

CRM DAY Report
September 2019



CRM CONFERENCE

SUSTAINABLE POLICY FOR CRITICAL RAW MATERIALS

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Introduction

On 25 September 2019, the 11th edition of the CRM Day was held at the L42 Business Center, Brussels. The event, entitled “Sustainable Policy for Critical raw Materials”, gathered key players in the raw materials field.

The event kicked off with two panels - respectively dedicated to “Policies & Regulations: Are EU policies sustainable and consistent?” and “A business perspective: Importance of CRM supply to European Economy” - and concluded with a Member State perspective with the intervention of Germany.

Mr. Martin Tauber, President of the CRM Alliance, opened the CRM Day addressing the overarching topic of sustainability and its impact on global value chains and policy making alike. Mentioned examples of how sustainability has encouraged industry to adapt and evolve: Apple – committed to using 100% recycled aluminium and to phasing out mined precious metals from their products; Volkswagen – committed to using clean and sustainable materials for their e-products; and T-mobile – implemented a Recycle Deal Option to buy back products from customers for recycling or reuse purposes.



Martin Tauber, President of the CRM Alliance

Mr. Martin Tauber recalled the [CRM Alliance Charter](#) with its 10 principles as guidance in the development of sustainable policies for CRMs.




**Policies & Regulations:
Are EU policies
sustainable & consistent**



- Arnoud Williems, Sidley LLP
- David Merriman – Roskill
- Karen Hanghøj, EIT Raw Materials
- Caroline Braibant, i2a

The first panel kicked off with a presentation from **Arnoud Willems from Sidley LLP on trade rules affecting imports and exports**. In his presentation, Mr. Willems addressed trade wars and their effects starting with the U.S. trade strategy and its main elements: (i) use of duties as leverage, (ii) renegotiation of trade agreements and (iii) changing of global trade rules.

From an EU perspective, Mr. Willems highlighted the actions implemented, including the EU circular economy, EU raw materials diplomacy to establish more stable supply chains and the inclusion of chapters of CRMs in FTAs.

“The plan for the new European Commission features three main focuses: environment/energy, digital and industrial policy. If we go to environment, you see the circular economy initiative coming back, you see the wish to reduce dependence on global markets and raw materials and you see the interest to increase competition based on quality”

Arnoud Willems, Sidley LLP



The second speaker of the panel, **Mr. David Merriman from Roskill**, addressed market trends of CRMs. When assessing CRMs, the main trend that affects these materials is a historic three-stage reaction: (i) identification of the supply risk and consequent price reaction, (ii) supply reaction which typically leads to oversupply of the material and (iii) market correction with decrease of prices and drop-off in investments. To date, the rechargeable batteries industry is the leading driver of demand growth.



“The criticality assessment tends to be snapshot in time and one area we need to consider is the future capabilities of those materials to meet ongoing demand growth and changes within the industry”

David Merriman, Manager Battery & EV materials

The third speaker, **Dr. Karen Hanghøj from EIT Raw Materials**, opened her presentation underlining the substantial decrease of raw materials' mining in the EU from 1850, with the EU currently heavily depending on imports of raw materials. In order to address this, the EU has implemented several projects on research and innovation with the aim of fostering circular value chains and raise awareness.

The education project RACE was presented as an example where over seventy students were invited to witness the various phases of the value chain - exploration & mining, design & manufacturing, consumption & start-ups and closing loops. The aim of the project was to raise awareness among the younger generations.

She concluded highlighting the importance of raw materials in the achievement of the U.N. sustainable development goals.

“Critical raw materials are critical in achieving many of the U.N. sustainable development goals. We should have the real support of policy and politicians on how to achieve these goals”

Karen Hanghøj, EIT Raw Material



The fourth speaker of the first panel, **Ms. Caroline Braibant from i2a**, addressed the impact of regulations on CRMs and in particular on Antimony.

She addressed the various regulatory issues currently affecting antimony and compounds such as restrictions in products, occupational exposure limits, REACH, RoHS, etc. Such regulatory attention is not limited to the EU as similar actions are currently ongoing also on other regions of the world, i.e. U.S., Japan, Australia.

In addition, given that this regulatory attention is initiated on the basis of hazard assessments, all substances are currently on the regulatory radar as all materials have one or more intrinsic hazards.



“There is no such thing as a non toxic chemical, critical or not critical”

Caroline Braibant, i2a

Ms. Caroline Braibant therefore calls for a more context driven decision process featuring a preliminary hazard based initiative followed by socio-economic impact assessments, consideration of the CRM-status of these materials, gathering and generation of reliable data and evidence in order to adopt reliable and coherent conclusions.



The first speaker of the 2nd panel, **Ms. Karolina Kús from JSW**, addressed the criticality and use of coking coal.

Coking coal is mainly used in steel production and therefore is an important raw material for the entire EU economy with the EU producing annually around 18m tonnes and importing over 40m tonnes from countries such as U.S., Australia and Russia.

Coking coal is generally used in steel mills which consume approximately 37m tonnes of coke in the blast furnace process. With the European transformation towards a low-emission industry, the demand for environmentally-friendly products, i.e. electric vehicles and windmills, will inevitably increase with consequent impact on the demand of coking coal.



“The domestic production of coking coal is very important for the European steel industry”

Karolina Kús, JSW

JSW is also undertaking several innovative projects such as hydrogen separation and methane capture and utilisation.

The second speaker, **Mr. Wiktor Kowalczyk from KGHM** addressed his company’s approach towards CRMs and circular economy. KGHM is a Polish company owner of several mines and smelters. It is one of the main producers of nickel in the world and 6th global producer of copper.

“Our strategy consists of four areas: elasticity, efficiency, ecology and e-industry.”

Wiktor Kowalczyk, KGHM



Consequently KGHM participates in several projects in the areas of research and development and is currently working on an innovative project aiming to increase the cobalt supply for the European Union. The company believes that, in order to develop innovative technologies, adequate policy frameworks are necessary at both EU and national level.

The third speaker **Mr. Badrinath Veluri from Grundfos**, addressed the importance, use and production of rare earths magnets and their role in the field of sustainability.

The company aims to find solutions to the climate and the environmental impacts of the use and production of rare earths by reducing carbon footprint and enhancing sustainability through the implementation of high tech technologies and energy efficient products into production processes.



“We want to find solutions to the world water and climate challenges and we want to give quality of life to people”

Badrinath Veluri, Grundfos

Mr. Grundfos highlighted the good results achieved in terms of energy efficiency during the use of these materials, however the upper phases of the value chains are not sufficiently addressed. Therefore a change in regulation in the EU is needed to enhance the development of high tech production technologies so as to increase circularity of these materials in the EU and decrease dependency on imports.

The last speaker of the second panel, **Mr. Francis Wedin from Vulcan Energy Resources**, introduced the project for zero-carbon lithium production.

“We are pursuing a globally unique zero carbon lithium production route”

Francis Wedin, Vulcan Energy Resources

Currently there is no EU supply of battery-grade lithium therefore the Vulcan project on zero carbon lithium aims to create a strategic and secure domestic supply of lithium for the EU.

“In terms of production, we think it’s a zero carbon process because we produce more renewable energy than we require to do the processing”

Francis Wedin, Vulcan Energy Resources



The project is situated in the heart of EU’s battery and cathode gigafactories with very short transport distances and quick processing time able to be responsive to market needs. The project aims to target 2023 production start-up of zero carbon lithium, producing lithium hydroxide.

Member State Perspective

The last speaker of the CRM Day, **Dr. Torsten Brandenburg from the Federal Ministry of Economy and Energy of Germany**, addressed the 2010 German raw materials policy and its currently ongoing review.

Germany believes that the demand of raw materials will increase in the upcoming years due to the growth of the human population and of the global economy. While companies remain themselves responsible for the supply of the materials needed, Germany is willing to contribute to the strategies and take measures to support the companies.



The German Government is currently updating the 2010 Raw Materials Strategy to address the change in raw material demand driven by the development of future technologies, the current shortage in the supply of raw materials and the need to guarantee a level-playing field to address state-interventionism.

“Only the stable and responsible supply of raw materials will allow us to have new technologies and maintain our industrial strategies”

Torsten Brandenburg, Federal Ministry of Economy and Energy of Germany

Conclusions

The CRM Alliance would like to extend its gratitude to all the speakers and participants for the interesting and fruitful discussions.

Our Sponsor

The CRM Alliance would like to extend a special thank you to our sponsor

Vulcan Energy Resources

for making the CRM Day possible and such a success.



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About Us

The Critical Raw Materials Alliance (CRM Alliance) has been created by industry to advocate the importance of CRMs for the European economy and to promote a strong European CRM policy. It is the representative body of primary producers, traders and associations of CRMs.

Through its membership, the CRM Alliance represents almost all of the 27 listed critical raw materials and we are steadily growing. We also oversee a MEP interest Group on Critical Raw Materials to connect industry with policy-makers through bi-annual political luncheon events.

Get in touch

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