Interview with Dr. Wirth, CEO of KGHM – a key business partner of EIT Raw Materials

KGHM Polska Miedź S.A. is one of the 115 partners of EIT Raw Materials. The company focuses on the production of copper and silver and is the biggest manufacturer of silver in the world and the leading European mining producer of copper (number eight worldwide). KGHM operates ten divisions and the head office in Poland which jointly employ over 18,000 people. The company is a significant WIG 20 company and a winner of numerous prestigious awards and distinctions.

KGHM participates in many research programs and initiatives led by EU agendas. The strategic partnership with EIT Raw Materials gives KGHM an opportunity to link the initiatives and find synergies to improve existing technologies, to make their business more effective and to develop new materials that can. It’s a unique chance to bridge the gap between Western and Eastern Europe, as well as bigger industrial players and small innovative companies, to build excellent regional and European ecosystems of innovation in the field of raw materials.

Have a look at our Interview with Mr. Dr. Wirth, CEO of KGHM and learn more about his point of view regarding the advantages of this partnership.
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Dr. Wirth, you are the CEO of the largest copper and silver producer in Europe, and one of the largest globally. Can you tell us a little about yourself and KGHM?

KGHM is a global, innovative and modern company operating on four continents, while its production assets are distributed over three continents. Our operations assume advanced geological, mining and metallurgical activities. We focus on ore mining, production of copper, precious metals and other non-ferrous metals. KGHM is the world’s largest silver producer and one of the top producers of copper in the world. Moreover, we are the only Polish producer of copper made of raw materials, with the largest European deposit of copper ore located in the south-western part of Poland. Geology has always been my passion and therefore, I dedicated my scientific career to this discipline. As a CEO of KGHM, I can share it through my work in the industry. I believe that my duty is to combine theory and the best business practices.

What inspired you to get involved with EIT Raw Materials and why is your partnership with the EIT important?

The re-industrialisation of Europe is only possible with strong collaboration between industry, education and research. There is no better way to embrace this than to join together in a wide European network of 115 partners. It’s a unique chance to bridge the gap between Western and Eastern Europe, as well as between bigger industrial players and small innovative companies, to build excellent regional and European ecosystems of innovation in the field of raw materials.

As a KIC partner, what are the main benefits that KGHM expects to see from your cooperation with the EIT?

We participate in many research programmes and initiatives led by EU agendas. In my opinion, partnership with the EIT gives us an opportunity to link these initiatives and find synergies. We hope that the diversity of partners, coming from business, academia, research (both new and experienced), suppliers and end users will result in high concentration of ideas, development of innovative technologies and creation of disruptive SMEs. We are looking to improve existing technologies to make our business more effective and safe in the short-term, but moreover we are looking to develop new
materials that can, and will, be a game-changing factor in all our focus markets.

**EIT RM:** What do you think makes EIT Raw Materials unique and what benefits can its partnership offer stakeholders?

**Dr. Wirth:** We aim to develop raw materials into a major strength for Europe. To achieve this ambitious goal we need to start ‘de-siloing’ the primary and secondary sectors and build a true collaboration between companies, academia and research. I am proud that we have managed to form a very strong consortium with good European coverage and competencies within the raw materials sector. This strength will be needed to build the critical mass to generate world-wide impact. And what’s important is that we have worked together with other EIT Raw Materials partners for over two and a half years, forming our vision of future collaboration. It has been an amazing time of intense discussions, which has already resulted in joint projects.

**EIT RM:** What are the key measures to foster cross-value chain collaboration and to boost disruptive innovation?

**Dr. Wirth:** We believe that a multidisciplinary approach is key to success. In this era of rapid changes, a mining professor by himself will struggle to develop breakthrough innovations, but with a diverse team of researchers, educators and innovative companies coming with different backgrounds, it may happen. It’s also important to bear in mind that mining is completely different now to how it was 20 years ago. Now we talk about intelligent mines based on neural networks, without people in the most dangerous areas. That requires completely new competencies for our industry.

**EIT RM:** What do you consider to be the major challenges in your field and how will EIT Raw Materials help find solutions to them?

**Dr. Wirth:** Nowadays, innovation is a challenge for every company and for KGHM it is a priority. It requires not only passion and motivation, but also relentless determination, first to research and develop new solutions, and then to implement them. The goal of EIT Raw Materials is to boost the competitiveness, growth and attractiveness of the European raw materials sector through radical innovation and entrepreneurship. The KIC integrates and strengthens the innovative potential of this sector by introducing new solutions, products, and services that will benefit the balanced prospecting, extraction, processing and recycling of natural resources.
EIT RM: It could be said that Europe is failing to live up to its entrepreneurial potential due to a reluctance to take risks. How do you feel that the work of the EIT and its KICs is helping to change this mind-set?

Dr. Wirth: Within the EIT and its KICs, certain streams of activities and money are devoted to financing young innovators and start-ups, and to strengthen small and medium-sized companies. And there’s the knowledge triangle, which includes big industrial players, partners and potential future clients. That is a great advantage of the EIT’s role in the European economy.

EIT RM: The EIT believes that the integration of business, research and higher education – otherwise known as the ‘knowledge triangle’ – is key to improving Europe’s entrepreneurial future. What does KGHM aspire to get out of its synergy with universities and research centres within the EIT Raw Materials context, and what would KGHM’s strongest contribution be in the knowledge triangle?

Dr. Wirth: In Poland, KGHM is a well-known brand, not only as the biggest industrial player in the raw materials sector, but also as a company supporting and leading numerous research and development projects. We are constantly developing our company, our knowledge (technology, operations, people) and our potential to grow. We are also co-developing solutions with our partners from universities and research institutions, as well as other companies. This cannot be done without multidisciplinary and cross-sectorial collaboration, and that is something strongly supported by the EIT.

EIT RM: What are the three major guiding principles for successful collaboration?

Dr. Wirth: Trust, accountability and clear rules. As I said before, we have already started working together. And I believe we should see collaboration as an opportunity that can sometimes offer more than competition.

EIT RM: What is the ultimate aim of EIT Raw Materials? How will KGHM contribute to that aim?

Dr. Wirth: A key aspect of the European raw materials challenge is its dependence on imports for a broad range of materials, and specifically for the critical raw materials. With our EIT Raw Materials community we should be able to improve pan-European coordination within the raw materials sector and therefore strengthen the EU position in the global context. EIT Raw Materials has built a lean but efficient structure based on six Co-location Centres that are located in a transnational region and are grouped around the proximity of excellent partners. KGHM is a partner of the Eastern Co-location Centre and together with our colleagues from Germany and Austria we hope to significantly contribute to the successful execution of EIT Raw Materials’s strategy.