region has a leading clean energy sector, it acknowledges the need for stronger commitments and investments in renewables to meet ambitious climate goals.

The report advocates increased renewable adoption, energy efficiency, and enhanced access to modern energy while addressing emissions gaps and challenges like energy access and methane emissions. Additionally, it reaffirms the IEA's commitment to partnering with **regional stakeholders** to support clean energy transitions for a more balanced and secure global energy future. The IEA's work on energy and climate issues with partners in the region continues to deepen. The IEA family now includes **five Latin American countries**: Argentina, Brazil, Chile, Colombia and Mexico.

Source: Business Insider

<https://www.businessinsiderbd.com/world/news/38602/latin-america-to-play-essential-role-in-global-transition-to-a-secure-sustainable-energy-system>



Asia

India to invite bids for 20 critical minerals, lithium, graphite in 2 weeks, says report

The **Centre** will soon invite bids in the **next two weeks for 20 critical mineral** blocks, stated a government official. The auction process will involve minerals such as lithium and graphite, Mines Secretary V L Kantha Rao told news agency PTI. India in February found its first lithium deposits in Jammu and Kashmir with estimated reserves of **5.9 million tonnes** and imported lithium worth **Rs 23,171 crore** in FY23, as compared to Rs 13,673.15 crore in FY22. Lithium and other critical minerals have become important for the nation's economic development, following the Centre's commitment **towards energy transition**. Lithium and REEs have gained significance keeping in mind the country's commitment towards energy transition and achieving **net-zero emission by 2070**.

Last month, the Union cabinet approved royalty rates for three critical and strategic minerals. The approved **royalty rates** for lithium, Niobium and REE are 3 per cent, 3 per cent and 1 per cent, respectively. Government-controlled enterprises have been looking at global sources for these valuable mineral resources. Earlier this month, it was reported India is in talks with Chile and Bolivia for tapping into lithium mining and sourcing of the mineral. Chile-Bolivia-Argentina together form the world's lithium trinity or triangle and account for nearly half of the global resource base for the white metal, which is the key component for batteries used to run electric vehicles (EVs). India currently imports all major components that are required to make the lithium-ion cell.



Source: Business Today

<https://www.businesstoday.in/technology/news/story/india-to-invite-bids-for-20-critical-minerals-lithium-in-2-weeks-says-report-405687-2023-11-14>



Australia

Australia's critical infrastructure under regular and rising attack from hackers, ASD warns



DP World Australia, the country's **biggest ports operator**, closed its Sydney, Melbourne, Brisbane and Fremantle port operations after **detecting unauthorised access on its network last week**. Shortly after the company ceased operations due to a cyber intrusion, the Australian Signals Directorate (ASD) issued a stern warning regarding ongoing targeted and opportunistic cyber assaults on the country's critical infrastructure. In its annual cyber threat report released in November, **ASD revealed** that in the last financial year, the agency responded to **143 incidents** at critical infrastructure entities such as ports, up from **95 incidents in the previous year**. Most incidents involved minor attacks or isolated issues like compromised accounts, emphasizing the **vulnerability of critical infrastructure** to cyber threats, prompting ASD to advise early reporting of suspicious activities. **Air Marshall Darren Goldie**, Australia's cybersecurity coordinator, told Guardian Australia, that in DP World's case, the quick return of operations showed the company had "a solid security plan in place". **ASD addressed 1,100 cybersecurity incidents** in the last financial year, with 10% attributed to ransomware attacks, notifying 158 entities of ransomware activity.

Source: The Guardian

<https://www.theguardian.com/australia-news/2023/nov/15/cyberattack-warning-dp-world-australia-infrastructure>



Africa

Trade with Africa in excess of \$100 billion, is fairly evenly balanced: EAM, India

Indian External Affairs Minister (EAM) **S Jaishankar** highlighted that India's trade with **Africa exceeds USD 100 billion** and is **evenly balanced**, emphasizing **India's estimated capital today** is in excess of **USD 80 billion**. He noted the establishment of Indian embassies across Africa, along with landmark educational institutions like the first Indian Institute of Technology and Forensic Sciences University abroad. These initiatives have successfully showcased India's commitment to the **continent's future** and marked the significance of the **African Union's membership in the G20**. Stressing the importance of **rebalancing the global polity** which has been skewed over the last two centuries through the partnership, Jaishankar **welcomed Africa's permanent membership** in the G20, affirming India's active role as the G20 chair in the desired outcome. Hosting African ambassadors in the **Yashobhoomi convention centre**, he underscored India's commitment to sharing its **Digital Public Infrastructure model**, foreseeing collaborative advancements in digital initiatives for the future while this gathering marked the **significance** of the African Union's Membership of the G20.



Source: Business Standard

https://www.business-standard.com/economy/news/trade-with-africa-in-excess-of-100-billion-is-fairly-evenly-balanced-eam-123111100037_1.html