

Kinshasa's Hopes and the Coming Cobalt Crunch

Media Mentions

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Bracewell's **Gordon Stewart** spoke with *Energy Voice* on how the Congo Kinshasa, the world's largest producer of cobalt, is making a push onto the world's stage to be a larger refiner of the resource with greater supplies of cobalt being required to produce EV batteries.

"It is unsurprising that the government of DRC is pressing to retain a larger share of the value chain in battery manufacture," said Stewart.

He drew a parallel with oil-rich African states. These have pushed investors to "build refining capability onshore rather than exporting crude and having to import refined hydrocarbons, leaving the considerable refining value offshore and exacerbating balance of payments deficits."

Companies would consider how much of the process they could transfer to Congo Kinshasa and other destinations, he said. "It may be efficient to refine the minerals close to the extraction but it's unlikely to be optimal from a supply chain perspective to manufacture end-user products such as the batteries themselves, so far away from the final market."

Congo Kinshasa accounted for around 70 percent of the world's cobalt supply in 2019. Russia and Australia provide around 4 percent each. And while Congo Kinshasa may produce much of the world's cobalt, China is the largest refiner of the resource with an approximately 80 percent share of global cobalt processing.

In addition, Stewart address the ESG concerns with "the potential for tension between the 'E' and the 'S' and the 'G' given the supply chain associated with the minerals required for the energy transition technology."

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