



European Parliament Exhibition

Critical Raw Materials

Key to Innovation, Competitiveness and Economic Growth

Hosted by Prof. Vladko Panayotov MEP

18-20 February 2014, European Parliament, Brussels

Post Exhibition Report

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<http://www.criticalrawmaterials.org>



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Programme

Tuesday 18 February 2014

9:00 Opening of exhibition
9:00-18:00 Exhibition

Wednesday 19 February 2014

9:00-18:00 Exhibition
18:00-19:30 Cocktail reception

Thursday 20 February 2014

9:00-18:00 Exhibition
8:00-9:30 Breakfast meeting on Critical Raw Materials with DG Enterprise & Industry
10:00-12:00 Interactive dialogue on the Critical Raw Materials Report
12:30-14:30 Critical Raw Materials workshop

Evening Reception, Wednesday 19 February 2014

Well over 50 people gathered at the exhibition space in the European Parliament in Brussels to attend the



opening reception of the Critical Raw Materials Exhibition. Bulgarian MEP Prof. **Vladko Panayotov**, Vice-President

of the Interparliamentary Raw Materials Group to the EU Parliament hosted the exhibition which was sponsored by the **Beryllium Science and Technology Association**, **Euroalliages** (Silicons) the **International Platinum Group Metals Associations**, and **Tasman Metals** (Rare Earths).

Prof. **Vladko Panayotov** MEP opened the event and underlined the importance of raw materials for the EU, especially in



the context of the reindustrialisation of the European economy. Professor Panayotov stressed that sustainable materials are at the heart of our industrial development policy and provide huge opportunities for innovation and development of a greener economy and more efficient use of resources in Europe. The challenges anticipated in the context of the scarce resources of our planet, and the economy's needs for raw materials

should be addressed with new approaches and practices for extraction, use and management of resources through innovative technological solutions.

From left to right: **Jim Powell**, Vice-President Corporate Development at Tasman Metals and **Prof. Vladko Panayotov** MEP



The second speaker, **Egbert Lox**, Senior Vice President Governmental Affairs at Umicore, emphasized that his corporate group uses several of the raw materials defined as critical by the European Commission in their innovative products and materials. Platinum, Germanium, Cobalt and many others are crucial for the production of automotive catalysts, optical fibers, and



batteries. Recycling of critical raw materials was another key issue put forward by Mr Lox, since it addresses supply risks and contributes to a greener and more resource-efficient economy, where technically feasible.

From left to right: **Terry Civic** of Materion Corporation and **Pericles Giannopoulos**, Minister Counsellor for Trade and Economic Affairs of the Greek Permanent Representation to the EU.



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From left to right: **Prof. Vladko Panayotov** MEP, his assistant **Stela Nenova**, **Egbert Lox**, Umicore, and **Julian Köhle**, International Platinum Group Metals

Association.

From left to right: **Inès van Lierde**, Euroalliages, **Prof. Vladko Panayotov** MEP, **Mohammed Chaal**, Ferro Atlántica, **Nadia Vinck**, Euroalliages and **Antonio Salinas**, Ferro Atlántica.



From left to right: **Beryl Blecher**, Minister Counsellor for Commercial Affairs at the US Mission to the EU, **Maurits Bruggink**, Executive Director of Ridens Public Affairs and **Mattia Pellegrini**, Head of Unit Raw Materials, Metals, Minerals and Forest-based industries in DG Enterprise, European Commission.



Breakfast Meeting, Thursday 20 February 2014



Opening the breakfast meeting, Professor **Vladko Panayotov** MEP underlined the importance of a continued raw materials supply to and in the EU. Critical Raw Materials in particular are crucial for the European economy. The strength of the European economy lies in innovation and the use of advanced materials. Critical Raw Materials are the most important materials in terms of competitiveness of the European industry due to their unique properties. We as policy makers should ensure that the European innovative manufacturing industry can continue to rely on the supply of raw materials.

Prof. Dr. **Paul Rübiger**, an Austrian MEP of the European Peoples Party took the floor at the breakfast meeting and highlighted the need for increased competitiveness in the European industry and in particular Small and Medium-Sized Enterprises. Everybody knows that we're living in difficult economic times, according to Prof. Dr. Rübiger. We also know that SMEs are Europe's largest employer. European policy should therefore favour the development of SMEs and not raise obstacles to this development. The access to Critical Raw Materials is an important element for the further development of European industry and SMEs and EU regulation should therefore ensure that the continuous access of these critical materials is ensured.



Key note speaker was **Mattia Pellegrini**, Head of Unit Raw Materials, Metals, Minerals and Forest-based industries at DG Enterprise and Industry, European Commission. Mr Pellegrini elaborated on the European Commission's work of the creation of a report on CRMs. The 2010 report on CRMs, the first in its kind, was a great success according to him. It focused political attention on the subject, mapped the key issues at stake and notably identified those raw materials that were critical for the EU economy. The report was also the orientation for different parts in the European Commission responsible for several industries such as

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electronics, defence or medical. He emphasised the point that CRMs should be further integrated into European policies. As a closure, Mr. Pellegrini announced that the new report is likely going to be published in spring and would probably include a list of 20 materials.

Maria Cox, General Manager at the Minor Metals Trade



Association, the largest professional body devoted exclusively to minor metals and sponsor of the breakfast meeting, emphasized that industry will always seek to find substitutes – although many of these materials are CRMs because there are few

or no substitutes. However, it worries some of her members when these materials, recognised as being economically important, and often with few or no substitutes, are also under threat from EU legislation. Some feel that due to the impact of REACH Authorisation the consequence is that the EU is simply crossing elements off the periodic table and limiting the scope of future European technological innovation, one of Europe's key strengths. This is the equivalent of tying the hands of EU business behind its back when competing with other parts of the world for whom the entire periodic table is still available.

Maurits Bruggink, Executive Director of Ridens Public Affairs and Director EU Affairs of the Beryllium Association focused on the beryllium case as an example of how being identified as a critical material can work in a material's favour.



The Beryllium Association has been very actively advocating the importance of beryllium to the EU economy to policy makers and why it should be protected. Combining the voices of many critical materials would further enhance and complement individual efforts to defend their material and try to prevent it from being unnecessarily substituted.

The presence of representatives from important mining countries proved highly beneficial in deepening the debate.



Nesbert Samasuwo, Chargé d'affaires of the Permanent Mission of Zimbabwe to the EU pointed out that his country and countries in the region with mining operations should be more involved in the benefits the different aspects of the value chain

can bring.

Guillaume Cliche, First Secretary Trade Policy and Commercial Affairs of the Canadian Mission to the EU



warned that EU regulation should not fluctuate too much as this would have a negative effect on investors. EU regulation should be predictable and enduring. Mining operations require large investments and are only recuperated over a long period of time and this should be kept in mind when making policy.



Inès van Lierde, Secretary General of Euroalliages and representative of silicons acknowledged that free trade is a good principle, but that a fair and sustainable trade policy should be equally important. For many years, the Ferro-Alloys and Silicon industry has been

threatened by dumping practices and unfair trade policies from third countries, putting at risk its mere existence in the medium run. EU policy should ensure that those unfair practices are fought against.

Steffen Schmidt, Project Manager International Mining



at Wolfram Bergbau und Hütten was concerned about Tungsten being both identified as a Critical Material and as a Conflict Mineral which could lead to a further competitive disadvantage for the EU tungsten industry, even though Tungsten is

mined within the EU.

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CRM Meeting

The second meeting followed the breakfast meeting with the European Commission. The objective was to better understand the methodology used by the authors of the CRM reports through an interactive exchange of views between representatives of the co-authors of the CRM reports, Oakdene Hollins and Roskill, representatives of Missions to the EU and CRM representatives. The main focus was on the 2010 report as the 2013 report had not yet been published. However, they did reveal some further information on the expected new report.

Nicholas Morley, Director at Oakdene Hollins explained that the term 'criticality' is in itself context dependent, meaning if it is critical for an industry, what the supply chain risks are and what is required for new technologies. An absolute definition does not exist as of yet. Criticality does not equal geological scarcity. When defining which material constitutes a critical material, the combination of the results of both the World Governance Index (governmental risk) and the Environmental Performance Index (environmental risk) were used in the final methodology.



On the economic importance axis they looked at the end use application; what percentage of each metal went into which EU industrial (mega)sector. On the supply risk axis the focus was on a

supply risk due to poor governance – substitutability, recycling rate, country concentration and governance (potential political unrest) – and/or a risk due to low environmental standards – substitutability, recycling rate, country concentration and environmental standards, Morley explained.

Robert Baylis, Managing Director at Roskill, further underlined that the main focus of the Critical Raw Materials methodology was on supply risk and economic importance, not on physical scarcity or on oversupply.

Additional factors for consideration were geology (the



case of niobium), by-products (the case of gallium), commercial and value chain (the case of cobalts) and price/cost (the case of magnesium).

Where the 2010 report mainly focused on the governmental risks, the 2013 report also identified the need to consider more factors when evaluating criticality; ore grades and land use competition in the exploration phase, mining governance and corporate concentration in the mining phase, mined and refined production and by-product dynamics in the refining phase and price volatility and environmental regulation in the end-use phase.

It should be kept in mind that 10 years down the road the world situation could look very different as energy and labour costs will only rise. What is considered a critical material now, could change over time. The main driver for this change is economics as in the last decade prices of raw materials have varied significantly. If more production occurs in more countries, a material could be taken off the list as critical.

From left to right: Nesbert Samasuwo, Chargé d'affaires at the Zimbabwean Mission to the EU, Sheraz Neffati, Deputy Secretary General of the International Chromium Development Association, Chris Dagger, Chairman of the Magnesium Association.



It proved to be very valuable to better understand the different issues. However, the debate thereafter showed that most representatives of CRMs were still very concerned about substitution initiatives undertaken by the European Commission in its efforts to become less dependent on third countries.

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CRM Workshop



Following the meetings at the European Parliament, industry representatives of 14 critical raw materials gathered at the Thon

Hotel next to the European Parliament for a lunch meeting. The purpose of the discussion was to find a common response to the EU policy on CRMs and examine where cooperation between CRM representatives would be possible. The CRM label also underscores the importance of the materials for the European economy. Representatives of the concerned materials should seize the opportunity and provide input to policy makers. Lastly a general discussion was held on the objectives of a CRM Alliance and next steps were envisaged.

Closing remarks

The exhibition on CRMs is the first of its kind at which industry sectors representing different metals came together to present to policymakers the importance of these metals. The event attracted a great response and was successful in bringing industry together on issues of common concern presenting a single voice for critical raw materials towards EU policymakers and underlining the importance of good regulation for the further development of both CRM sector and the downstream industries. The exhibition attracted large attendance also for the different individual activities. An important activity of the conference was the third meeting of the CRM Alliance in which 14 out of 20 CRMs were present and discussed the way forward for representing the industry towards the European regulator. We are at the beginning of CRMs industry representation and the European parliament exhibition shows that we are off to a great start!!

From left to right:
Julian Köhle, International Platinum Group Metals Association and **Wilhelm Smalberger**, Economic Minister Counsellor at the South African Mission to the EU



From left to right:
Matthew Kopetski, US Mission to the EU, **Heleen Vollers**, Ridens Public Affairs, **Jayne Evans**, Beta Technology and **Beryl Blecher**, US Mission to

the EU

From left to right: **Sophie Quecke**, Ridens Public Affairs and **Miroslav Stoyanov**, General Secretariat of the Council of the EU



Main sponsors of the exhibition



Sponsor of the breakfast meeting



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