These 5 trends will boost copper demand

Written by Logan Drilling Group
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Together, they could add more than 4 million tonnes of annual copper use by 2030, a study shows.

Mining companies, including copper producers, will continue to shape their investment decisions and production plans based on government regulations, which are increasingly becoming very focused on sustainability and communities well-being, a study released Tuesday shows.

According to the report, commissioned by the **International Copper Association (ICA)**, the increasing demand for efficient building systems and electrical equipment, electric vehicles and renewables generation, could add more than 4 million tonnes of annual copper use by 2030.

The study outlines five key regulatory trends copper miners should watch for in the next decade:

1.- The first tend is what MetalsPlus researcher Paul Dewison, who authored the study, qualifies as   **"resource conservation:"**

Governments have toughen up rules to ensure mining operations are environmentally and socially sustainable, the study says, citing as an example regulatory efforts in China, which led to a net increase in copper demand last year. "This was largely driven by efforts to lower the carbon footprint, which helps to create demand for efficient motors and transformers that use copper, as well as renewable technology and low carbon building components," the study notes.

Resource conservation, says Dewison, will be shaped by sustainable resource policy and legislation, as reflected in the circular economy concept. This trend focuses on eliminating waste through better-designed and more efficient materials, products and systems.

"Regulations to date have largely focused on recycling at end of life through manufacturer obligations and disposal restrictions. Copper is fully recyclable and has a positive Life Cycle Analysis (LCA), which helps ensure that it will fare better than competing materials and see a positive impact on demand," the report notes.

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2.- Another trend to impact the copper market is what Dewison calls **"carbon footprint/climate change:"**

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Global regulations have sought to tackle climate change by reducing energy use and carbon emissions, and by promoting clean electricity generation. According to the study this will positively impact copper due to its use in both efficient low emission equipment and renewables technology.

3.- The third regulatory trend involves the **control of toxicity** to human health and to the environment. This results in specific and constantly changing legislation regarding chemicals content in products and systems, in the supply chain and in the environment.

4.- The fourth issue, **product integrity**, refers to global and local standards that may boost copper demand as the metal ling lifecycle minimizes the need for replacements, reducing waste at the same time.

5.- Having a **social license to operate** (SOL) will perhaps become the most important aspect copper miners will have to pay attention to, as the concept goes beyond the scope of legal requirements and into acceptance by the wider community. "Industries can gain better access to key community resources like land, sales or capital. For copper, SLO management comes down to business integrity within social and environmental grounds, and the integrity of the entire supply chain from mining to recycling," the report notes.

"We understand the importance that these regulations have on all industries, including copper," said Colin Bennett, Market Analysis and Outreach, ICA. "In order to navigate the ever-changing relationship between government action and the marketplace, it is vital for us to understand how these trends will continue to evolve."

Written by: Mining.com

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