



Dear Minister Agnès Pannier-Runacher, Dear Minister Barbara Pompili,

We are writing on behalf of Europe's metals and mining industry associations, to express our committed support for your Council Presidency goal of addressing the EU's supply chain resilience, and to propose five action areas for securing sustainable raw materials. We would be pleased to discuss these recommendations further with you in a meeting with European industry CEOs.

Europe's growing supply challenges for key metals and minerals threaten to derail its Green Deal goals. The EU is behind in the global race to secure supply of certain battery metals, rare earths, and other strategic metals/minerals needed in the twin transitions. Without action now, our continent risks a series of supply crises this decade, like we are experiencing today for magnesium.

We applaud France for introducing its own raw materials strategy earlier this month, and endorse the recommendations given by Philippe Varin in his report to your government. It's imperative that your national urgency is now transferred to the EU level, building on the progress made with the European Raw Materials Alliance. Europe can only fulfil its high potential for developing new local sources of primary/secondary production and diversified global supply, if Member States are working collectively.

The [International Energy Agency](#) last year warned of a "looming mismatch" between the world's climate ambition and minerals availability. Europe is starting to experience this mismatch today, as prices of key energy transition metals and minerals begin to rise while new raw materials projects are delayed or blocked. China is at least a decade ahead, dominating the world's metals refining capacity, and investing more than any other country into securing supply from the world's mines.

With France's EU Council Presidency, you have an unmissable opportunity to kickstart an integrated European industrial strategy for securing the metals and minerals required in the Green Deal, at the highest environmental and social standards. This will require actions across the value chain: securing mined supply from responsible domestic and global sources, investing into new refining capacity, and laying the groundwork for a long-term Circular Economy and high recycling rates.

Building on the recommendations from Philippe Varin, we encourage you to prioritise five EU action areas (more details listed in the Annex), and overall to ensure coherent policy objectives:

1. Establish an Important Projects of Common European Interest (IPCEI) for key raw materials where market failures need to be addressed
2. Launch a European Raw Materials Investment fund to finance responsible mining, refining, and recycling projects for supplying the European market
3. Take measures to ensure responsible raw materials sourcing
4. Ensure a level playing field and strong business case for new European investments
5. Use financing and partnerships to secure external supply of metals and minerals where local sources are not sufficient

Our industry is ready to work with you to drive your strategic autonomy agenda forwards. To start, we propose to organise a meeting to discuss our five recommended action areas, together with you and industry leaders from Europe's leading mining, refining and recycling companies.

Please inform us in reply of your availability to join this meeting, and we wish you success in your upcoming Competitiveness Council on 1 February.

Yours faithfully,

Mikael Staffas
President Eurometaux
& CEO Boliden

Mark Rachovides
President,
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Guy Thiran,
Director General,
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Rolf Kuby,
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Annex : Five key priorities to address Europe's strategic dependencies on raw materials and to strengthen our resilience

1. Establish an Important Projects of Common European Interest (IPCEI) for key raw materials where market failures need to be addressed

- Europe's urgent challenge is to build the infrastructure to achieve the energy and digital transitions (electric vehicles, batteries, grid infrastructure, solar power, wind turbines, hydrogen etc.)
 - An IPCEI would need to cover the full value chain of energy storage materials, rare earth metals or other priority materials in an ecosystem approach.
 - The involved materials/precursors/production technologies are often faced with a market failure as the environmental costs are not priced or off-the-shelf-technology deployed is concentrated at scale in other countries.

2. Launch a European Raw Materials Investment fund to finance mining, refining, and recycling projects for supplying the European market (e.g. EUR 10bn, including 5bn state aid & 5bn equity)

- A fund for strategic investments in shovel-ready but not yet bankable projects is needed to de-risk investments that unlike IPCEIs do not face a market failure.
 - In addition, such a fund should ensure access to raw materials from sources outside the EU can be modelled along the principles of JOGMEC/KORECO¹ or other export-credit de-leveraging tools.
 - As well as new mining and refining projects, the EU should prioritise recycling investments for the clean energy and digital technologies that will start reaching end-of-life in meaningful volumes at the end of this decade (while addressing technical and economic bottlenecks).

3. Take measures to ensure responsible raw materials sourcing

- The existing EU principles for sustainable raw materials are supported by industry and companies adhere to a wide set of existing standards. Responsible EU mining practices should be expanded and promoted as a sign of distinction of EU products and materials:
 - The European Commission and Member States should promote the EU principles for Sustainable Raw Materials.
 - The mining sector and other stakeholders should be involved in the further evaluation of responsible mining principles at the European level, following the recommendations of France and the Philippe Varin report (in particular for sourcing in jurisdictions where an equivalent regulatory framework is lacking)
 - The sustainable finance Taxonomy should set criteria recognising the substantial contribution of environmentally responsible mining, processing, and recycling activities to EU Green Deal objectives
 - The EU's horizontal and vertical legislation should establish clear due diligence and responsible sourcing requirements for materials and products

4. Ensure a level playing field and strong business case for European producers

- The EU should evaluate extra costs faced by European metals and minerals value chains not borne by competitors, and then act to restore a level playing field and ensure a strong business case for new investments, including through:
 - Addressing high EU energy prices and ensuring competitive low-carbon energy supply
 - Protecting against unfair trading practices from other countries and the impacts from overcapacities (i.e. dumping from China)

¹Japan Oil, Gas and Metals National Corporation, which supports exploration and development of metals resources by Japanese companies by providing equity capital and liability guarantees, as well as technical support and national stockpiling programmes.



- Promoting offtake agreements with downstream sectors
- Encouraging an efficient licencing of projects at national level

5. Take measures to secure a global supply of metals and minerals where local sources are not sufficient

- In addition to local investments into primary and secondary supply, the EU should look beyond its borders to secure the long-term supplies of materials where domestic supply is not sufficient:
 - Use financing instruments to support European investment or part ownership into mining projects outside the EU, with requirements for environmental and social conditionality
 - Pursue further raw materials partnerships with countries and regions, with a focus on resource rich neighbourhood countries and places where the EU was priced out to due to a lack of internalising the human and environmental costs of access to raw materials
 - Learning from the magnesium shortage, map priority raw materials where Europe is overdependent on single supply sources (e.g. China or others), and evaluate measures for diversification, stockpiling, and/or EU reindustrialisation.

Eurometaux, the European metals association, is a trade association representing the collective European non-ferrous metals industry, including miners, smelters, refiners, fabricators and recyclers. The industry employs 500,000 people across over 900 facilities, with an annual turnover of €120bn. It responsibly produces the metals that will enable Europe's energy and digital transitions, and works to ensure their permanent circularity through state-of-the art recycling and collaboration.

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 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.