

Disclaimer

Participants are advised to **consult the official documents** on the use of United Nations Framework Classification for Resources (UNFC).

All existing legal frameworks in the European Union remain binding and are not affected.

Any information provided as part of the training are **recommendations** and **suggestions**.

The use cases are for training purposes only and are either based on publicly available information or are fictitious to illustrate certain facts.

The figures and findings presented here will not replace own assumptions or override any official products.

All information has been compiled to the best of knowledge and belief at the time of writing, but may not be error-free. Yet, recent developments may not have been taken into account and any errors are human. Hence, the accuracy, reliability or completeness of the material can not be guaranteed.







GEOLOGICAL FOR SERVICE EUROPE

GSEU WP2 TRAIN-THE-TRAINER COURSE CRMA update Level 2

Ljubljana, 14 May 2024











Antje Wittenberg, BGR

www.geologicalservice.eu

09h30 - 09h45

CRMA update

- News / recall / update
- Motivation / benefit / next steps
- Strategic Projects

Antje Wittenberg, BGR Snježana Miletić, GeoZS





CRMA - news

- The final approval by Council of the EU achieved on Monday, 18 March 2024 for a strategy to secure a sustainable supply of RM critical for the green transition, digital industries, and defence sectors.
- The CRMA is published in the Journal of the EU on 03 May 2024 and hence enter into force on 23 May 2024.
- On 15 March 2024 the 2nd cooperation agreement with Greenland was signed that incl. a €22.5 million programme to invest in energy and critical raw materials.
- Further readings:
 - Regulation EU 2024/1252 EN EUR-Lex (europa.eu)
 - <u>https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/green-deal-industrial-plan/european-critical-raw-materials-act_en,</u>
 - <u>https://www.consilium.europa.eu/en/infographics/critical-raw-materials/</u>,
 - <u>https://ec.europa.eu/commission/presscorner/detail/en/IP_24_1425</u>
 - <u>Critical Raw Materials Act (unece.org) https://unece.org/sites/default/files/2024-04/10.%20Milan%20Grohol.pdf</u>







Article 7, 1b	
Application and	
ecognition [SP]	

• The Strategic Project [SP] application shall include:

 a classification of the project according to the United Nations Framework Classification for Resources, supported by appropriate evidence;

Article 19, 6

National exploration programmes

- Member States shall make maps that show basic information on mineral occurrences containing critical raw materials gathered through the measures set out in the national programmes referred to in paragraph 1 publicly available on a freeaccess website.
- That information shall, where applicable, include the classification of the identified occurrences using the United Nations Framework Classification for Resources.
- More detailed information, including processed geophysical and geochemical data at appropriate resolution and large scale geological mapping, shall be made .

Article 21, 1 Information obligations for monitoring

- Member States **shall**, in their reports submitted pursuant to Article 45, provide information to the Commission on new or existing critical raw material project on their territory that is relevant regarding.
- Article 20(1), point (d), including a classification of new projects according to the United Nations Framework Classification of Resources.

Article 27, 8 Recovery of critical raw materials from extractive waste

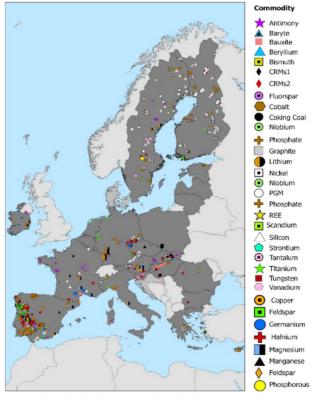
- •The activities referred to in paragraph 7 shall be carried out within the limits of national legal systems pertaining to mineral resources, waste, property rights, land ownership, environmental and health impacts and any other relevant provisions.
- •Where such factors inhibit the activities, the Member State authorities shall seek the cooperation of the operator or owner of the extractive waste facility.
- •The results of the activities referred to in paragraph 7 shall be made accessible as part of the database referred to in paragraph 4.
- •Where possible, the Member States shall include in the database a classification of the closed extractive waste facilities according to the United Nations Framework Classification for Resources.





update

EU database of CRM projects (2023)



Data gathered by the Commission with Member States





Main results

- 1246 projects from 22 countries, with 85% validated by Member States
- 28 critical raw materials / 15 strategic raw materials and 11 other raw materials
- 1073 projects (86%) classified using UNFC from which 256 are classified as viable or potentially viable.
- 116 advanced projects not classified with UNFC but are at operational, feasibility or pre-feasibility stages.



UNFC is an **obligation** *in 4 of 5 domains*

Risk mitigation

Strategic stocksJoint purchasing platform

Risk monitoring

- Criticality assessment
- Stress tests
- Early warning system
- Foresight
- Supply bottlenecks analysis
- Projects monitoring **UNFC**

Critical Raw

Materials

Act

Circularity

- National programmes
- Recyclability of magnets
- Extractive waste
 UNFC

Exploration

National programmes

Strategic projects

• Extraction, processing,

• In the EU and outside:

procedures, help with

financing and off-takes

recycling, substitution;

Faster permitting and judicial

Database
 UNFC

PRIORITIES

CRITICAL RAW MATERIALS

Whole EU economy

STRATEGIC RAW MATERIALS (SRM)

Key for strategic technologies (green, digital, defence and

space)

UNFC

2030 BENCHMARKS SRM supply security

- extraction capacity >10%
- processing capacity >40%
- recycling capacity >25%

Diversification of supply

• <65% from a single third

country.







Why UNFC in CRMA?

UNFC is simple to use and allows us to

- Compare different resource projects (minerals, secondary raw materials including EoL, hydrogen, renewable energy ...)
- Classify the projects along value chain from exploration, mining, processing and recycling
- Assess environmental and social performance of the projects
- Monitor development of projects over time
- Transpose information from a wide range of reporting systems with No extra burden for users







The Critical Raw Materials Act (CRMA)

Signed into law by the European Council, entry into force in early May 2024 Projects of 'strategic importance' to be fast-tracked in terms of permitting and financing

€6 billion funds established by France, Germany and Italy (and €30 million by Ireland)

How will the projects be evaluated and selected?

ERMA has been using the UNFC classification for decision-making (internal evaluation and project selection)



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EU Critical Raw Materials Act and UNFC

UNECE

UNFC supports the CRM Act and its objectives by:

- Comparing different resource projects (minerals, secondary RM, hydrogen...)
- Classifying the projects along value chain from exploration, mining, processing and recycling
- Assessing environmental and social performance of the projects
- Bridging information from a wide range of reporting systems
- Monitoring development of projects over time

UNFC opted as the classification tool in the CRM Act, for:

- 1. STRATEGIC PROJECTS
- 2. EXPLORATION
- 3. MONITORING
- 4. EXTRACTIVE WASTE







UNECE in support of EU CRM Act

With the ultimate goal centered around ensuring the implementation of the CRM Act with quality UNFC reporting in EU as per the act's UNFC provisions. UNECE's aims to:

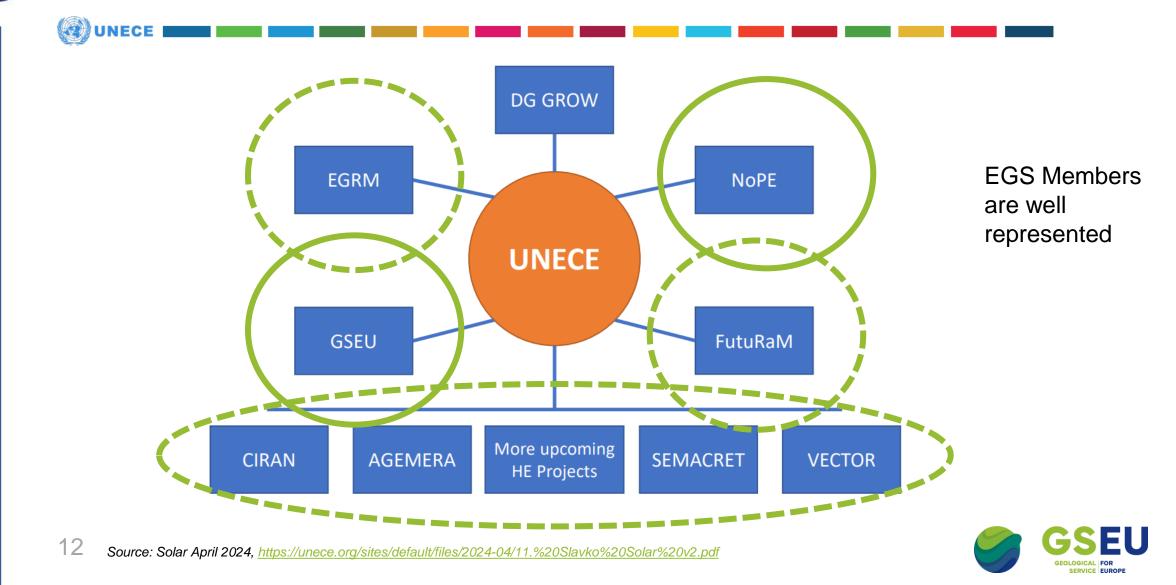
- 1. Support EU Member States and industry in **capacity-building**, including UNFC trainings and workshops **on request**
- 2. Support DG GROW with implementation of the Act, particularly on UNFC-related activities (e.g., templates)
- 3. Coordinate UNFC-related activities (including networking of UNFC-related EU projects)
- 4. Propose **quality assurance and control** in the near term, before smooth handover to ICE-SRM EU (via EGRM and CBB)
- 5. Support ICE-SRM EU
- 6. Contribute to the comparability of reporting at EU level

UNECE RESOURCE MANAGEMENT WEEK 2024 | ASSURING SUSTAINABILITY IN RESOURCE MANAGEMENT | 22-26 April 2024 | Palais des Nations | Geneva



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UNECE Network with stakeholders and UNFC-related HE Projects





Strategic projects under the CRMA

Strategic raw materials are crucial for the success of the green and digital transitions as well as the resilience of the defence and aerospace sectors.

The European <u>Critical Raw Materials Act (CRMA)</u> (designates strategic projects to increase EU capacity to extract, process and recycle strategic raw materials and diversify EU supplies from third countries.

Strategic projects make a meaningful contribution to the security of the Union's supply of strategic raw materials. They are or will become technically feasible within a reasonable timeframe, showing expected production volumes, and implemented sustainably with a sufficient estimated confidence level.

The Commission considers strategic projects of public interest due to their importance in ensuring the security of the supply of strategic raw materials Ho and safeguarding the functioning of the internal market.



How to apply



Guide for applicants

Sign up as expert

Additional information



13 Source: <u>https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/critical-raw-materials/strategic-projects-under-crma_en</u>



Relevant Phases - Strategic Projects (SP)

May – August 2024

- Kick-off 23.May 2024 | 1st cut-off date
- EU login + access to EU Send Web; register/update as external expert
- UNFC training June and July by UNECE
- Communication channel | Project Promoter (PP) EC, SP TEAM
- SP Helpdesk grow-crma-srategic-projects@ec.europa.eu
- Compete Application submission as pdf via secure communication channel | EU Send Web

August – September 2024

- Completeness check | within 30 days
- Notification of PP and informing of MS | all projects and EU/non-EU about those effecting their territory
- Selection of external experts | EC Pool of experts

September – October 2024

 Assessment of validated SP applications | 4 experts (technical, financial, ESGs and UNFC), incl. rapporteur/ application

CRM Board Meeting

Call opening

May 2024

Commission decision

List of Strategic Projects

December 2024

First cut-off

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August 2024

CRM Board Meeting

November 2024

Completeness

check

September 2024

Technical Assessment

September -October 2024

- Consensus meetings (if relevant site visits)
- Project assessment reports

October – November 2024

- Preparation of 1st proposal for the selection of SP to be communicated to the Board and to the MS by EC
- Board Meeting | discussion / decision issued by EC

November – December 2024

Announcement of 1st list of SP



14 Source: Tomas April 2024.





Thank you for your attention





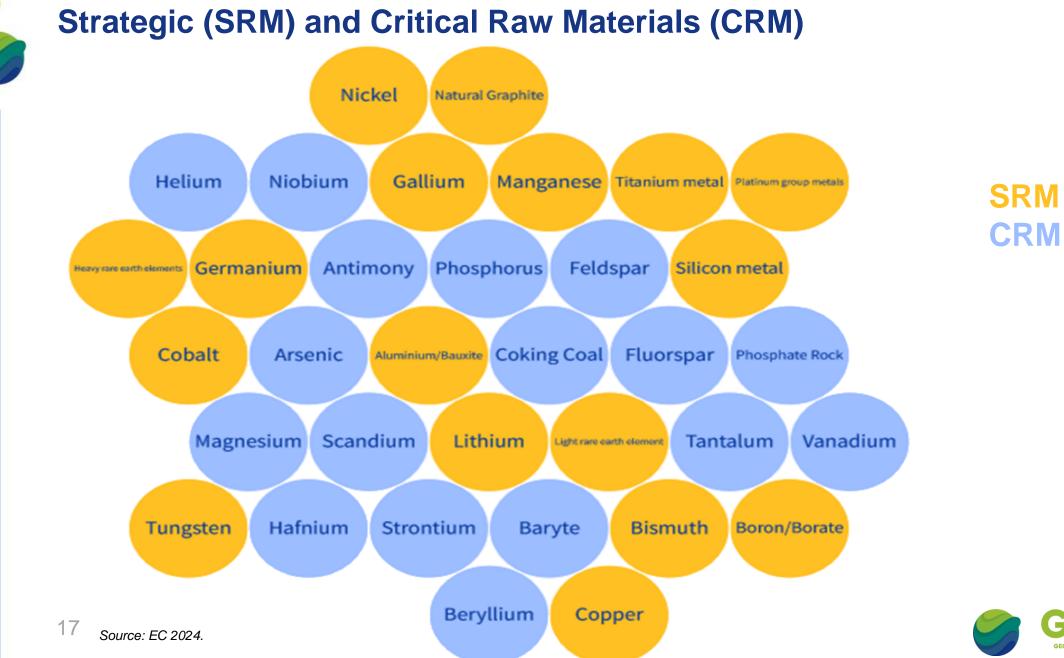


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Background information

Antje Wittenberg, BGR Snježana Miletić, GeoZS









STRATEGIC PROJECTS

Chapter 3: Strengthening the Union raw materials value chain

SECTION 1: STRATEGIC PROJECTS

Article 7: "Applications for recognition of a raw material project as a **Strategic Project** shall be submitted by the project promoter to the Commission. The **application** shall include: a classification of the project according to the **United Nations Framework Classification for Resources**, supported by appropriate evidence"

- Projects across the whole SRM value chain: extraction processing recycling production of relevant substitute materials, both in the EU and third countries
- Ist Call for applications 23 May 2024, Infoday on 30 April, UNFC training in June and July 2024, evaluation, consultation of the Board, and selection by Nov 2024
- Implementing Act on the application template for strategic projects (taking into account the experience from the first Call for application)







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MONITORING

Chapter 4: Risk monitoring and mitigation

Article 21: Information obligations for monitoring: two years from the date of entry into force of this Regulation "**Member States** shall, in their reports submitted pursuant to Article 45, provide information to the Commission on **new or existing critical raw material project** on their territory that is relevant regarding to Article 20(1), point (d), including a classification of new projects according to the **United Nations Framework Classification of Resources.**"

Informal collection EU CRM projects will be formalized and expanded

> The Commission may adopt implementing acts setting out a template for the reports

Monitoring sub-group of the Board





Chapter 3: Strengthening the Union raw materials value chain

SECTION 4: EXPLORATION

Article 19: National exploration programmes: by one year from the date of entry into force of this Regulation "**Member States** shall make maps that show basic information on mineral occurrences containing **critical raw materials** gathered through the measures set out in the national programmes referred to in paragraph 1 publicly available on a free-access website. That information shall, where applicable, include the classification of the identified occurrences using the **United Nations Framework Classification for Resources.** "

The Commission may adopt implementing acts establishing a template for making available the required information

Exploration sub-group of the Board





Strategic Project – Application summary



