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Resolution: Towards a comprehensive European Mining Strategy

Adopted at the YEPP Council Meeting in Helsinki, 18.02.2023

Recognising that:

- Renewable energy sources and their infrastructure, such as wind turbines and solar panels, and energy storage capacities, such as Li-ion batteries and fuel cells, rely heavily on the use of critical raw materials such as lithium, nickel, cobalt and manganese. The shift towards renewable energy is set to cause a sharp increase in the demand for critical raw minerals. [1][2]
- The EU is strongly committed to reducing its dependence on fossil fuels, by achieving a 55% greenhouse gas reduction by 2030 (Fit-for-55), and becoming the first climate-neutral continent by 2050. For example: from 2035, all new cars sold in the European Union will be required to be CO2 emission-free. This will lead to an increase in demand for electric vehicles as well as considerable investments in national electricity grids and charging stations. [3]
- The supply of raw materials has become a geopolitical tool. China used its quasi-monopoly on rare materials by raising the prices by 50-90% in 2022. [4]
- Due to a lack of an established collection infrastructure, a lack of sorting and recycling technologies and weak economic incentives to increase recovery, the current recovery of critical raw materials from defective products is limited. According to a recent study by Lawrence Berkeley National Laboratory, 37%–91% of critical raw materials demand in 2050 could be served by secondary raw materials. [5]
- A large number of crucial raw materials used for the production of chips and semiconductors in the EU are sourced in countries outside of the EU. E.g., 97% of all Gallium is sourced in China, 69% of all silicon used is sourced in China, 43% of all Palladium used is sourced in Russia, and 68% of all Cobalt sourced comes from the DRC. [6][7]



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Acknowledging that:

- The EU intends to take more responsibility to take further decisive steps to build European sovereignty, by reducing their dependencies and designing a new growth and investment model for 2030. [4][8]
- The recent ‘Creating Helpful Incentives to Produce Semiconductors (CHIPS) for America Act’, poses a risk to the EU's aim for strategic autonomy, considering Europe's dependence on US chipmakers. [9]
- YEPP adopted the resolution “EU Digital Sovereignty and Chip Production” in November 2022, where they call for favourable business and production conditions on European soil. [7]
- EU countries do possess a number of critical raw materials themselves. However, these materials are rarely sourced effectively and on large scale. For example, in the recent discoveries of rare earths deposits in Sweden. [10]

YEPP calls on:

- The EU and its member states to reduce their exposure to supply chain vulnerabilities for critical raw materials by spreading the sourcing, production, and shipping of goods across a variety of economically, politically and geographically diverse nations, within and outside the EU, to lower the risk of a single country disturbing global supply chains due to natural or political factors. [11][12]
- The EU and its member states to enhance trade, cooperation and knowledge exchange with like-minded countries such as the US, South Korea and Japan through cooperation and trade agreements.
- The EU and its member states to reduce dependency on autocratic regimes with low regard to western values like democracy and human rights, such as the Russian Federation and Peoples Republic of China.



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Sources

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