

Meeting report

Date/Place: 09 July 2020, video conference

Active participants: Vice President M. Šefčovič and representatives of Non-ferrous metals sector -

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Key messages:

- Metals and minerals are raw materials required in higher volumes for Europe's batteries, electric vehicles, hydrogen, and renewable energy technologies - from the base metals that Europe already sustainably produces and recycles, to those designated as critical, such as lithium, cobalt and rare earths.
- Europe's metals and minerals industry stands out on a global level for its high climate, environment and social standards. Producing more metals in Europe promotes sustainability of European strategic value chains and ecosystems.
- Industry will invest in clean production in the EU to meet the growing demand if the right conditions are there. The sector is characterised by the fact that metals prices are set globally, and competitiveness of companies is therefore directly linked to their production costs.
- Industry is ready to take steps towards Green Deal targets but needs enabling conditions with coherence between climate, circularity and other policy objectives to ensure predictability and investment security. The sector is more electro-intensive than other basic-industries and emphasises the need for competitively priced electricity. It calls for compensation of Emission Trading System indirect costs, including for other metals like copper and nickel.
- Other key factors of an enabling framework are access to competitive EU financing, creation of markets for low-carbon, sustainable products as well as trade and competition policies for an international level playing field and a stable state aid policy.
- The local supply of base metals is important for Europe's climate ambitions, and potential to mitigate of future supply vulnerabilities. Europe covers only about 20% or less of its needs through mining in Europe, there are sustainability benefits of opening more mines in Europe. Industry calls for supportive environmental legislation and a level playing field to enable the expansion of strategic EU mining projects.
- EU needs to distinguish itself through ethical/sustainable sourcing. Industry calls for an EU regulatory framework that makes environmental and social standards a differential for EU vs. Asian production.
- However, there will always be the need to complement mining of raw materials in the EU with imports, the EU needs to secure supply chain, to secure access to raw materials.
- The non-ferrous metals sector supports new Industry Alliances, with several of its companies participating on batteries and clean hydrogen alliances. The sector also gives its strong support to a raw materials alliance covering the metals and minerals required in the green and digital transitions.

Next steps:

- Eurometaux will send the Commission a document that presents regulatory barriers that member companies face when considering investments in the EU, together with proposals to address these barriers.
- Regarding the upcoming European Raw Materials Alliance, the industry will identify core partners who can contribute to the initiative.
- Another call could take place after the summer break.