

## Conclusions Conference 'Towards a reinforced Raw Materials Initiative'

### 'Enhancing Intelligence in the view of action on the security of supply of Raw Materials for the European Economy'

Friday 22 April 2016, The Hague, the Netherlands

The conference explored how Europe can further strengthen, and improve information compilation and exchange systems on raw materials with businesses, science and research institutes, as well as governments.

#### Conclusions

The main conclusion of the day was that *a reinforced policy on Raw Materials in Europe means an intensified and actionable approach of raw materials on all three pillars of the RMI, based on an extended and enhanced and long-term secured information system.*

1. Due to upcoming economies, increasing geopolitical tensions and resource nationalism, the European approach on raw materials has to be intensified.
2. Current initiatives as the RMI, the European Innovation Partnership on Raw Materials, the EIT Raw Material and the intended Export Network on Critical Raw Materials have to be prolonged and further expanded.
3. As a fundament for an intensified and effective European approach, it is needed to come to an extended, enhanced and for the long-term secured information system, based on an intensified collaboration between Member States and European institutions.
4. The development of the Expert Network on Critical Raw Materials is the momentum to enhance such an information system.

An ideal momentum to reinforce the current RMI could be towards the end of 2017 or the beginning of 2018.

#### Detailed conclusions

This conference explored how Europe can strengthen its information systems on raw materials. The aim is to provide a consolidated input to the Expert Network on Critical Raw Materials which will be launched under Horizon 2020 by the European Commission. One of the tasks of the Expert Network is to enhance the compilation and exchange of information, on the need for, and availability of, raw materials. A few years ago, within the framework of the overarching Raw Materials Initiative (RMI), the European Commission started assessing the security of critical raw materials supply through a list of critical raw materials. In addition, a specific initiative on rare earths was launched: the European Rare Earths Competency Network (ERECON).

1. **European approach on raw materials has to be intensified.** The need to work more intensively on the security of supply of raw materials has increased sharply. This is the result of upcoming and demanding economies, inherent geopolitical tensions and governments outside Europe acting assertively and strategically with resources available, inclusive putting increasingly trade impediments in place. For European companies, this means that doing business is less straightforward, the free market is hampered and vulnerability is heightened due to the issue of whether particular raw materials will still be available at reasonable prices and qualities in the longer term. This means that the current RMI has to be reinforced, intensified and prolonged. Member states need to put this item more prominently on the agenda of the European Commission.
2. **Current initiatives have to be prolonged and further expanded.** In recent years the European Commission made a great deal of progress to come to a European approach on raw materials i.e. the overarching European Raw Material Initiative launched in 2008. Important is the ongoing work within the European Innovation Partnership on Raw Materials which is a stakeholder platform that brings together representatives from industry, public services, academia and NGOs. Its mission is to provide high-level guidance to the European Commission, Member States and private actors on innovative approaches to the challenges related to raw materials. Furthermore, in the context of Horizon 2020, the EIT Raw Materials is established and recently the Commission intended to set up an Expert Network on Critical Raw Materials. Besides that, the Commission is working on the promotion of the growing use of secondary raw materials. Especially Small and Medium Enterprises need to be further integrated into the knowledge services that exist under the Raw Materials Initiative.



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This approach could be further strengthened as to secure the supply of raw materials for the European economy in the long-term:

- a. **The businesses involvement could be further supported through reinforced information and knowledge base.** The Raw Materials Information System is important tool with this regard. Businesses need specific information about the criticality of raw materials in order to be able to anticipate possible supply risks or vulnerabilities.
  - b. **Develops to all critical materials for the European economy taken all relevant risk-factors into account.** In the new criticality assessment of 2017 over 80 non-energy and non-agricultural raw materials (REEs will be measured separately and not in groups) will be assessed. The assessment will be based on a revised methodology on criticality, including aspects like export restrictions, recycling and substitution which will substantially improve the current methodology. As in the previous studies, the 2017 study on the list of CRMs will essentially focus on measuring criticality in the recent past (data from the last 5 available years) but it will also include a limited forecast for some (critical) raw materials: short, medium and long-term. Further cooperation with MS and industry is necessary to elaborate and create synergy with used methodologies in Europe and to discuss on relevant elements of criticalities.
  - c. **Includes more long-term forecast analysis and scenarios,** based on new projections of materials that are needed and the transition to the circular economy.
  - d. **Take the whole value-chain into account to assess risks,** as many of the supply chain risks are located between downstream and upstream
  - e. **Assess case by case the potential of the Circular Economy** to mitigate the risks of critical materials.
  - f. **Analyse the criticality at various levels,** such as local, national and European and connect criticalities.
3. **As a fundament for this it is needed to come to an extended, enhanced and for the long-term secured information system** with the following criteria:
- a. Is as much as possible connected to and based on existing initiatives to guarantee continuity of the information system.
  - b. Uses the available information and databases inside European Union, in particular the Raw Materials Information System which was set up and will be further developed by the Joint Research Centre in collaboration with member states and their geological surveys. Cooperation with countries outside Europe is also very important.
  - c. Focusses on the present and future needs of raw materials for a healthy and prosperous European economic development.
  - d. Focusses on businesses and on policy-making: a European information system provides information for businesses to anticipate and for the European Union to pursue and reinforce its strategic policy on raw materials.
  - e. It includes the (potential of) Europe's domestic production of raw materials.
  - f. Apart from the European list of CRMs, Member States and regions can develop their own raw materials strategy e.g. the Dutch report 'Materials in the Dutch economy'.
4. **Use the momentum of the Expert Network on Critical Raw Materials to enhance the information system.** The European Commission will launch soon an Expert network on Critical Raw Materials. We believe this and other activities are creating an excellent momentum *for further involvement* of all relevant European stakeholders to get a clearer idea on what an enhanced European raw materials policy could look like. It was suggested that this Expert Network becomes as action-oriented as possible and starts a pilot on how a fully integrated 3-pillar Raw Materials Initiative would look like, include clear targets for all of the three pillars.

**Overall conclusion of the day:** a reinforced policy on Raw Materials in Europe means an intensified and actionable approach of raw materials on all three pillars of the RMI. An ideal momentum to reinforce the current RMI could be towards the end of 2017 or the beginning of 2018.

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