

Framework for ensuring a secure and sustainable supply of critical raw materials

2023/0079(COD) - 03/05/2024 - Final act

PURPOSE: to improve the functioning of the internal market by establishing a framework to ensure the Union's access to a secure, resilient and sustainable supply of critical raw materials, including by fostering efficiency and circularity throughout the value chain.

LEGISLATIVE ACT: Regulation (EU) 2024/1252 of the European Parliament and of the Council establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1724 and (EU) 2019/1020.

CONTENT: the regulation creates a **common EU framework to guarantee access to a secure and sustainable supply of critical raw materials** and to preserve the EU's economic resilience and open strategic autonomy.

Strategic and critical raw materials

The regulation identifies two lists of materials (**34 critical and 17 strategic**) that are crucial for the green and digital transitions, as well as for the defence and space industries. The Commission will review and, if necessary, update the list of strategic raw materials by 24 May 2027, and every three years thereafter.

Strategic projects - benchmarks

The Commission and the Member States will take steps to:

(1) ensure that, by 2030, the Union's capacities in respect of all strategic raw materials have increased significantly so as to reach the following reference levels:

- **Union extraction capacity** is able to extract the ores, minerals or concentrates needed to produce at least **10%** of the Union's annual consumption of strategic raw materials, to the extent that the Union's reserves allow for this;

- **Union processing capacity**, including for all intermediate processing steps, is able to produce at least **40%** of the Union's annual consumption of strategic raw materials;

- **Union recycling capacity**, including for all intermediate recycling steps, is able to produce at least **25%** of the Union's annual consumption of strategic raw materials and is able to recycle significantly increasing amounts of each strategic raw material in waste.

(2) **diversify the Union's imports of strategic raw materials** with a view to ensure that, by 2030, the Union's annual consumption of each strategic raw material at any relevant stage of processing can rely on imports from several third countries, none of which provide more than **65%** of the Union's annual consumption.

Strategic projects

At the request of a project promoter, the Commission will recognise as a strategic project those projects in the raw materials sector which (i) have sufficient technical feasibility, including the expected volume of

strategic raw materials or substitute materials adding to EU capacity; (ii) are implemented in a socially and environmentally sustainable manner; and (iii) generate cross-border benefits beyond the Member State concerned, including spill-over effects further down the value chain.

To facilitate the development of strategic projects, Member States will create single points of contact at the relevant administrative level and at the relevant stage in the critical raw materials value chain.

Priority status of the strategic projects

Strategic projects will contribute to the security of supply of strategic raw materials in the Union. In order to ensure efficient administrative handling of the permit-granting process for strategic projects in the Union, project promoters and all the authorities concerned will ensure that the procedure in question is carried out **as quickly as possible**. Strategic Projects in the Union will be granted the status of the highest national significance possible, where such a status exists in national law, and be treated accordingly in the permit-granting processes.

Duration of the permit-granting process

Extraction projects will receive their permits within a maximum period of **27 months**, while recycling and processing projects should receive their permits within **15 months**, with limited exceptions aimed at ensuring a meaningful engagement with the local communities affected by the projects and a proper environmental impact assessment in complex cases.

The Commission will, where appropriate in cooperation with the Member States, take action to accelerate and attract private investment in strategic projects. It will set up a system to facilitate the conclusion of offtake agreements related to Strategic Projects, in accordance with competition rules.

National exploration programmes

By 24 May 2025, each Member State will draw up a national programme for general exploration targeted at critical raw materials and carrier minerals of critical raw materials. Those national programmes will be reviewed at least every five years and updated if necessary.

Risk assessment

Large companies manufacturing strategic technologies (i.e. producers of batteries, hydrogen or renewable generators) will carry out a risk assessment of their supply chains to identify vulnerabilities.

Risk monitoring

The Commission will monitor risks to the supply of critical raw materials, in particular those that could distort competition or fragment the internal market. This monitoring will cover, *inter alia*, trends in parameters such as trade flows between the EU and third countries and on the internal market, supply and demand, price volatility and bottlenecks at any stages of production in the EU.

Lastly, the **European Critical Raw Materials Board** has been set up. It will advise the Commission and carry out the tasks defined in this Regulation.

ENTRY INTO FORCE: 23.5.2024.