#EUCircularTalks

Critical Raw Materials - Improving existing life cycles of products to supply European markets

11 October 2023 - 10:00-11:30 CEST
T&E:

26 Countries

61 Members

5 National Offices
CRM Act: Europe’s key to self-sufficiency
Europe has been catching up on battery production
But critical minerals processing is the missing link - CRMA should focus here
Priority is to bring **metals processing** to Europe (case of Lithium)

Top 5 Li projects in EU:
- Lithium Iberia (ES) – 9 kt Li
- Vulcan (DE) – 7 kt Li
- Lithium de France (FR) – 6 kt Li
- Northvolt (PT) – 6 kt Li
- Imerys - 6 kt Li

Total EU ≈72 kt Li refining capacity (or ≈70% of European EV + storage demand in 2030)

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EU 40% target compared to T&E’s regulatory demand scenario. This scenario is based on car and van CO2 standards, higher truck CO2 standards and estimated energy storage needs.

**Source:** T&E analysis, company reports
Recycling capacity can reach 15-17% by 2030, but “material recovery” plants missing

Capacities and batteries placed on the market calculated originally in tonnes of batteries. Batteries placed on the market include all Li-ion battery applications (electric vehicles, energy storage systems, industrial, maritime, uninterruptible power supply systems, personal mobility and portable electronics).

Source: T&E analysis, Circular Energy Storage
CRM Act

Rightly focuses on processing & sustainable supply (Strategic projects) + Attempts to guarantee high social & environmental standards

BUT: funding for CRM is lacking → Critical Metals Processing Fund/Inno Fund
CRM Act: Sustainable & responsible supply
What should CRMA do?

EU should:

- CRMA to prioritize integrated recyclers (processing + material recovery) as Strategic Projects
- More R&D into material recovery
Black mass: Joint ask from NGOs and businesses

We call on you to:

● Include waste codes for lithium-ion batteries and intermediate waste streams (“black masses”) under the European List of Waste as soon as possible.

● Designate intermediate waste streams as hazardous waste by the end of 2023 for the purpose of their export outside the EU.

● To close the loopholes, mandate the JRC to carry out a study to assess under what conditions black mass has a waste or an end-of-waste status and clarify the rules for recovery of metals named by the Battery Regulation via the secondary acts as quickly as possible.
Industry Schemes (Art. 29)

Voluntary initiatives can play a role in CRMA but not all certification schemes are created and managed equally. The criteria in Annex IV should be strengthened:

- Conduct site-specific assessment, not just company-wide compliance.
- Equal multi-stakeholder governance.
- Clear disclosure rules for auditors + audit reports made available in full.
- Consultation with and adequate participation of local communities and other stakeholders.

The strategic status should not be given if the certification is not completed. Second point 4 (b) in Annex III should be deleted.
A word on the global dimension
Between 2020 and 2023, China invested 12 bn USD in lithium, nickel and cobalt operations

Chinese overseas investments in battery metals (2020-2023ytd)

Source: T&E analysis based on China Global Investment Tracker by The American Enterprise Institute and The Heritage Foundation
Thank you & questions