

EU mineral raw materials – The basis for the future of the EU

Euromines Position

on the strategic importance of EU Critical Raw Materials (CRM) and other mineral resources for the Green Deal and EU economy

To meet future growing global demand of a growing population, Europe must take its responsibility in securing the raw material supply for the EU industry. The European metals and minerals mining sector can secure availability of critical raw materials, other minerals and metal ores needed for existing and future products and technologies enabling a climate neutral, service and welfare orientated, circular and resource-efficient as well a digital society.

Euromines welcomes the Commission Communication “**Critical Raw Materials Resilience: Charting a Path towards greater Security and Sustainability**” which confirms the principles of the Raw Materials Initiative (RMI), launched in 2008 with the main objective of assuring a sustainable and safe supply of mineral raw materials to the European industry and society.

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Euromines acknowledges the need for further action to supply the growing demand for CRM. Moreover, many other metal and mineral raw materials are essential for the Green Deal and therefore further action is needed to strengthen the competitiveness of the European mining sector.

In the future, mineral raw materials will be even more decisive for a transition to a Low-Carbon society. Today’s reliance on fossil fuels will be replaced with one on raw materials, many of which the EU sources from abroad and for which global competition is becoming increasingly fierce. For metal ores and industrial minerals with high exposure to climate technologies as for example wind turbines and e-mobility, the pace of the climate transition plays a major role in their demand. The rate of the transition needed or strived for (ambition level) will thus steer the rate of metal ores and industrial minerals demand. The global population is expected to reach almost 10 billion by 2050, including three billion new middle-class consumers. All of these have the right to secure their livelihoods and, if possible, increase their standards of living. This will increase demand for products and their related raw materials.

To meet this challenge, we acknowledge the shift towards more resource efficient production, as well as for an increased recovery and reprocessing along the value chains and of end of life of products. This will inevitably be achieved with additional sustainably sourced primary mineral raw materials within the EU.

Although having the EU Raw Materials Initiative in place since 2008, the EU's import dependence for mineral raw materials have not decreased, quite the opposite. The EU is almost entirely dependent on imports of the identified critical raw materials, but is also, to a very high extent, dependent on imports of several other raw materials, for example base metals such as iron ore (74 percent), copper (82 percent) and zinc (61 percent)¹, and numerous industrial minerals such as boron (100 percent)². In addition to reach the aims of a green future

¹ European Commission. EIP on Raw Materials, Raw Materials Scoreboard 2018

² Federal Ministry Republic of Austria, World Mining Data 2020

for Europe we will need access for the EU industry to many more minerals. Rising recycling of many products will need more magnesite, rising demand of farm products (for feeding but also for green energy) will demand potash, lightweight cars for e-mobility will demand talc. The EU's resilience to disruptions in supply chains based on raw materials in addition to imports therefore must be secured by primary raw materials mined within the EU.

Europe's demand for industrial minerals and metal ores cannot be met only from recycling; it will be essential to increase primary production of mineral raw materials within Europe to reach the Green Deal goals. The mineral raw materials demand curve will also be dependent on the ambition level for the decarbonisation of the society as well as the security of supply of the materials needed. To meet this increased production, it will be necessary to strengthen the existing mining operations more efficient and foster mineral exploration of raw materials with a special focus on those that are considered critical. Furthermore, the availability of green energy in sufficient quantity at competitive prices and respective infrastructure as well as a level-playing field with non-EU regions of the world will be an inevitable prerequisite.

In this context, Euromines believes that the European Parliament's Critical Raw Materials Report should:

1. **Acknowledge the rising demand for industrial minerals and metal ores for the green transition.**
2. **Encourage a secured access to primary mineral raw materials from EU sources.**
3. **Acknowledge that EU mining is already a highly regulated and fully compliant sector.**
4. **Support a Sustainable Finance Action Plan based on an integrated holistic value chain approach including raw materials mining and quarrying with all six sets of taxonomy technical screening criteria.**
5. **Acknowledge the indirect carbon leakage the mining sector is exposed to and encourage the compensation of indirect emission costs, as electrification will be key for achieving a low-carbon economy.**
6. **Contribute to reducing third country raw-materials dependency by encouraging sustainable EU mining.**

Minerals and metals represent the basis for our lives and any industrial production process. They provide everyday products and new solutions for modern infrastructure and technologies. Improving sustainability and our well-being is only possible through new innovations and better applications. The European mining industry supplies metals and minerals that make these new developments possible. The EU's Green Deal has concluded that "ensuring the supply of sustainable raw materials... in particular of critical raw materials necessary for clean technologies... is one of the pre-requisites to make this transition happen". These conclusions are confirmed by EU and international studies, which quantify the higher volumes of critical raw materials, other minerals and metals required for batteries, grid transformation, renewable energies and more.

Euromines, the European Association of Mining, Metal Ores & Industrial Minerals, represents large and small companies and subsidiaries in Europe and in other parts of the world which provide jobs to more than 350,000 people. Through the activities and operations of these members, more than 42 different metals and minerals are produced. Their sustainable exploitation can increase Europe's supply of mineral resources, help ease imports from third countries usually applying lower environmental, corporate and social standards and foster the socio-economic growth of Europe's Regions. The European mineral raw materials industry plays a crucial role in the EU ability to nurture sustainable growth including access to and supply of raw materials, providing over 30 million jobs and playing a key role in the development of modern environmentally friendly technologies. More information on www.euromines.org