

Critical Raw Materials Act: An agenda for Europe to get ahead in the global race

Introduction

The Critical Raw Materials Act is Europe's unmissable opportunity to catch-up in the global race for metals and minerals supply. Europe's energy and mobility systems will completely transform over the next decade, supercharged by the REPowerEU plan and 2035 internal combustion engine ban. EU demand for base metals, battery materials, rare earths, and more will rise strongly as it builds-up local production of batteries, solar panels, permanent magnets, and other clean tech. But Europe will lose out to China and the US without a decisive plan for securing its own supply.

Europe's metals industry calls on the European Commission to deliver a truly ambitious Critical Raw Materials Act that kickstarts a rethink of the EU's industrial strategy for its clean energy supply chains:

1. Equal the ambition of Europe's international competitors

Europe is now in competition with the US Inflation Reduction Act and its subsidies and tax incentives for local supply chains. The Critical Raw Materials Act must deliver 2030 headline goals and targeted market measures that will offer at least a comparable incentive for new investments building up sustainable European raw materials supply chains.

- **Focus on the right strategic materials:** Put at the centre the metals & minerals most needed for the energy transition – as agreed by international authorities - including aluminium, copper, silicon, nickel, lithium, cobalt, graphite, high-purity manganese, rare earths - plus others the EU identifies through a detailed analysis¹.
- **Set 2030 headline goals for Europe's strategic autonomy:** Formalise 2030 targets for increasing Europe's own supply of extracted/recycled and refined minerals, as well as its level of import diversification. We should aim that none of the targeted materials qualify as "critical" by 2030, through EU and preferred partner supply.
- **Investigate market measures to incentivise Europe supply:** Investigate what the EU can do to incentivise downstream purchasing from European partners (and preferred 3rd countries when local supply isn't possible) to compete with the Inflation Reduction Act but with alignment to WTO principles & reflecting EU competences

2. Catalyse European investment through permits, finance, and frameworks

The Critical Raw Materials Act should prioritise actions to push forward EU mining, processing, and recycling projects, to establish a minimum level of strategic autonomy with high environmental and social responsibility. This must be accomplished while avoiding a contraction of Europe's electricity-intensive production in the wake of the energy crisis.

- **Strengthen operating frameworks:** Make Europe viable by targeting big improvements to the operating conditions for new & existing sites, which today fall behind other regions, committing to new action for affordable & available green energy supply², faster trade defence measures & coherent chemicals policy³.
- **Identify strategic projects:** Introduce an EU level list of priority projects - modelled on the TEN-E Regulation and Projects of Common Interest list – which will be eligible for accelerated permitting and easier financing. Projects should demonstrate sustainability performance & cover all stages: mining, processing, recycling.
- **Accelerate permitting procedures:** Take action to speed up national permitting processes while retaining rigorousness and environmental checks, through allowing parallel processes, increasing local resources, and setting timelines for reaching a decision.
- **Improve EU and national finance:** Help de-risk projects in and out of Europe through a dedicated Raw Materials public/private investment fund, as well as a thematic debt lending facility under the EIB and EBRD, linking with EU Raw Materials Alliance. Use the IPCEI tool to support Member States raw materials financing.

¹ Re. Leuven [Metals for Clean Energy](#) (PGMs, silver, vanadium, gallium, germanium, magnesium, zinc etc), not limited to past-looking CRM list

² High EU industrial electricity prices will become more expensive from climate policies this decade, while other regions promise cheap power (e.g. Canada) or subsidise producer costs (China). This is a critical investment barrier even outside the energy crisis (an [existential threat](#) to EU metals)

³ The EU's chemicals policy is identified by companies as a major investment deterrent needing more predictability. Strategic metals such as lithium, cobalt, silver & more threaten to be caught in long regulatory processes without environmental benefit, adding uncertainty not faced in other regions



3. Secure responsible and fair imports from prioritised resource-rich partners

Europe will remain reliant on imports to supply its medium-term growth in the next 15 years, even with a successful domestic investment strategy. The Critical Raw Materials Act must also include a much stronger global strategy for securing responsible imports, which avoids an overdependence on single suppliers and addresses trade distortions.

- **Strengthen Europe's raw materials partnerships:** Prioritise new partnerships with regions that can deliver supply in the next 5+ years when Europe's demand pressure is highest, with an ESG focus, i.e. Latin America (copper & lithium), Democratic Republic of Congo (cobalt & copper), Indonesia (nickel & cobalt), South Africa (PGMs) – plus likeminded partners Norway, Canada, & Australia & using the Minerals Security Partnership.
- **Mainstream raw materials in EU free trade agreements:** Commit to strong raw materials chapters in all EU Free Trade Agreements, as well as regulatory cooperation & sustainability chapters to encourage shared standards. Strict Rules of Origin should be used to manage goods flowing through non-partner countries.
- **Finance European mining projects abroad:** Learn from China and financially support European companies with ownership or part-ownership of competitive global resources, especially for those materials with a lower domestic supply potential. Projects should meet European sustainability expectations.
- **Combat unfair trading practices:** Speed up the process for the EU imposing provisional trade defence measures, to safeguard new European investments against likely dumping from China in its dominant global markets, e.g. magnesium, rare earths. Keep the existing anti-dumping measures for aluminium and silicon.

4. Make Europe the global leader for high-quality metals recycling

Recycling will be Europe's key long-term opportunity to establish metals strategic autonomy, especially after 2040 once the first generation of clean energy technologies reach end-of-life in significant volumes. The EU must act now to grow its recycling industry into a leadership position, facing high global competition from other regions.

- **Make targeted amendments to existing waste legislation:** Take immediate action to 1) require minimum treatment standards for recyclers of European electronics waste, 2) strengthen controls on battery "black mass" through confirming its status as a hazardous waste not a product, 3) harmonise waste classification systems across Member States to prevent shipment delays
- **Prioritise raw materials circularity in upcoming waste legislation:** Commit to follow the Batteries Regulation's integrated raw materials focus in upcoming reviews of the End-of-Life Vehicles Directive, Waste Electronics & Electrical Equipment Directive, and others. These reviews should include material-specific end-of-life recycling targets, collection/sorting improvements, and action on scrap leakage.
- **Check whether new legislation is needed for emerging waste streams:** Confirm whether emerging waste streams like permanent magnets and solar panels need new or strengthened waste legislation to ensure high quality recycling of their metals and minerals.

Eurometaux also supports that the Critical Raw Materials Act:

- *Coordinates national agency efforts through an EU Raw Materials Agency or other cooperation, providing a overall vision and helping direct financial support plus carry out monitoring activities.*
- *Prioritises that the European market is supplied by environmentally & socially responsible metals and minerals:*
 - *Coherent implementation of the EU's due diligence legislation, Batteries Regulation, taxonomy, and future provisions for other product groups.*
 - *Starting a process to benchmark the different mining certification schemes available on a global level to identify those that meet the EU's environmental and social expectations, without preferencing one single scheme nor slowing down new responsible European investments.*

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Eurometaux is Europe's collective metals association, representing mining, processing, recycling companies in Europe

