- Critical Raw Materials Act
-   - global perspective

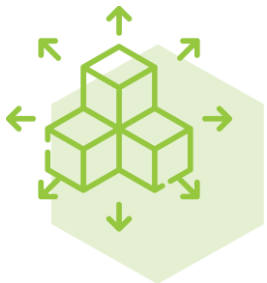# European Critical Raw Materials Act

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

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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

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.

Strategic Raw Materials

34 RAW MATERIALS DEFINED AS CRITICAL (17 as Strategic) BY THEIR HIGH

- Economic importance
- Supply risk

... based on a regular assessment of available data in an established <u>methodology</u>

- Antimony
- Arsenic
- **Bauxite/Aluminium**
- Baryte
- Beryllium
- **Bismuth**
- **Boron**
- **Cobalt**
- Coking Coal

- **Copper**
- Feldspar
- Fluorspar
- **Gallium**
- **Germanium**
- Hafnium
- Helium
- **Rare Earth Elements for permanent magnets (Nd, Pr, Tb, Dy, Gd, Sm, and Ce)**

- **Lithium – battery grade**
- **Magnesium - metal**
- **Manganese – battery grade**
- **Graphite – battery grade**
- **Nickel – battery grade**
- Niobium
- Phosphate rock
- Phosphorus
- **Platinum Group Metals**

- Scandium
- **Silicon metal**
- Strontium
- Tantalum
- **Titanium metal**
- **Tungsten**
- Vanadium

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Strategic Projects under the CRMA

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 CRM Board based on**

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

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

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Strategic Projects
from the application submission to the recognition

➢ **Completeness check**

  ▪ To be done within 30 days

➢ **Assessment**

  ▪ Done with the suppport of external independent experts, addressing:

   • Technical aspects
   • Financial elements
   • Environmental, Social and Governance (ESG)-related aspects
   • UNFC classification

➢ **Board meeting**

  ▪ The draft list of selected projects is presented to the CRM Board for its opinion

➢ **Comission Decision**

  ▪ The Commission adopts the decision on selected strategic projects

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NET ZERO INDUSTRY ACT

Proposal for a Regulation on establishing a frame work of measures for strengthening Europe's net-zero technology products manufacturing ecosystem

Net-Zero Industry Act

Establishing a regulatory framework to ensure the Union's access to a secure and sustainable supply of net-zero technologies including by scaling up the manufacturing capacity of net-zero technologies and their supply chains.

Two political benchmarks

Commission & Member States shall support net-zero manufacturing projects to ensure the reduction of strategic dependencies by reaching a manufacturing capacity of:

- at least **40%** of EU annual deployment needs for the corresponding technologies necessary to achieve the Union's 2030 climate and energy targets;
- an increased Union's share for the corresponding technologies in view to reach **15%** of world production by 2040, based on the monitoring in the Act.
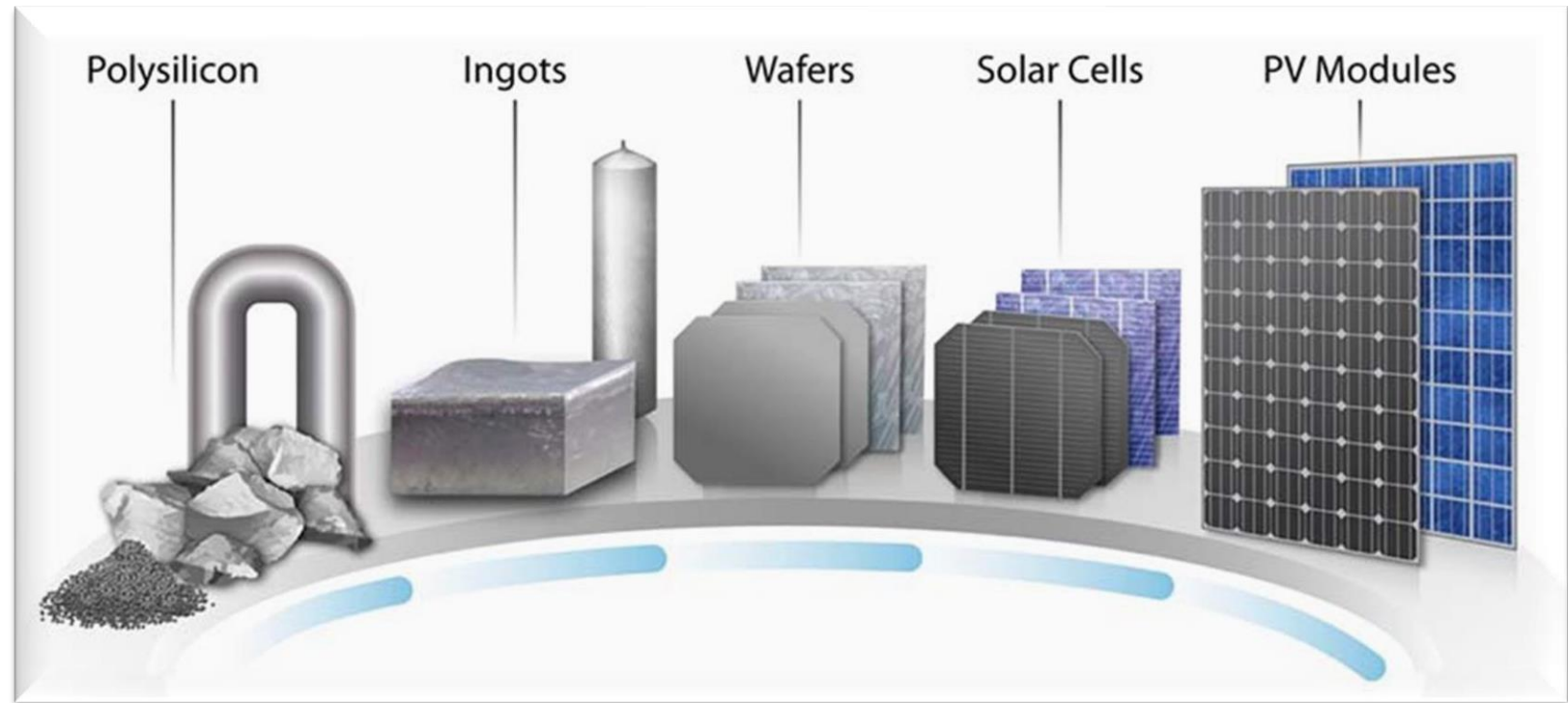
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Scope: what type of projects are covered

- Focus is on **projects** for new/expansion of **manufacturing facilities** across full supply chain.

- 1 list of net-zero technologies.✱

- Either via being listed in Annex or when project promoter can provide proof that product, component or machinery are "primarily used" for net-zero technology.

- Also in scope are **energy intensive industry decarbonisation projects**, CCS storage sites.

✱
- solar technologies, including: solar photovoltaic, solar thermal electric and solar thermal technologies;
- onshore wind and offshore renewable technologies;
- battery and energy storage technologies;
- renewable energy technologies, not covered under the previous categories;
- heat pumps and geothermal energy technologies;
- hydrogen technologies, including electrolysers and fuel cells;
- sustainable biogas and biomethane technologies;
- carbon capture and storage technologies;
- electricity grid technologies, including electric charging technologies for transportation and technologies to digitalise the grid;
- nuclear fission energy technologies, including nuclear fuel cycle technologies;

- sustainable alternative fuels technologies;
- hydropower technologies;
- energy system-related energy efficiency technologies, including heat grid technologies;
- renewable fuels of non-biological origin technologies;
- biotech climate and energy solutions;
- transformative industrial technologies for decarbonisation not covered under the previous categories;
- CO_2 transport and utilization technologies;
- wind propulsion and electric propulsion technologies for transportation;
- nuclear technologies not covered under previous categories.

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Scope: what type of projects are covered

"Final products, specific components and machinery, primarily used for the production of net-zero technologies"

Polysilicon — Ingots — Wafers — Solar Cells — PV Modules

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Net-zero technology value chains

Photovoltaic: European value chain landscape

- Component manufacturing: Module
- Component manufacturing: Cell
- Wafer production
- Manufacturing cluster

Wind: European value chain landscape

- Tower
- Blade
- Nacelle
- Gearbox
- Generator
- Manufacturing cluster

Heat pumps: European value chain landscape

- Component manufacturing: Heat pump
- Component manufacturing: Compressor

Batteries: European value chain landscape

- Component manufacturing
- Component manufacturing (under construction)
- Material refining and proce
- Manufacturing cluster

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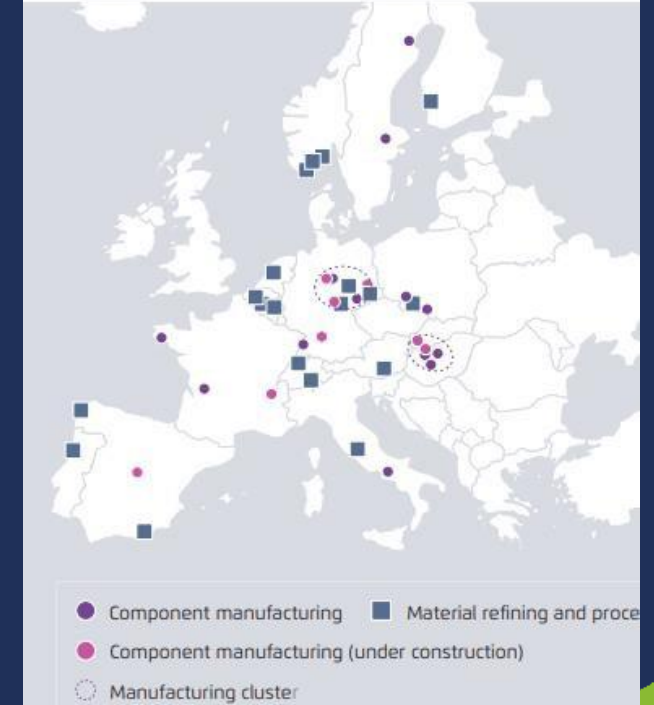
What is in the Net-Zero Industry Act?

To stimulate **investment** into net-zero technologies, the Net-Zero Industry Act focuses on:

Permitting

Single Points of Contact with responsibility over entire process

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Streamlined procedures and binding time-limits & deadlines

Clustering via Net-Zero Acceleration Valleys

Strategic Projects

Application process on COM website

Priority status at national level for all administrative processes

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Net-Zero Europe Platform to advice on financing needs

Access to Markets

Mandatory sustainability & resilience criteria in auctions, public procurement & public support measures

Skills & Innovation

Skills for quality jobs through Net-Zero Industry Academies & credentials for skills transparency

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Innovative companies to benefit from Regulatory Sandboxes to test new net-zero technologies

Governance

Net-Zero Europe Platform as collaborative governance body, oversees imple-mentation & monitors progress towards objectives.

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NZIA implementation

Entry into Force

July 2024

1st Net-Zero Europe Platform

Q1 2025

NZIA Permitting & SPOC take effect

January 2025

Non-price criteria in auctions & other support schemes become mandatory

January 2026

NZIA PP rules take effect for all contracts

April 2026

Strategic Project application process open!

July 2024

Resilience and sustainability non-price criteria become mandatory in public procurement (for contracts above € 25 mio)

April 2025

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Thank you

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