CONCEPT NOTE

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Thursday 22 October 2026,
14:30–16:00 CEST, hybrid meeting
Palais des Nations, Geneva

United Nations Task Force on Critical Energy Transition Minerals

Technical Cluster on Actionable Recommendation 1: Network of Experts

Benefit-sharing in Critical Energy Transition Minerals through Taxation and Fiscal Policy

Background

The rapid expansion of low-carbon energy systems and digital technologies continues to support strong demand for critical minerals such as lithium, cobalt, nickel, copper, manganese, and rare earth elements, creating important opportunities for resource-rich developing countries. Yet stronger demand has not always translated into commensurate gains in public revenues, industrial development, employment, economic diversification or other forms of equitable benefit-sharing for people and communities in producing countries. Many producing countries remain exposed to volatile export earnings and external shocks while continuing to rely heavily on the export of raw or minimally processed materials.

Partners

ESCWA, OHCHR and NRGI

The challenge is particularly acute in critical minerals markets, where prices can fluctuate significantly and investment trends often respond rapidly to shifting demand, technology, and policy developments. Constraints in capturing and effectively deploying mineral rents have limited the contribution of critical minerals to domestic value creation and broad-based development. This partly reflects the difficulty of designing fiscal frameworks that both secure an appropriate public share of mining revenues and support investments in local procurement, processing, infrastructure, and other forms of domestic value addition and community development.

One reason for this disconnection lies in the fiscal frameworks and taxation policies that govern mineral extraction. Many existing fiscal and taxation frameworks may not always be well adapted to the volatility, evolving value chains, and changing rent-generation dynamics associated with critical energy transition minerals. Moreover, in many countries, tax and fiscal policy regimes were not optimally designed in the first place. Part of the challenge therefore lies in strengthening the fundamentals of fiscal governance, including effective rent capture, transparent revenue management, and coherent incentive structures. Getting these fundamentals right will remain essential even as countries explore new policy approaches and instruments. As a result, governments may struggle both to secure an equitable share of mineral rents and to create incentives for domestic value addition, while also managing revenue volatility. New approaches are therefore needed to strengthen fiscal resilience, expand policy space, and ensure that growing demand for critical minerals translates into greater economic diversification, and broader sustainable development benefits.

This expert consultation is convened within the framework of the United Nations Secretary-General's Panel on Critical Energy Transition Minerals and its 2024 report, Resourcing the Energy Transition: Principles to guide critical energy transition minerals towards equity and justice. It contributes to the implementation of Actionable Recommendation 1 on benefit-sharing by examining how fiscal frameworks and taxation policies can help translate mineral wealth into public revenues, domestic value addition, economic diversification, and broader development gains. The consultation will bring together experts to identify practical and context-specific policy options that can strengthen fiscal outcomes, enhance equitable benefit-sharing for peoples and communities, and support structural transformation in resource-rich developing countries.

In this context, benefit-sharing refers primarily to how fiscal frameworks and taxation policies enable countries to capture a fair share of mineral rents and support broader sustainable development objectives. Benefit-sharing should also encompass equitable outcomes for people and communities, particularly those affected by extraction, including through the mobilization and equitable use of public resources for the realization of economic, social and cultural rights; improved access to quality public services and social protection; decent work; environmental protection and remediation; community development; and respect for the rights of Indigenous Peoples, including their rights to participation and free, prior and informed consent, as applicable. This is also relevant to the right to development, which calls for the fair distribution of the benefits of development.

Fiscal frameworks should also address potential losses of public resources from the critical minerals sector, including through tax incentives and exemptions, illicit financial flows, tax avoidance and evasion, abusive transfer pricing and other practices that may erode the tax base.

In addition, fiscal and taxation policies should consider their gender-differentiated distributional impacts.

Issues related to the management and distribution of revenues are addressed in a dedicated consultation.

2. Objective

The objective of the expert consultation is to generate expert-informed, policy-relevant insights and actionable recommendations to strengthen fiscal frameworks and taxation policies in the context of critical energy transition minerals. Specifically, the consultation aims to:

- Identify and analyse the key constraints that prevent fiscal regimes from effectively capturing mineral rents, supporting domestic value addition, and managing revenue volatility.
- Identify practical reforms to fiscal regimes that can enhance revenue mobilisation and reduce leakage in critical minerals sectors.
- Examine how fiscal instruments and taxation policies can support domestic processing, value addition, and industrial upgrading.
- Clarify how fiscal policy can be aligned with industrial and trade strategies to support structural transformation and just transition objectives.
- Share good practices and successful country experiences in using fiscal and taxation policies to enhance revenues, value addition, and economic diversification.
- Examine how taxation and fiscal frameworks for critical minerals can contribute to States' human rights obligations, including the obligation to mobilize and use the maximum available resources for the progressive realization of economic, social and cultural rights, while promoting equality, non-discrimination, participation, transparency and accountability and reducing inequalities.
- Produce a set of priority policy recommendations and areas for technical assistance to inform the future work programme of the United Nations Task Force on Critical Energy Transition Minerals.

3. Guiding Questions for Discussion

- Are existing fiscal regimes fit for purpose in the context of critical energy transition minerals, and what reforms are needed to strengthen revenue mobilization and reduce leakage?
- How should fiscal frameworks be adapted to address price volatility, market uncertainty, and the evolving characteristics of critical minerals value chains?
- How can taxation and fiscal policy contribute to broader benefit-sharing, including domestic value addition, economic diversification, and structural transformation?
- What institutional, transparency, and tax administration reforms are needed to strengthen fiscal capture, reduce revenue leakage, and build public trust?
- How can fiscal regimes be designed to manage price volatility, strengthen fiscal resilience, and secure long-term development benefits?

- How can fiscal regimes be designed to capture windfall gains during periods of elevated prices while remaining attractive to investment?
- How can people and communities affected by extraction participate meaningfully in decisions regarding benefit-sharing policies and fiscal frameworks governing critical energy transition minerals value chains?
- What mechanisms can ensure transparency, public participation and accountability in fiscal decision-making related to critical minerals?
- How can governments minimize the loss of public resources from critical minerals, including through unjustified tax incentives and exemptions, illicit financial flows, tax avoidance and evasion, and abusive transfer pricing?
- How can the gender-differentiated and distributional impacts of taxation and fiscal policies in the critical minerals sector be assessed and addressed?

4. Expected Outcomes

- Identification of priority reforms to strengthen fiscal regimes and benefit-sharing mechanisms in critical mineral sectors;
- Practical guidance on designing fiscal instruments that can better address price volatility and strengthen fiscal resilience;
- Recommendations for aligning fiscal, industrial, and trade policies to support structural transformation; and
- Technical inputs for the implementation of Actionable Recommendation 1 and future United Nations System support activities.
- Identification of options for enhancing fiscal stability in the face of critical mineral price volatility.
- Identification of policy options to strengthen domestic resource mobilization from the critical minerals sector, in line with States' obligation to use the maximum of available resources for the progressive realization of economic, social and cultural rights to ensure that fiscal frameworks contribute to equitable benefit-sharing for affected people and communities, promote transparency and accountability, and support the realization of human rights.

5. Proposed programme

14:30 – 14:40	Opening
	Welcome remarks by UNIDO. Opening remarks by UNCTAD.
14:40 – 15:00	Scene-setting
	Discussion framing by UNCTAD and OHCHR.
15:00 – 15:55	Interactive dialogue
	Floor interventions moderated by UNCTAD.
15:55 – 16:00	Closing
	Closing remarks, invitation for written inputs, and next steps by UNCTAD.

Contacts

Clovis Freire
Chief of UNCTAD Extractive Commodities Section,
Division on International Trade and Commodities,
freire@un.org

Rachid Amui
Economic Affairs Officer
Extractive Commodities Section,
Division on International Trade and Commodities
rachid.amui@un.org

Arthur Magro Machado
Consultant
Extractive Commodities Section,
Division on International Trade and Commodities
arthur.magromachado@un.org