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Reliable, Resilient and Responsible Metal and Mineral Supply

Eurometaux Recommendations to make RESourceEU Successful for the European Metals Industry

Eurometaux, representing the entire European non-ferrous metals value chain, calls for the following key elements to be reflected in RESourceEU to ensure that it contributes in a meaningful way to the delivery of the Critical Raw Materials Act (CRMA) objectives:

1. Finance for Strategic Projects under the CRMA

A new finance stream for Strategic Projects needs to be introduced now. The EU currently lacks dedicated financing instruments for CRMs. There is a real risk that only a handful of the Strategic Projects will come to fruition, and the main challenge is securing finance. A dedicated instrument would go a long way to solving this issue and would also help to drive private financing into these projects.

The next MFF should contain a dedicated financing instrument for CRMs, building on the good proposals that have already been made for the EU Competitiveness Fund. We could also envisage a role for the EIB to support this new financing fund as it has recently moved to support CRM projects. Simple, clear, predictable financing is key to the success of this Commission flagship initiative.

Immediate and decisive action is needed to support the sector. CRM projects should also be prioritised under other EU funding instruments such as the Innovation Fund and the Modernisation Fund.

2. Policy Consistency

The viability of CRM investments in Europe is affected by EU legislation across various subject areas, including energy, environment, chemicals, trade and climate policies. Barriers established by this legislation can jeopardise the potential for CRM investments in Europe. Removing these barriers can quickly improve the prospects for these investments to materialize. Examples include the "principle of Do No Significant Harm" (which has blocked CRM projects from receiving public funding while also making private financing more difficult), and the need for prevention of the loss of valuable waste from the EU[1].

[1] While acknowledging the existence of well-established international value chains, e.g. for platinum group metals.

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3. A consolidated and urgent approach to securing supply of CRMs for the EU

When approaching issues such as stockpiling or joint purchasing, the EU should utilise existing global best practices rather than trying to create new tools that are uncertain in terms of success. In Japan the JOGMEC[1] acts on price stabilisation and intervenes in the market, when necessary, also financially supporting the development of projects across the raw materials value chains.

A similar agency should be created in the EU. This is much more useful than matchmaking or demand aggregation. The downstream industry must also be engaged in any stockpiling activity to ensure we have a coherent approach. This agency could and should also act beyond the scope of Strategic Projects, which often have long lead time, to intervene swiftly in the market when needed with a short and medium-term horizon.

We also advise the Commission against using a one-size-fits-all approach to stockpiling CRMs. Strategic stockpiling may be necessary for certain CRMs to enhance supply security in several sectors – for others, however, it may obstruct supply and create severe market distortions, especially for precious metals like Platinum Group Metals (PGMs). A one-size-fits-all stockpiling intervention for all metals risks creating further disruptions, market distortions, price volatility, and even artificial scarcity, thus hampering the scale-up of European supply of such materials. The EU must take the unique characteristics of different CRMs into account and introduce tailored rules recognising the unique characteristics of each material and their markets.

4. Step up cooperation policy for CRM procurement globally

The Strategic Partnerships initiative must be re-energised, focusing on those countries with aligned values. For example, we must do more with the EU-Canada partnership and recognise the importance of EU-UK 'win-win' areas on CRMs and recycling. We must invigorate the Strategic Partnerships to deliver on the ground projects that bring CRMs to Europe. Continued sourcing from countries where we have high dependency (including Russia and China) heightens systemic risk to ours and our allies' production capacity, and ultimately to Europe's strategic objectives for economic security.

If RESourceEU can deliver on these objectives, then there is a chance that it will be a useful instrument to set the course for the renaissance of our highly strategic sector in Europe.

The Annex outlines these recommendations in more detail

[1] The Japan Organization for Metals and Energy Security.

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Annex: ReSourceEU Recommendations from Eurometaux

Reset: Priorities and Timelines

European priorities—economic and regional security, industrial competitiveness, defence readiness and climate action—require immediate improvements in CRM supply reliability, resilience and responsibility. Europe is in a period of heightened geopolitical tension, and is accelerating the shift towards renewables, electrification and clean technologies. Because of this, the demand for CRMs will massively surge, making them indispensable not only for industrial competitiveness but also for strategic autonomy.

European industry has yet to fully recognise and integrate these parameters into procurement strategies, in part due to the absence of clear political direction from Member States. Initiatives such as the *Industrial Accelerator Act* can deliver this clearer direction. Political leadership should set streamlined operative priorities: trying to pursue every policy goal across dozens of elements and applications spreads attention thin and dilutes accountability.

Focus should narrow to a limited number of applications to emulate the vertical and horizontal integration that underpins systemic rivals' success. A sharper understanding of value-chain linkages should guide control of lynchpins and self-reinforcing clusters of operations and logistics that shape European mineral demand.

Immediate actions:

- Secure supplies of priority materials from existing operations, sustain and expand relationships with responsible operators in established mining, processing, and recycling regions; new-project timelines are incompatible with current urgency.
- Maintain and reinforce EU processing capacity, an underused asset for strategic autonomy and leverage in international engagement.
- Advance new projects with system effects in key value chains where Europe is weak (e.g. pCAM for the battery sector).

Entry Point: Financing

Current European funding approaches are fragmented, slow and ill-suited to CRM realities. Most importantly, the EU lacks dedicated funding instruments for CRMs. Without structural intervention, they fail to lower the cost of capital, crowd-in investment or deliver production outcomes. Under the CRMA, EU de-risking for Strategic Projects is largely limited to advisory support and access to existing funds — yet Strategic Projects report persistent difficulty in mapping, accessing and complying with these instruments.

Even updated tools (e.g. STEP) have delivered no tangible CRM outcomes because interventions are shoehorned into innovation, decarbonisation, defence or development frames that overlook CRM finance specificities. The viability of CRM investments in Europe is also impacted by EU legislation in other areas. For instance, the "Principle of Do No Significant Harm" has been applied to various EU funds and EU State Aid Guidelines in recent years, including the Recovery and

Resilience Facility (RFF) and the CISAF. The strict implementation of this principle has so far effectively banned CRM investments from receiving public support. This also impacts the possibility to access private financing.

Support should be available simply for mining, processing and/or recycling CRMs, instead of adding more requirements that jeopardize the viability of the investment (e.g. decarbonisation targets that go beyond what is technically feasible). Under the Clean Industrial Deal, provisions on EU investment remain disconnected from CRM demand-side commitments (e.g. demand aggregation), and this drift carries into principles and proposals for the next MFF.

The IEA, the G7 and allies such as Canada emphasise the urgency of kick-starting investment to diversify CRM chains and are taking bold steps. Europe must reposition immediately, recognising that market and sovereign power are increasingly aligned and that competitors can offer stronger demand certainty and/or better commercial terms than European buyers.

A Single, Dedicated CRM Funding Instrument

The EU should address the risks on Europe's CRM value chain with urgency. Within months, it should establish a single dedicated funding instrument including grants, guarantees, equity investment and preferential loans managed/supported by specialist asset managers with the credibility and capacity to deploy at speed. The US and IFC have adopted similar approaches for CRMs; Italy, France and Ireland have too. The structure also aligns with the Scale-Up Europe Fund model (a public-private, multi-billion-euro vehicle for deep-tech). Such a design would ease capacity constraints inside the institutions while ensuring market-relevant, system-wide impact.

Design principles (contrasting current practice):

Eligibility criteria

- **Current**: Criteria built for technology/manufacturing applied to CRM projects.
- **Proposed**: Sector-appropriate, transparent feasibility conditions (technical and financial viability, credible responsibility standards, and clear relevance to policy priorities—criticality, dependency risk, market stability—and market dynamics) to crowd-in private finance. Ex-ante eligibility criteria not subject to political negotiation.

Instruments

- **Current:** Cross-sector tools; de-risking concentrated on implementing partners.
- **Proposed:** Full suite—from equity to preferential-rate debt and project-level guarantees (e.g. price floors, untied loan guarantees)—to lower the cost of capital for responsible operators aligned with EU priorities.

Scope

- **Current:** Focus on selected materials, mainly domestic or in strategic partners.
- **Proposed:** Global and European scope where projects are relevant to EU priorities, with emphasis on existing or near-term capacity as well as new resource definition and capacity across key value-chain stages (excluding R&I).

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Redesigning EIB Group Intervention

After more than a decade with limited CRM finance — during which China consolidated influence — markets have evolved and, in some cases, CRM dominance has been weaponised. EIB mobilisation will signal intent only if it enables rapid, large-scale deployment.

To build meaningful upstream capacity and presence in key producing regions, the EIB Group must allocate much larger budgets to CRMs and adapt deployment tools (e.g. extend multi-beneficiary intermediated debt; use project-level guarantee instruments already applied by other major European funders). As in other strategic sectors, the EU should provide a substantial budgetary guarantee (e.g. first loss guarantee) for CRM investment to the EIB (and other implementing partners) to unlock a broader toolbox and amplify impact. A bolstered EIB offering should include coordination with national promotional banks to streamline instruments and increase budgets.

Ensure Policy Consistency

A coherent and predictable regulatory framework is essential for the viability of CRM investments in Europe. Contradictory objectives across different pieces of legislation create barriers, which can jeopardise the potential for CRM investments in Europe. Assessing and, where suitable, removing these barriers can provide quick wins that would facilitate the potential to mine, process and recycle CRMs in Europe.

Examples include:

- The "Principle of Do No Significant Harm" has been applied to various EU funds and EU State Aid Guidelines in recent years, including the RRF and the CISAF. Given that mining, processing and recycling CRMs all have inherent impacts on the climate and the environment, the application of this Principle has effectively banned CRM investments from receiving public support. This also impacts the possibility to access private financing. There is a need to assess the trade-offs in this area and to strike a more workable balance between protecting nature and facilitating CRM projects.
- CRM installations often lack dedicated product benchmarks under the EU ETS. Instead, they fall under the generic "fall-back benchmarks", where they are compared to installations in other sectors with incomparable processes. This leads to higher CO2 costs which compromise the competitiveness of EU CRM producers. Dedicated ETS benchmarks should be included for CRMs, such as alumina and aluminium recycling, in order to ensure fair treatment under the ETS that does not go beyond the level of CO2 performance that can be achieved in the given sector.
- Scrap is the secondary raw material needed for CRM recycling. Access to scrap is becoming increasingly difficult for European recyclers, due to intense competition from Asia as well as the impact of US tariffs. Urgent action is needed to safeguard the EU's supply of scrap by preventing the loss of valuable waste fractions from the EU[1].

[1] While acknowledging the existence of well-established international value chains, e.g. for platinum group metals

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Cooperation Necessity: Market Measures

Standards-based market mechanisms and demand-side measures are essential complements to financing.

The G7 initiative on standards-based markets—endorsed by Australia, India and Korea—seeks to differentiate fair, market-oriented supply chains from those driven by non-market practices and to address pricing challenges. However, the 31 October 2025 roadmap lacks operational coordination. The EU must marshal procurement, financial incentives, investment policy, trade measures and price protection into a coherent CRM market design—and overcome weak demand-side commitment from European downstream industry to secure offtake for responsible production. We also request that no one size fits all policy is proposed, given the unique and varied dynamics of the various CRM value chains.

A JOGMEC-style raw materials agency with a mandate for price stabilisation and market intervention (distinct from passive matchmaking or demand aggregation) should be paired with more robust industrial policy, integrating downstream industry to set priorities—investment, shared specifications, joint purchasing and stockpiling. This should mirror integrated systems in Japan and Korea, where procurement and investment embed economic-security considerations. Competition-law reform is needed in parallel: the consultation on cooperation to procure, recycle and re-use CRMs should be widened to include global mining and mineral actors so a viable long-term model can emerge.

Requirements that need to be met quickly to make RESourceEU a success

- Consolidate institutional ownership and designate a lead service for RESourceEU execution and financing.
- Provide a dedicated CRM funding instrument with specialist managers and initial EU capital, complemented by an EU budgetary guarantee to the EIB Group.
- Remove other regulatory barriers to create a level playing field for Europe, for example in the areas of environment, climate and energy.
- Launch a coordinated demand-side package: standards-based market measures, joint purchasing/stockpiling via a JOGMEC-style agency, and targeted competition-law adjustments.
- Prioritise immediate support for existing responsible operations and EU processing, and advance system-shaping projects (e.g. pCAM) where Europe is weakest.
- Operationalise strategic partnerships (Canada, Australia, UK, key Latin American producers) with joint pipelines and shared risk-mitigation tools.

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