



European CRM Act

Proposal for a regulation –
establishing a framework for
ensuring a secure and sustainable
supply of critical raw materials

April 2023

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
- 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**
- **Natural Graphite**
- **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

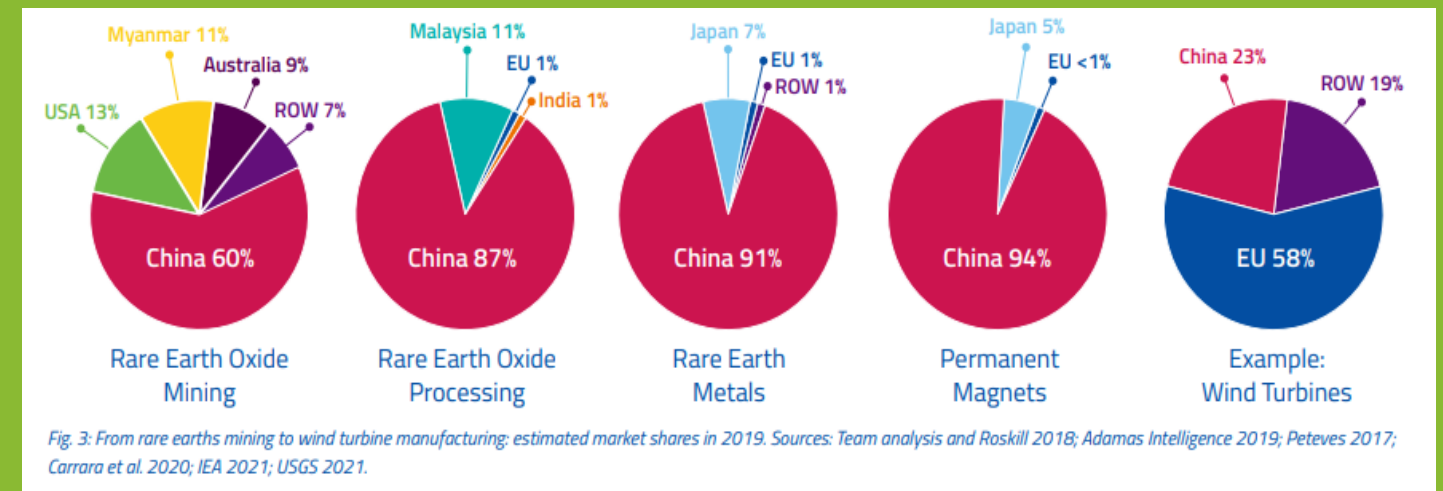
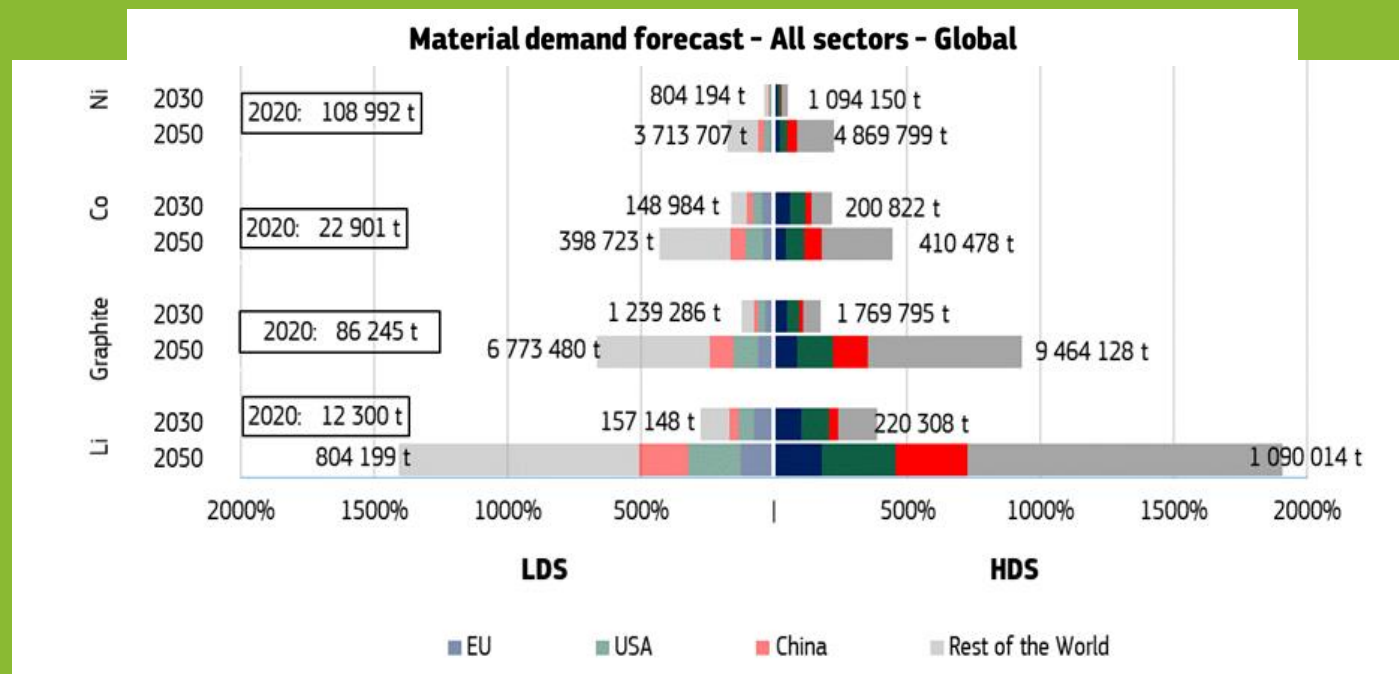


Fig. 3: From rare earths mining to wind turbine manufacturing: estimated market shares in 2019. Sources: Team analysis and Roskill 2018; Adamas Intelligence 2019; Peteves 2017; Carrara et al. 2020; IEA 2021; USGS 2021.

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

I. Setting Priorities

DEFINING CRITICAL AND STRATEGIC RAW MATERIALS

CRM

Whole EU economy, based on :

- supply risk
- economic importance

SRM

SRM are a subset of CRM:

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

2023 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 **15%** 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.

II. Strengthening the value chain

STRATEGIC PROJECTS

Across the whole SRM value chain:
extraction – processing – recycling

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

ONE-STOP-SHOPS

Member States shall designate one national authority to facilitate and coordinate the permit-granting process

BENEFITS

- **Priority Status in national and EU law:** for administrative and judicial procedures
- **One-stop-shop approach**
- **Permitting - Legal time-frames**
 - Extraction: 24 months
 - Processing & Recycling: 12 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

III. Risk Monitoring and mitigation

- Monitor **supply risks** of CRM
- **Stress tests** by the Commission with Member States
- Alerts to MS/relevant authorities in case of risk
- **Company risk preparedness**
- **Strategic stockpiling:** information gathering and coordination
- Voluntary joint purchasing



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

CIRCULARITY

- National measures on CRMs circularity
- Maximising potential from (closed) extractive waste facilities
- Preparing the ground for massive recycling 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



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.

Useful links

[CRM Act Press Release](#)

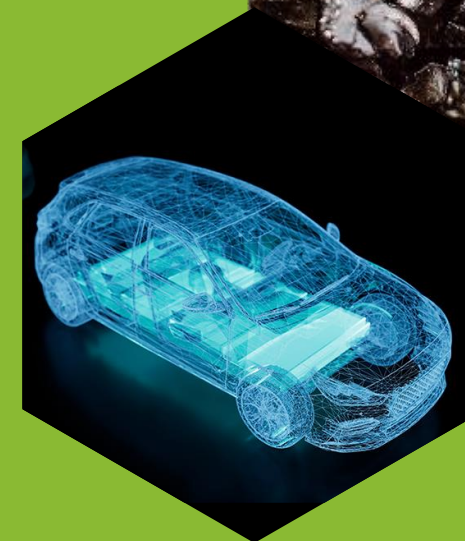
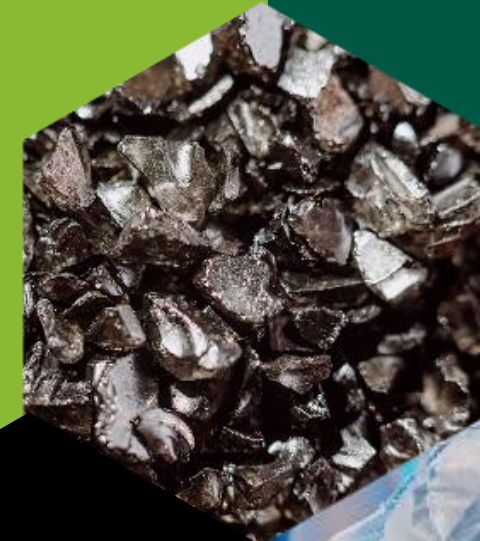
[CRM Act \(Draft Regulation\)](#)

[CRM Act \(Communication\)](#)

[2023 JRC Foresight Study](#)

[2023 Study on CRMs for the EU](#)

[CRM Factsheets](#)



Thank you



© European Union 2023

Unless otherwise noted the reuse of this presentation is authorised under the [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/) license. For any use or reproduction of elements that are not owned by the EU, permission may need to be sought directly from the respective right holders.

