

[All redactions in the document have been done in line with Art.4.1(b)]



EU Strategic Vision 2050

Canada-EU Bilateral Dialogue on Raw Materials

CETA Art. 25.4

2nd meeting

Toronto, 6 March 2019



European Commission
Directorate-General for Internal Market, Industry,
Entrepreneurship and SMEs (DG GROW)
Resource Efficiency and Raw Materials Unit

**Raw
Materials**



Raw Materials Initiative
EU policy
- CRM list

EIP on Raw Materials
Strategic Implementation Plan

H2020-Raw Materials

Ensure level playing field in access to resource in third countries

Foster sustainable supply from European sources

Boost resource efficiency and recycling

Commission priorities 2015-19

- 1. Jobs, Growth and Investment
 - *circular economy and green growth*
- 2. Digital Single Market
- 3. Energy Union
 - *transition to a low-carbon economy (renewables, electricity market, mobility...)*
- 4. Internal Market
 - *unlock the full potential of the single market*
 - *a renewed EU Industrial Policy Strategy*
- 6. Trade policy to harness globalisation
 - **economic diplomacy**
 - *raw materials chapters in FTAs*
- 9. A stronger global actor
 - **international cooperation**
 - *and development*



- **Raw Materials Initiative**
 - Integrated strategy to tackle challenges related to access to raw materials
 - Fair and sustainable supply of raw materials
 - Resource efficiency and recycling
 - European Innovation Partnership (EIP)
 - Strategic Implementation Plan of the EIP
- **Renewed EU Industrial Policy Strategy (2017)**
 - Investing in smart, innovative, sustainable industry
 - Strategy for long-term EU greenhouse gas emissions reduction
 - Strategic Action Plan for Batteries
 - Energy-intensive Industries under the Paris Agreement
- **Latest EU Critical Raw Materials Assessment: 2017**
- **Circular Economy Action Plan**

A Clean Planet for all (Nov 2018)



- Parties of the Paris Agreement to present long-term low greenhouse gas emission development strategies by 2020
- In October 2017 the European Parliament also invited the Commission "*to prepare by COP24 a mid-century zero emissions strategy for the EU*"
- In March 2018, European Council invited the Commission "*to present by the first quarter of 2019 a proposal for a Strategy for long-term EU greenhouse gas emissions reduction*".
- Regulation on Governance of the Energy Union calls on the Commission to present an EU long-term strategy by April 2019, including pathways that achieve net zero GHG emissions by 2050 and negative emissions thereafter

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- Long-term strategy for a climate-neutral Europe by 2050
 - “A European long-term strategic vision for a prosperous, modern, competitive and climate neutral economy”
- **The urgency to protect the planet**
 - **A European vision**
 - **Pathways for the transition to a net-zero greenhouse gas emissions economy and strategic priorities**
 - **Investing in a sustainable society – a European enabling framework for the long-term transition**

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- Open markets, a globalised world and multilateralism are a precondition to benefit from this transition domestically and globally
- The EU's long-term strategy cannot be pursued in isolation. Role of energy and climate diplomacy but also other political dialogues, security and development cooperation
- EU's position will change, prepare for geopolitical and geo-economic shifts with new and changed dependencies
- Trade policy to promote uptake new technologies while defending our right to fair access to markets and critical raw materials
- EU must take all necessary measures to safeguard and boost its own prospects for economic and social development
- As the world's largest single market, EU's standards on products affect global markets, putting European companies at the forefront

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Competitive Industry

- Competitive resource-efficient industry and circular economy, increased recovery and recycling of raw materials (including critical materials), new materials and business concepts
- Electrification, energy efficiency, hydrogen, biomass and renewable synthetic gas to reduce energy emissions in the production of industrial goods
- Process-related reductions more difficult. Biomass and hydrogen can reduce certain emissions (steel production, some chemicals), others will require CO₂ to be captured and stored or used
- In the next 10 to 15 years, technologies that are already known will need to demonstrate that they can work at scale



Commission In-depth Analysis

- Section on raw material supply
 - **OECD estimate: global material use increase from 79 Gt in 2011 to 167 Gt in 2060**
 - **Cutting emissions in parts of the economic chain may cause new issues: heavy metal pollution, habitat destruction, resource depletion (International Resource Panel assessment)**
 - **Many critical raw materials in countries with poor governance and environmental standards**
 - **Low-carbon transition: circular economy incl. secondary raw material use**
 - **Free trade agreements now include raw materials chapter**

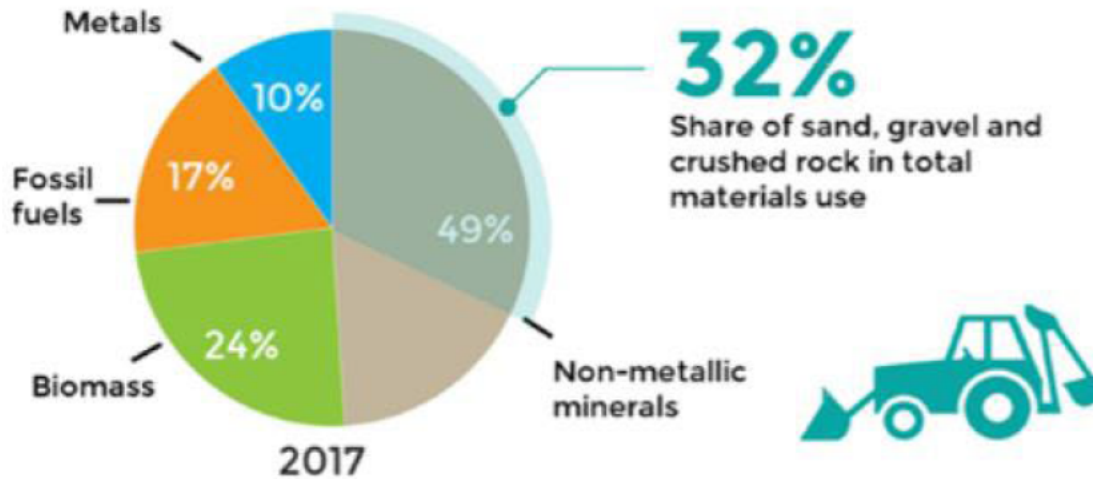
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Materials use increase



-  Metals
-  Fossil fuels
-  Biomass
-  Non-metallic minerals



Construction materials use stabilises in China after 2025



(Source: OECD)

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- EU Raw Materials Challenges

- **Security of supply**
- **Sourcing**
- **Substitution**
- **Sustainability**
- **Global competitiveness (level playing field)**
- **Growing demand: electric mobility, digitalisation, wind turbines, etc.**

- Circular Economy Opportunities

- **↑ competitiveness**
- **Business opportunities and job creation**
- **↓ energy/raw material use = ↓ emissions and pollution**

Thank you!



EU Raw materials, metals, minerals and forest-based industries:

https://ec.europa.eu/growth/sectors/raw-materials_en

Critical raw materials for the EU:

http://ec.europa.eu/growth/sectors/raw-materials/specific-interest/critical_en

Commission Staff Working Document "Critical Raw Materials and the Circular Economy"

https://ec.europa.eu/commission/publications/report-critical-raw-materials-and-circular-economy_en

Commission Staff Working Document "Report on Raw Materials for Battery Applications":

<https://ec.europa.eu/transport/sites/transport/files/3rd-mobility-pack/swd20180245.pdf>

EIP on Raw Materials:

<https://ec.europa.eu/growth/tools-databases/eip-raw-materials/en>

A Clean Planet for All:

https://ec.europa.eu/clima/policies/strategies/2050_en