



# GSEU

**GEOLOGICAL SERVICE | FOR EUROPE**

## **GSEU WP2 TRAIN-THE-TRAINER COURSE**

**Module: CRMA and UNFC**

**Level 1**

**Ljubljana , April 15<sup>th</sup> – 16<sup>th</sup> 2024**

Lena Lundqvist, SGU

Antje Wittenberg, BGR

Jonathan Hamisi, SGU

Magnus Johansson, SGU

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09h45 – 10h30

## CRMA and UNFC

- UNFC developments on its extensions
- General requirements and expectations within the framework of the European Union (i.e. CRMA)
- Theory

**Lena Lundqvist, SGU**

Antje Wittenberg, BGR;

Magnus Johansson; SGU, Jonathan Hamisi, SGU



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## Learning outcomes

By the end of this presentation, one would have a basic understanding of the following:

- UNFC, CRMA and the connection between the two.
- Current critical and strategic raw materials for the EU – The difference between critical and strategic.
- Strategic projects.
- How to report information in a database.
- The connection between CRISCO reporting and UNFC classification

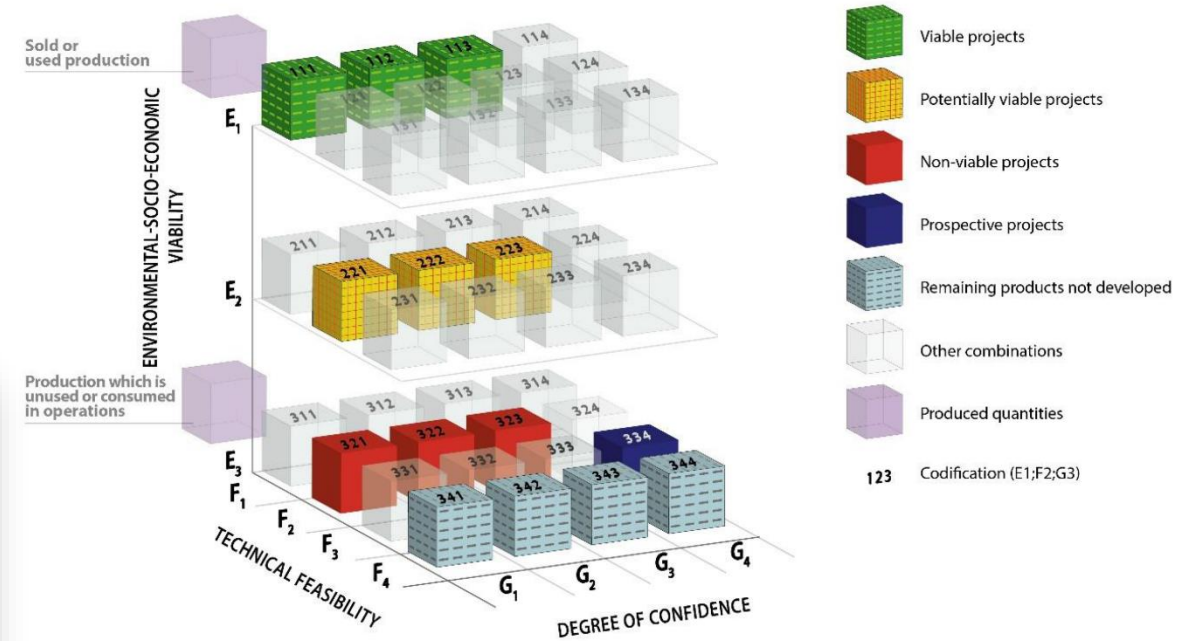




# United Nations Framework Classification for Resources (UNFC)

## What is the UNFC?

A resource project-based and principles-based classification system for defining the environmental-socio-economic viability and technical feasibility of projects to develop resources.



## Aim of the UNFC

A tool for policy formulation, government resource management, industry business process management and capital allocation.

# European Critical Raw Materials Act

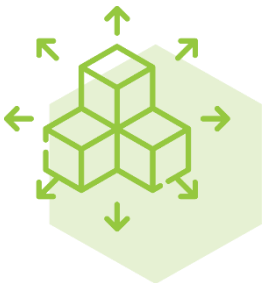
Ensuring a secure and sustainable supply of critical raw materials for the Union



**Strengthen all stages of the European CRM value chain**



**Improve EU capacity to monitor and mitigate risks of disruption to CRM supply**



**Diversify EU CRM imports to reduce strategic dependencies**



**Improve CRM circularity and sustainability**





## CRMA principles

- EU has chosen UNFC as a tool to harmonize information and to secure the raw-material supply in Europe
- CRMA opens the possibility to apply to be a strategic project. UNFC is a tools for monitoring and prognostication the market and potential for extraction from primary and secondary resources



## SETTING 2030 BENCHMARKS FOR STRATEGIC RAW MATERIALS



### EU EXTRACTION

At least **10%** of the EU's annual consumption for extraction



### EU PROCESSING

At least **40%** of the EU's annual consumption for processing



### EU RECYCLING

At least **25%** of the EU's annual consumption for recycling



### EXTERNAL SOURCES

Not more than **65%** of the EU's annual consumption of **each strategic raw material at any relevant stage of processing** from a single third country



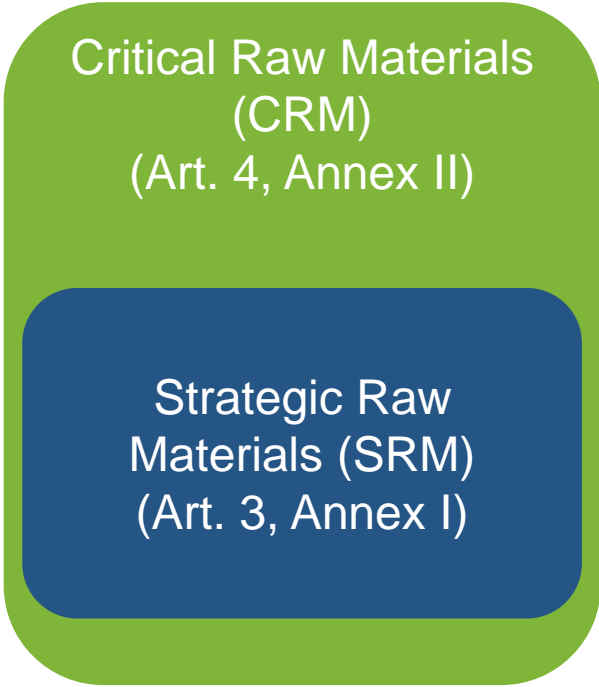
Sources: VIDEOS: <https://audiovisual.ec.europa.eu/en/video/l-238887> und <https://www.youtube.com/watch?v=DB-RW24gofg>  
COM(2023) 160 - Proposal for a regulation of the European Parliament and of the Council establishing a framework for ensuring a secure and sustainable supply of critical raw materials; [https://single-market-economy.ec.europa.eu/document/download/a54c7d84-9bf6-41eb-a60e-fe70c86888dc\\_en](https://single-market-economy.ec.europa.eu/document/download/a54c7d84-9bf6-41eb-a60e-fe70c86888dc_en)  
COM(2023) 160 ANNEX 1 to 6 - Annexes to the Proposal for a regulation of the European Parliament and of the Council establishing a framework for ensuring a secure and sustainable supply of critical raw materials; [https://single-market-economy.ec.europa.eu/document/download/550a5851-99f8-44ed-a361-714e4b3b22d6\\_en](https://single-market-economy.ec.europa.eu/document/download/550a5851-99f8-44ed-a361-714e4b3b22d6_en);  
[Overview of Europe's Critical Raw Materials Act \(mobilitynotes.com\)](https://www.mobilitynotes.com/)

# Critical versus Strategic raw materials

CRMs based on:  
Economic Importance  
Supply Risk

SRMs is a *subset of CRMs* based on additional criteria below:

- Strategic Importance
- Demand forecast
- Difficulty of production expansion



**EU Critical Raw Materials Act**  
Critical Raw Materials Marked with Color  
★ Strategic Raw Material

- Transition metals
- Alkali metals
- Nonmetal
- Metals
- Metalloid
- Actinide
- Halogens
- Lanthanide
- Alkaline earth metals
- Noble gas



Strategic Raw Materials (SRM) projects are the only projects that can be granted a "fast track permitting process"





# Strengthening the value chain

## STRATEGIC PROJECTS

Selected by the Commission with advice from the Board based on

- Contribution to security of supply
- Sustainability
- Technical feasibility
- Cross-border benefits in **EU**/ Economic and social benefits in **third countries**

## Non-regulatory measures

- Financial Support
- Standardisation
- Skills
- Research and Innovation

## BENEFITS

- Priority Status in national and EU law
- Points of Single Contact in Member States

Important aspect for securing supply of strategic raw material.

- Processing & Recycling: 15 months
- Provisions to facilitate and timely deliver **environmental assessments and authorisations** without weakening environmental and social protection
- **Enabling conditions to implement Strategic Projects**
  - The Critical Raw Materials Board provides coordination and advice to secure remaining financing
  - Provisions to facilitate the conclusion of off-take agreements



## Strategic projects & one stop shop



Single contact point ("One stop shop") for all relevant permits at nation or federal level.

Individual member state designate one or several single contact points who will facilitate the permit granting process for projects that are granted 'strategic' status.

Processing time for permits : **Maximum 27 months for all permits (first instance, appeals not included).**





## CRMA – Strategic projects – Permit granting process



- One stop shop  
One national competent authority which shall be responsible for the permit - granting process for Strategic projects [...]  
  
Sufficient number of qualified staff and sufficient financial, technical and technological resources necessary [...].
- Duration of the permit granting process
  - (a) 27 months for Strategic Projects involving extraction;
  - (b) 12 months for Strategic Projects only involving processing or recycling.
- Planning
- Applicability of UNECE conventions
  - All decisions adopted pursuant to this Section shall be made publicly available.
- Online accessibility of administrative information





# Connection between UNFC and CRMA

PE-CONS 78/23 2023/0079 (COD)

**REGULATION (EU) 2024/...**  
**OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

of ...

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

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

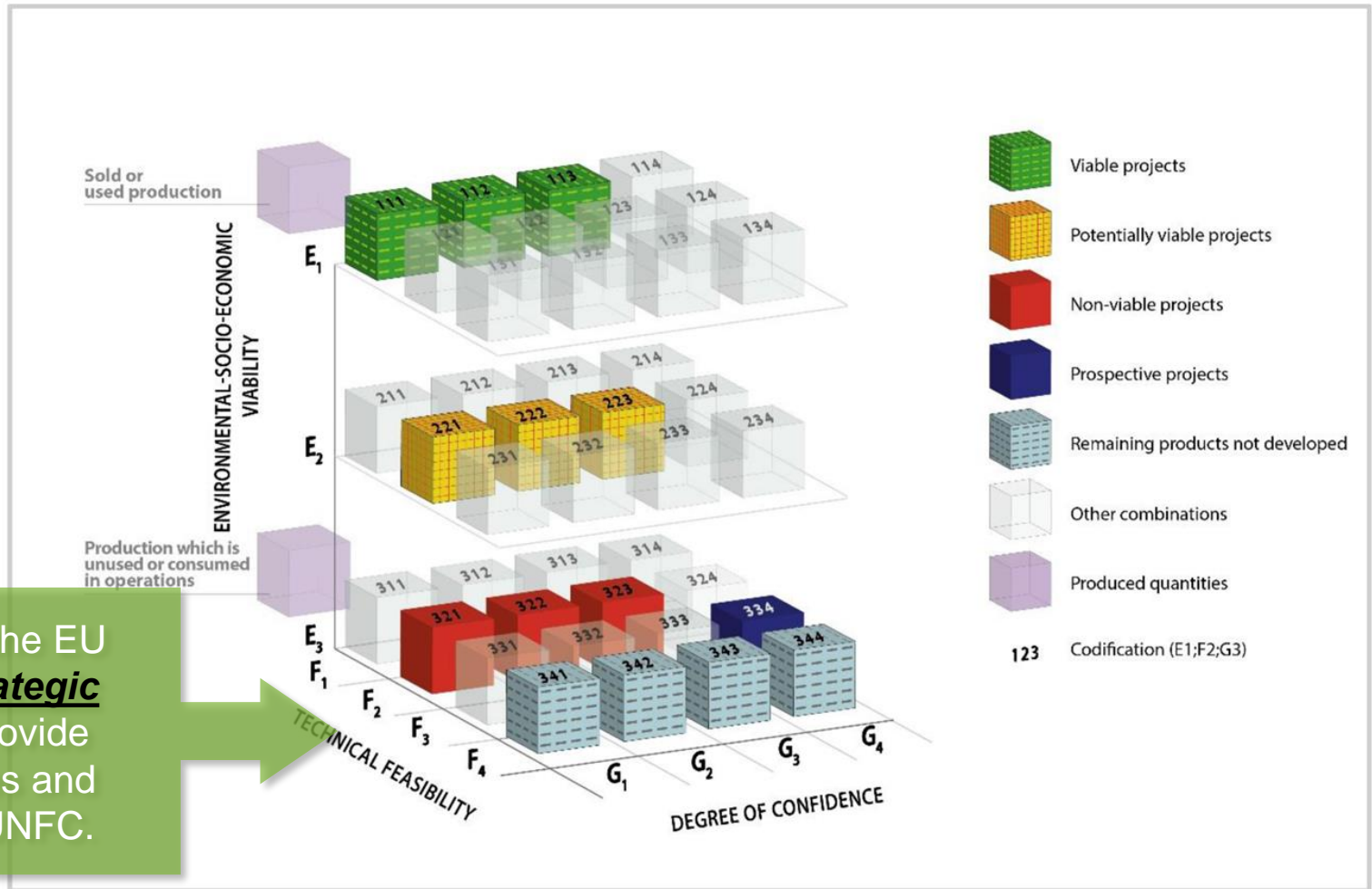
Having regard to the opinion of the European Economic and Social Committee<sup>1</sup>,

Acting in accordance with the ordinary legislative procedure<sup>2</sup>,

1 OJ C 349, 29.9.2023, p. 142.  
2 Position of the European Parliament of ... (OJ ... ) not yet published in the Official Journal and decision of the Council of ...

PE-CONS No/YY 2023/0079(COD) XYZ-AB/OP-QR

Companies applying to the EU commission for the **'strategic project'** status must provide information on resources and reserves according to UNFC.





## Reporting of Member States

Report once a year to the Commission

- **National exploration programmes,**
- **Information obligations for monitoring,**
- **Reporting of strategic stocks,**
- **Coordination of strategic stocks,**
- **National measures on circularity,**

The first report shall be sent one year after the date of entry.





## Strategic project - Data privacy

Sensitive data of commercial values from non-listed companies not required to report publicly their technical reports would need to be handled securely, ethically, and in accordance with relevant regulations and industry standards.

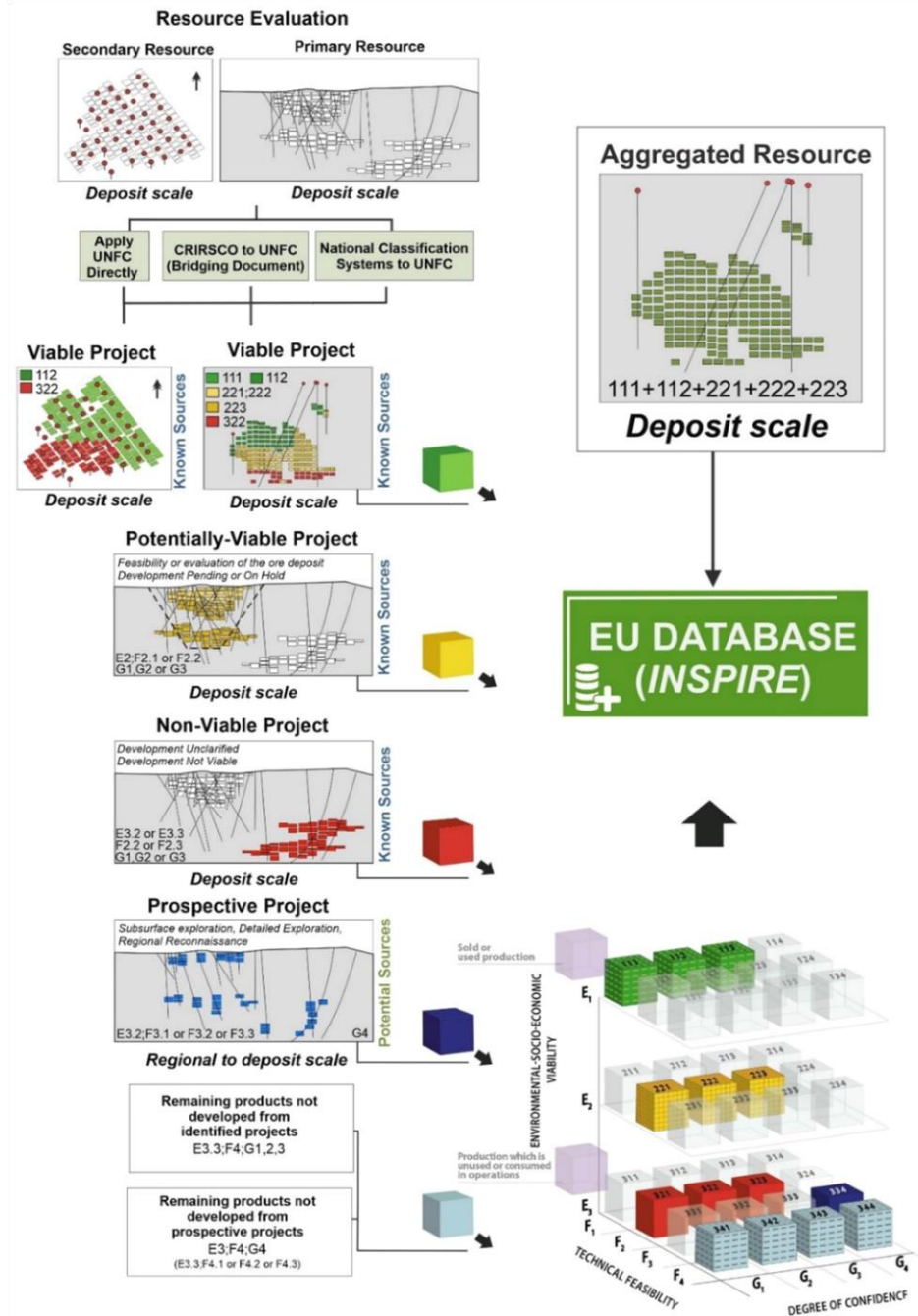
This may include data concerning production levels, reserves, exploration results, and financial information.







# UNFC database structure – How to feed the database with information





# Categories and sub-categories / UNFC vs INSPIRE CODE

UNFC Classes Defined by Categories and Sub-categories						INSPIRE Code List	
Produced	Sold or used production						
	Production which is unused or consumed in operations Future production that is either unused or consumed in the Project operations is categorized as E3.1. These can exist for all Classes of recoverable quantities °						
Total Products	Class	Sub-class	Categories				
			E	F	G <sup>a</sup>		
Known Sources	<u>Viable Projects</u> <i>Estimates associated with Viable Projects are defined in many classification systems as Reserves, but there are some material differences between the specific definitions that are applied within different industries and hence the term is not used here. °</i>	On Production	1	1.1	1, 2, (3)	operating continuously operating intermittently	
		Approved for Development	1	1.2	1, 2, 3	under development	
		Justified for Development	1	1.3	1, 2, 3	pending approval	
	<u>Potentially Viable Projects</u> <i>Not all Potentially Viable Projects will be developed</i>	Development Pending	2 <sup>b</sup>	2.1	1, 2, 3	feasibility evaluation of the ore deposit	
		Development On Hold	2	2.2	1, 2, 3	care and maintenance retention	
	<u>Non-Viable Projects</u> <i>Non-Viable Projects include those that are at an early stage of evaluation in addition to those that are considered unlikely to become Viable developments within the Foreseeable Future. °</i>	Development Unclassified	3.2	2.2	1, 2, 3	resource assessment (geological interpretation, approximate calculation of the resource)	
		Development Not Viable	3.3	2.3	1, 2, 3	closed abandoned historic	
	<u>Remaining Products not developed from identified Projects</u> <i>Remaining Products not developed from identified Projects or Prospective Projects may become developable in the future as technological or environmental-socio-economic conditions change. Some or all these estimates may never be developed due to physical and/or environmental-socio-economic constraints. °</i>						
	Potential Sources	<u>Prospective Projects</u>		3.2	3.1	4	subsurface exploration
				3.2	3.2	4	detailed surface exploration
			3.2	3.3	4	regional reconnaissance	
<u>Remaining Products not developed from Prospective Projects</u>			3.3	4.1	4		
			3.3	4.2	4		
			3.3	4.3	4		





# Why and for whom is the UNFC Database

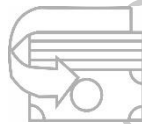
A common database for RM projects reflecting specificities across the EU – variety of legally binding and commercial codes, EU/MS requirements (INSPIRE, permitting)...



**Public-sector decision-making** ranging from onsite, municipality, regional, country and European level on aspects of the resource life cycle



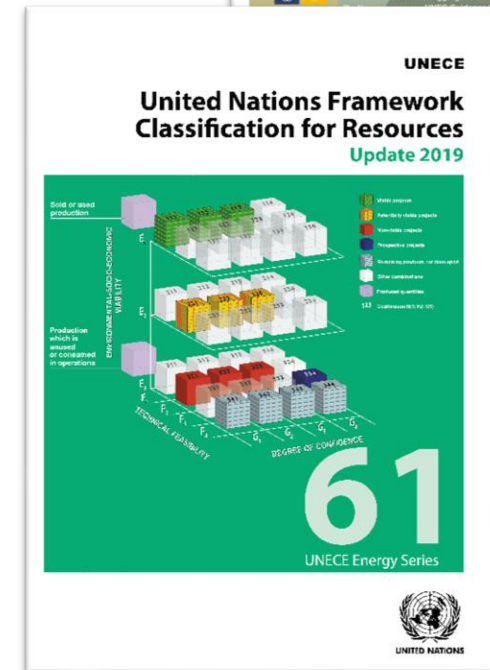
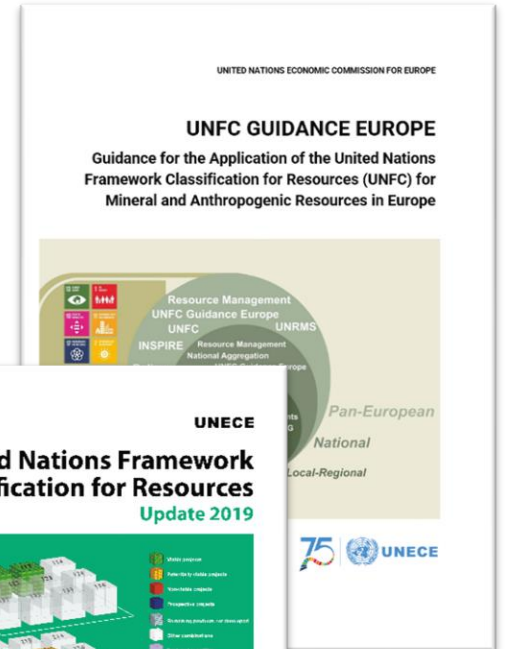
Economic management for planning, organization, and leading activities of management of all **corporate** levels



Finance **investment** decision making considering economic, environmental, and social aspects of raw material Projects



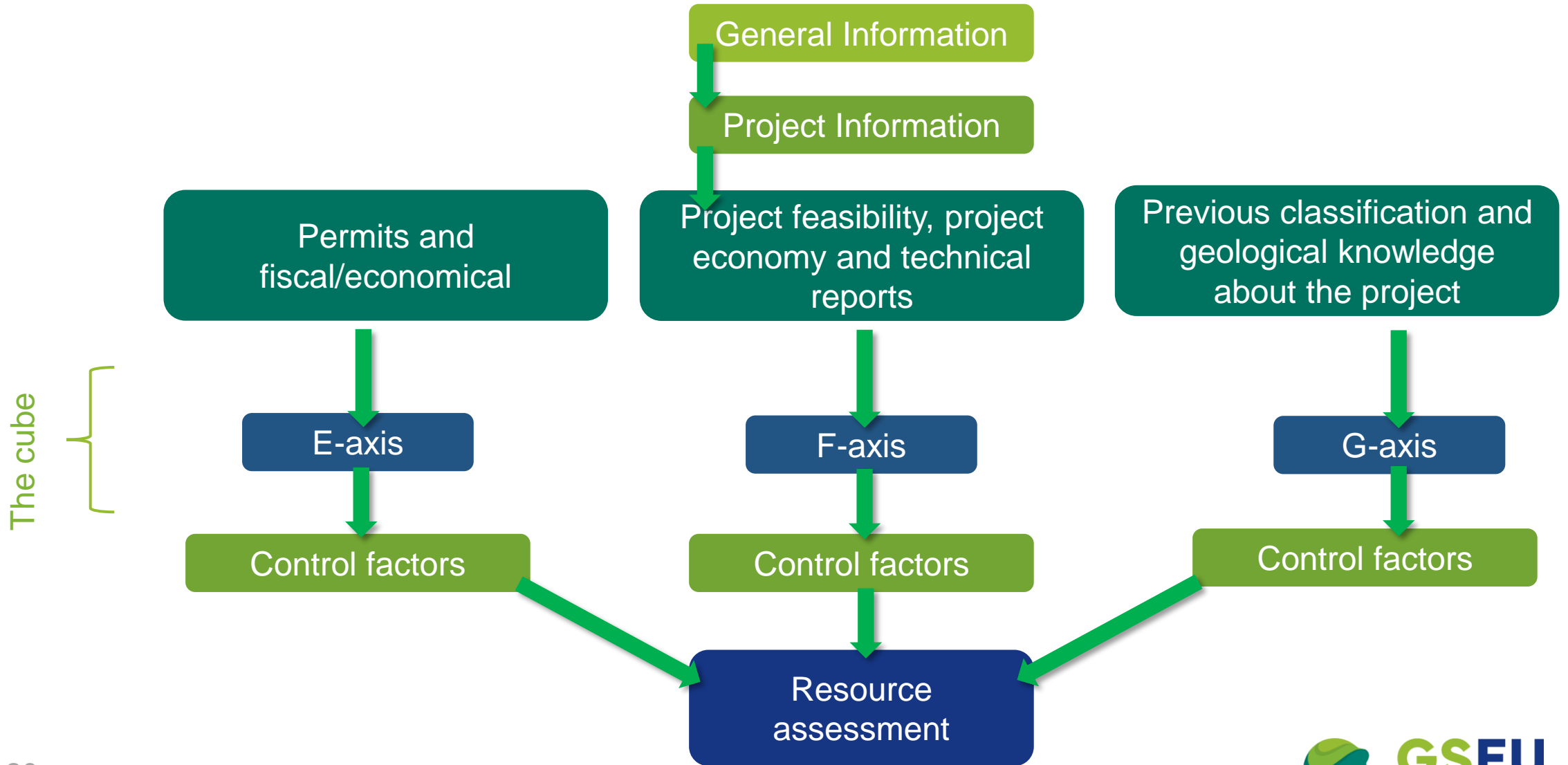
In **expertise, knowledge, and education**





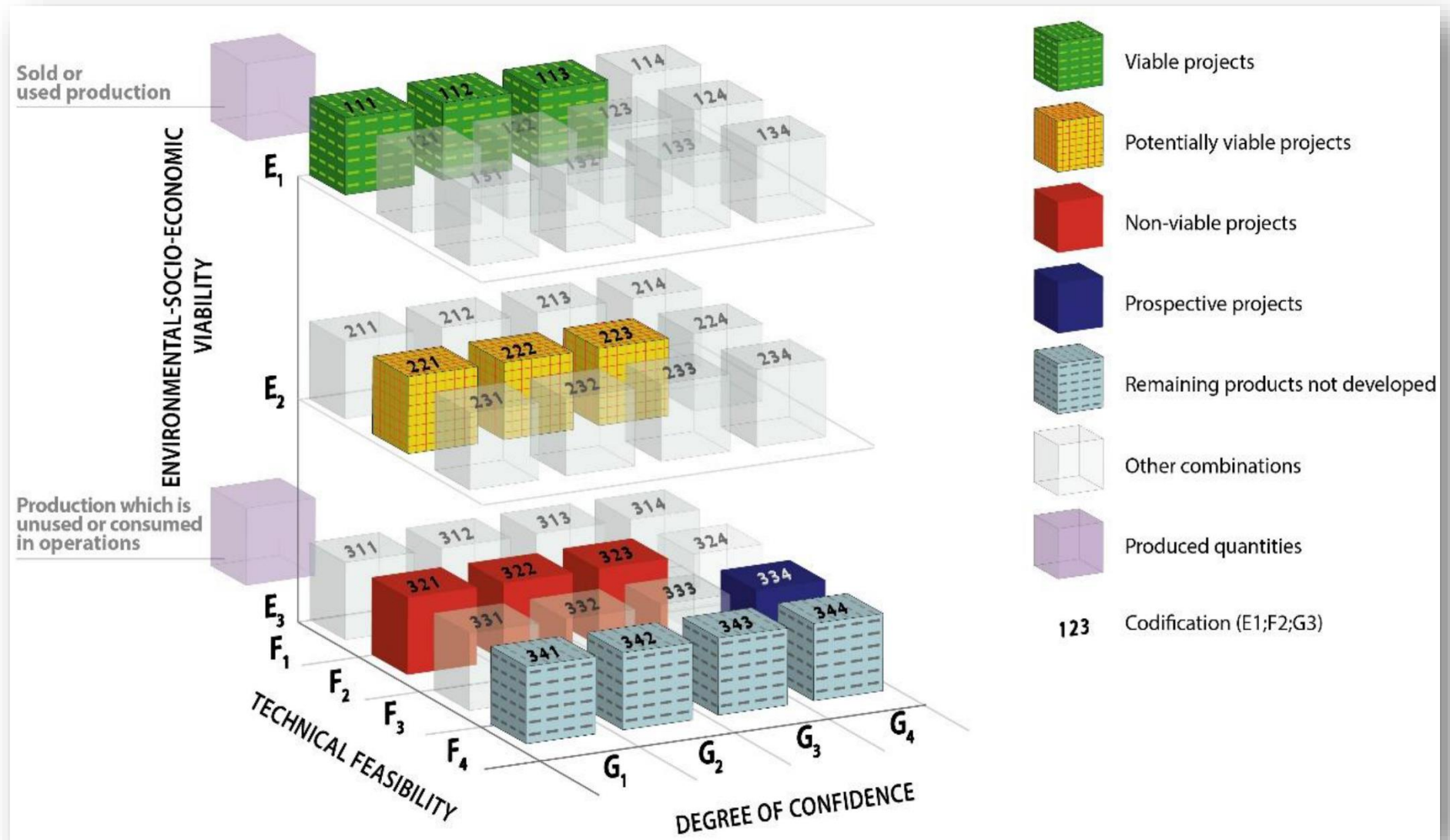


# What goes into the database?



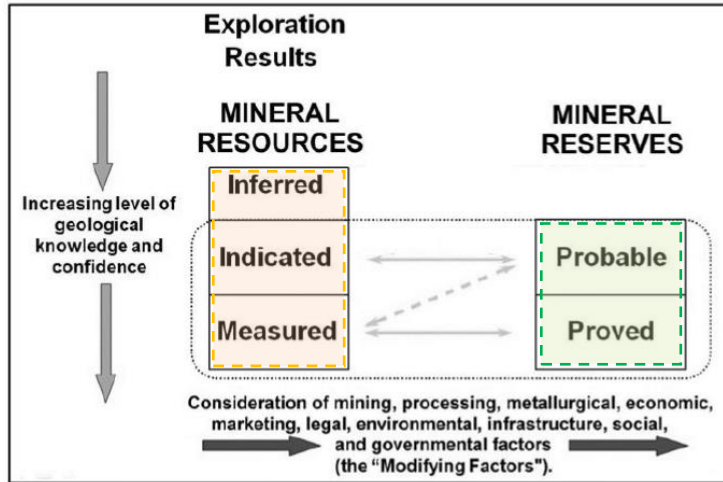


# The cube





# Bridging CRIRSCO and UNFC



CRIRSCO Template		UNFC-2009 "minimum" Categories			UNFC-2009 Class
Mineral Reserve	Proved	E1	F1	G1	Commercial Projects
	Probable			G2	
Mineral Resource	Measured	E2	F2	G1	Potentially Commercial Projects
	Indicated			G2	
	Inferred			G3	
Exploration Target		E3	F3	G4	Exploration Projects

	F1.1	F1.2	F1.3	F2.1	F2.2	F2.3	F3	F4
E1.1	1	2	3	4				
E1.2	1	2	3					
E2			4	4	5			
E3.1	12	12	12	12	12	12		
E3.2			6	6	6		8	
E3.3			7	7	7	7		11

		UNFC-2009 Sub-Classes	
Mineral Reserve	1	On Production	
	2	Approved for Development	
	3	Justified for Development	
Mineral Resource	4	Development Pending	
	5	Development On Hold	
Inventory (not defined in Template)	6	Development Unclassified	
	7	Development Not Viable	
	11	Additional Quantities in Place	
Exploration Target		8	
Special Cases	Classification not in Template	12	
	Less Common Mappings		





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**Thank you for your attention**

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