



## EU policy and Responsible Sourcing of Base Metals

- Communication on the raw materials initiative, 2008  
(increase sustainable mining, more responsible sourcing from a diversity of resource-rich third countries, boost circularity)
- The EU principles for sustainable raw materials, 2021  
(establishes a common and non-regulatory set of principles/ best practices in the processing and mining)
- The Conflict Minerals Regulation, 2021  
(responsible sourcing of tungsten, tantalum, tin and gold)
- The Batteries regulation, 2023  
(requirements on due diligence policy covering social and environmental risks, higher recycling efficiencies and mandatory recycled content of battery raw materials)
- Corporate Sustainability Reporting Directive, 2023  
(disclosure on the risks and opportunities arising from social and environmental issues)
- Corporate Sustainability Due Diligence Directive  
(due diligence in relation to potential environmental and human rights impacts along their raw materials value chain)
- Critical Raw Materials Act, 2024

## Critical Raw Materials

**Note:** A subset of the CRMs are classified as „**strategic raw materials**“ due to their use in strategic technologies and strong projected demand growth. Certain measures under the CRMA apply only to them.

### 34 RAW MATERIALS DEFINED AS CRITICAL BY THEIR HIGH

- Economic importance
- Supply risk

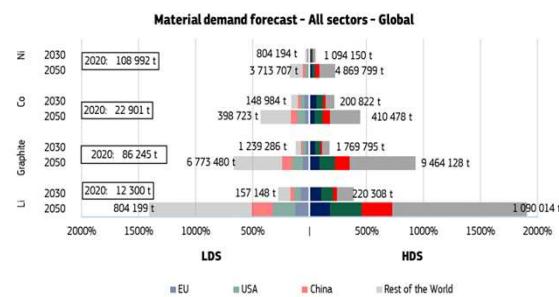
... based on a regular assessment of available data in an established methodology

- Antimony
- Arsenic
- **Bauxite/Aluminium**
- Baryte
- Beryllium
- **Bismuth**
- **Boron**
- **Cobalt**
- Coking Coal
- **Copper**
- Feldspar
- Fluorspar
- **Gallium**
- **Germanium**
- Hafnium
- Helium
- **Heavy Rare Earth Elements**
- **Light Rare Earth Elements**
- **Lithium**
- **Magnesium**
- **Manganese**
- **Graphite (Natural and synthetic)**
- **Nickel – battery grade**
- Niobium
- Phosphate rock
- Phosphorus
- **Platinum Group Metals**
- Scandium
- **Silicon metal**
- Strontium
- Tantalum
- **Titanium metal**
- **Tungsten**
- Vanadium



## Critical raw materials (CRMs) and the EU economy

- Driven by the twin transition and defence needs, significant growth in CRM demand, with risk of global supply/demand imbalance



- EU is heavily dependent on third country supply for CRMs that are key for strategic technologies
- Strategic dependencies and risk of supply chain disruption

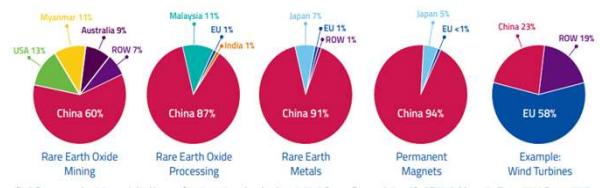


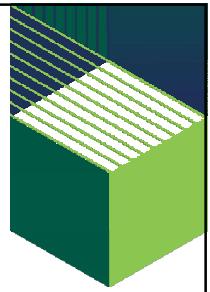
Fig. 3: From rare earths mining to wind turbine manufacturing: estimated market shares in 2019. Sources: Team analysis and Roskill 2018; Adamas Intelligence 2019; Petreks 2017; Carrara et al. 2020; IEA 2021; USGS 2021.

Source: European Raw Materials Alliance (ERMA)



## European Critical Raw Materials Act

Ensuring a secure and sustainable supply of critical raw materials for the Union



**Strengthen all stages of the European CRM value chain**



**Improve EU capacity to monitor and mitigate risks of disruption to CRM supply**



**Diversify EU CRM imports to reduce strategic dependencies**



**Improve CRM circularity and sustainability**



## Setting Priorities

### DEFINING CRITICAL AND STRATEGIC RAW MATERIALS

#### Critical Raw Materials

Whole EU economy, based on :

- supply risk
- economic importance

#### Strategic Raw Materials

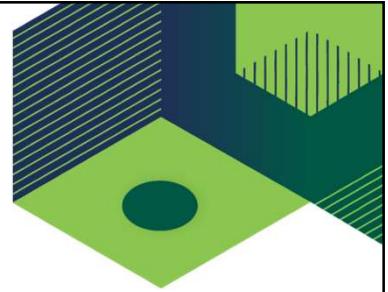
SRM are a subset of CRM:

- Key for strategic technologies (green, digital, defence and space)
- Forecast demand risks outstripping supply

### 2030 BENCHMARKS

#### Towards more SRM supply security

- EU's extraction capacity cover at least **10%** of the EU's SRM consumption
- EU's processing capacity cover at least **40%** of the EU's SRM consumption
- EU's recycling capacity cover at least **25%** of the EU's SRM consumption



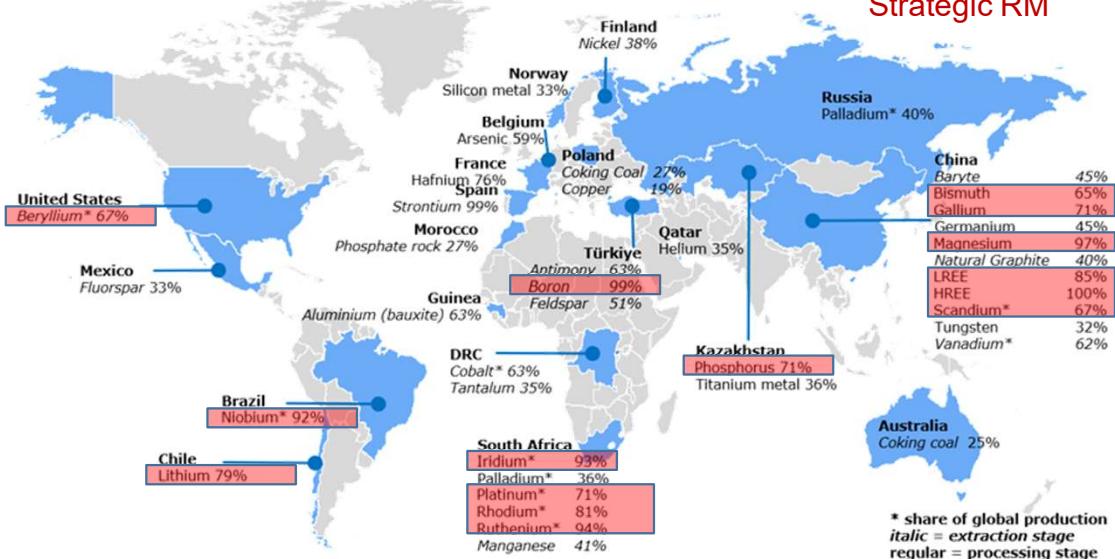
#### Towards more diversification of supply

- Not more than **65%** of EU consumption of each SRM should come from a single third country.



## Dependencies in the EU supply of CRMs

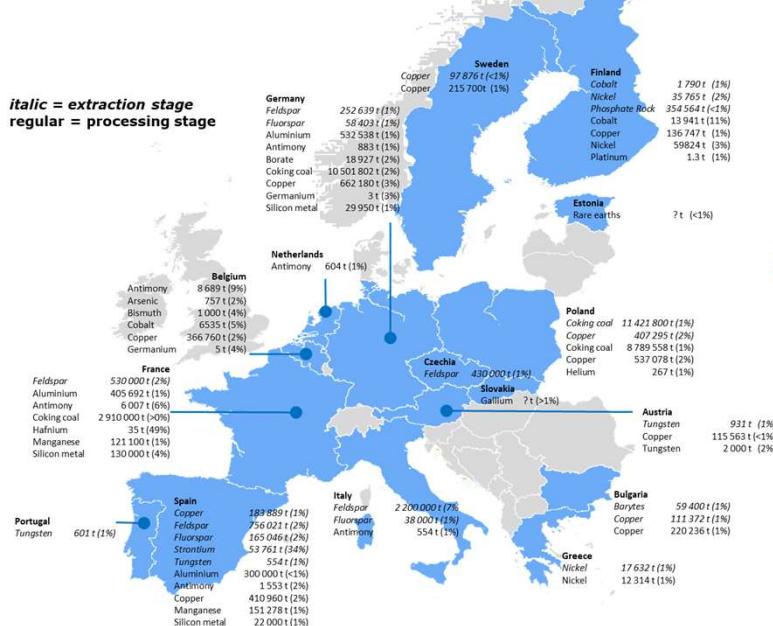
Diversification  
→ benchmark of 65% for  
Strategic RM



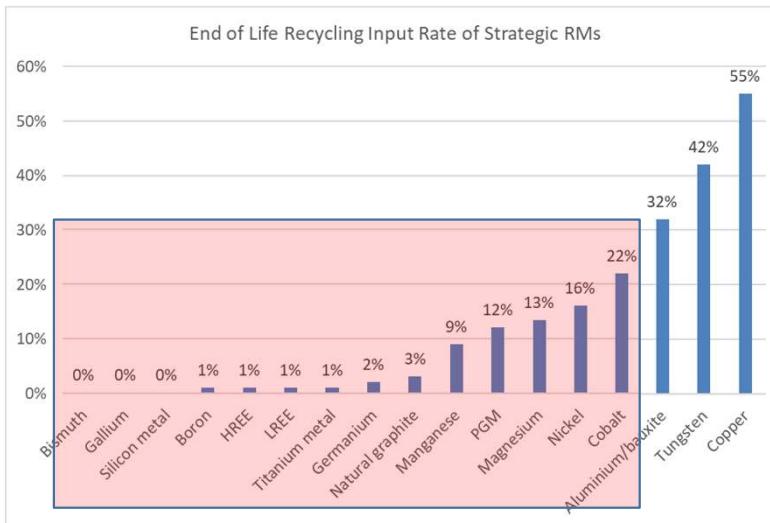
Source: "European Commission, Study on the Critical Raw Materials for the EU 2023–Final Report"

## EU producers of CRMs (shares of global supply, 2016-2020 )

Extraction and  
processing capacity  
benchmark of 10% and  
40% for Strategic RM



## Recycling's contribution to meeting materials demand for SRMs



Recycling capacity benchmark of 25% for Strategic RM

## Strengthening the value chain

### STRATEGIC PROJECTS

Across the whole SRM value chain: extraction – processing – recycling  
and for production of substitute materials

**Selected by the Commission with advice from the Board based on**

- Contribution to security of supply
- Sustainability
- Technical feasibility
- Cross-border benefits in EU/ Economic and social benefits in third countries

### Non-Regulatory Measures

- Financial Support
- Standardisation
- Skills
- Research and Innovation

### BENEFITS

- **Priority Status in national and EU law:** for administrative and judicial procedures
- **Points of Single Contact in Member States**
- **Permitting – Legal time-frames**
  - Extraction: 27 months
  - Processing & Recycling: 15 months
- Provisions to facilitate and timely deliver **environmental assessments and authorisations without weakening environmental and social protection**
- **Enabling conditions to implement Strategic Projects**
  - The Critical Raw Materials Board provides coordination and advice to secure remaining financing
  - Provisions to facilitate the conclusion of off-take agreements

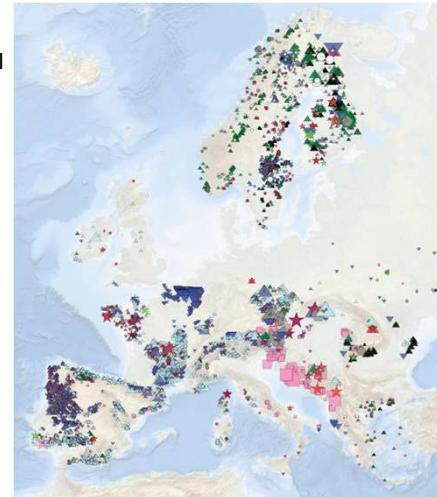
## National exploration programmes

Objective: Support the EU's CRM value chain by:

- Increasing the geological knowledge of the EU's CRM potential
- Helping de-risk targeted and private exploration campaigns

Member States are to draw up National exploration programmes on CRMs (to be reviewed every 5 years), including, as appropriate:

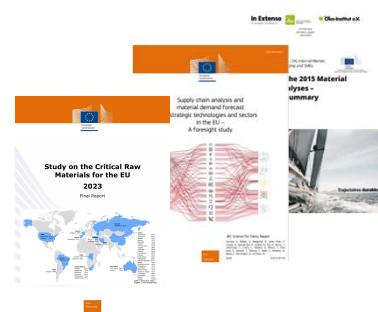
- mineral mapping at a suitable scale;
- geochemical campaigns (soils, sediments, rocks);
- geoscientific surveys;
- processing of the data (e.g., predictive maps);
- reprocessing of existing geoscientific survey data.



## Risk monitoring and mitigation

### Risk monitoring

- **Assessment of critical and strategic raw materials**
- **Towards real time monitoring** (trade flows; demand and supply; concentration of supply; Union and global production)
- **Early warning system**



### Risk preparedness:

- **Stress testing**
- Reporting and coordination of **strategic stocks**
- Voluntary **joint purchasing**



## Ensuring the free movement of SRMs with a high level of environmental protection

### CIRCULARITY

- National measures on CRMs circularity
  - Increase reuse, collection and recycling
  - Increase use of secondary RM
  - Recycling technologies
- Maximising potential from (closed) extractive waste facilities
- Recyclability and recycled content of permanent magnets



### SUSTAINABLE CHOICES

- Recognition of certification schemes on the sustainability of CRMs
- Empowerment to set, at a later stage, information requirements on the environmental footprint of CRMs placed in the EU market

### Other Regulatory Measures

- Review of End of Life Vehicles Directive
- Codes in European list of Waste
- Harmonisation of Waste Management Rules
- Review Waste Electrical and Electronic Equipment Directive



## Governance

### CRITICAL RAW MATERIALS BOARD

The Board has an advisory role supporting the Commission in the implementation of the different actions proposed in the Act.

#### COMPOSITION

Chaired by the European Commission	Composed by Member States and the Commission
Representatives from the EP as observers	

### STRATEGIC PARTNERSHIPS

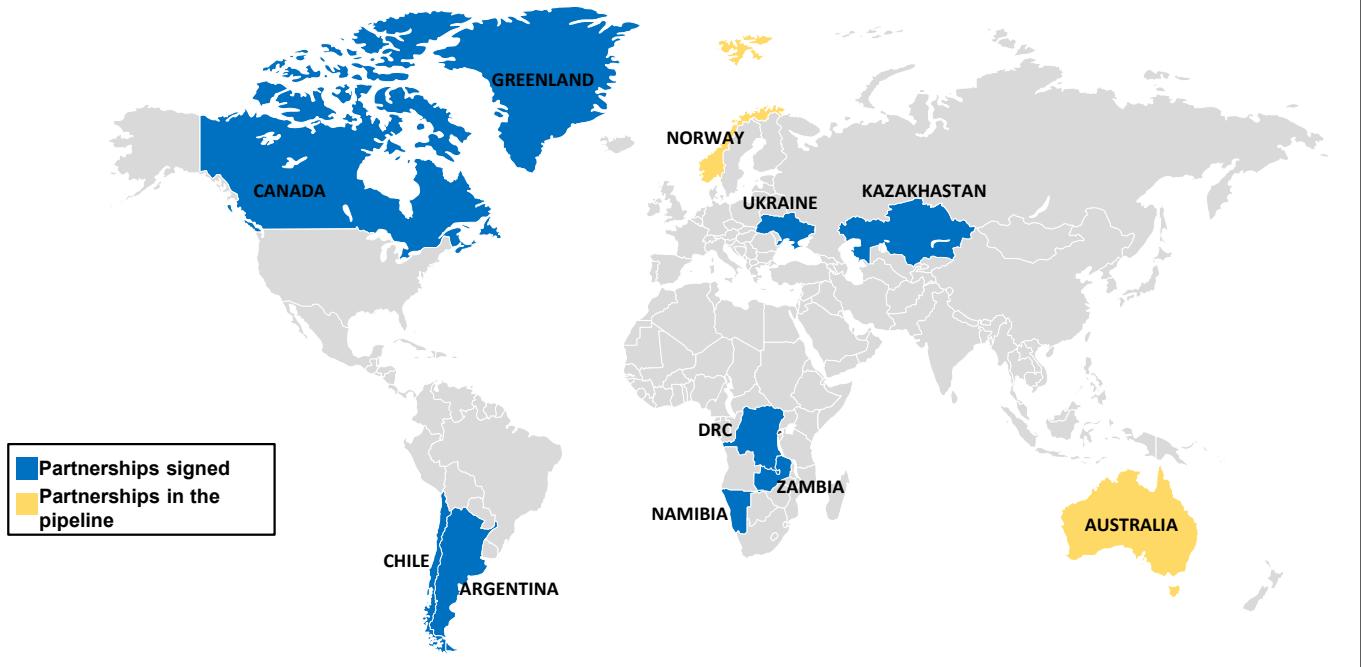
The Board also discusses Strategic Partnerships of the Union with third countries that cover raw materials and ensures their coordination with other international fora and initiatives.

### Non-Regulatory Diversification Measures

- International initiatives (Minerals Security Partnership, CRM Club, G7, etc.)
- Trade and Investment Agreements
- Lowering risk of investing abroad (Export Credit Agencies, etc.)



## Strategic Partnerships Raw Materials



## Next Steps - Implementation

### Entry into Force of Regulation expected in Q2 2024 (tbc)

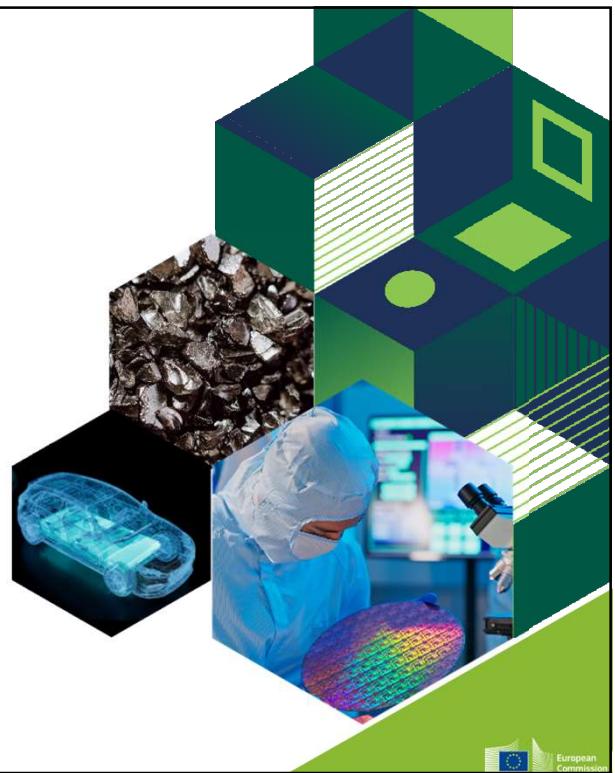
- Setting Up of **Governance and Monitoring**
- First Meeting of the **Critical Raw Materials Board**
- First cut-off date for open call for **Strategic Projects**

### Complementary actions to Regulation

- Continued **R&D funding** via Horizon Europe
- **Financial Support for Strategic Projects**, for example from Innovation Fund and EIT funded opportunities

## Useful links

- [\*\*CRM Act Press Release\*\*](#)
- [\*\*CRM Act \(Draft Regulation\)\*\*](#)
- [\*\*CRM Act \(Communication\)\*\*](#)
- [\*\*2023 JRC Foresight Study\*\*](#)
- [\*\*2023 Study on CRMs for the EU\*\*](#)
- [\*\*CRM Factsheets\*\*](#)



European Commission

Thank you



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