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COVER NOTE

From:	General Secretariat of the Council
To:	Delegations
No. Cion doc.:	7613/23 + ADD1
Subject:	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 and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/1020 - <i>Opinion of the European Committee of the Regions</i>

Delegations will find attached copy of the above-mentioned opinion.

This opinion is available in all language versions on the following website: [Opinion Factsheet](#)
([europa.eu](#))



**European Committee
of the Regions**

ECON-VII/031

156th plenary session, 5-6 July 2023

OPINION

Critical raw materials package

THE EUROPEAN COMMITTEE OF THE REGIONS

- **underlines the role of local and regional administrations, which should be seen as important representatives of people potentially affected by strategic projects;**
- **underlines that sustainability standards and human rights and environmental due diligence requirements must be met in supply chains in a way that is consistent, competitive and low in red tape;**
- **underlines that skills and expertise in former and active mining regions can be important for the mining, production and processing of critical and strategic raw materials;**
- **welcomes, therefore, considering a more ambitious recycling capacity target of at least 20% of the annual consumption of strategic raw materials in the EU aiming at full circularity in future;**
- **believes that reducing the use of critical raw materials through efficiency gains along value chains must also be part of the solution for European security of supply;**
- **stresses that the launch of research and extraction projects entails a major financial risk and that their planning, investment and operating costs may therefore be dependent on public financial support.**
- **supports the creation of the European Critical Raw Materials Board to monitor compliance with the directives; regrets, however, that the European Commission has not provided for an explicit role for European local and regional authorities in this Board; calls on the European Commission, therefore, to extend the membership of the European Critical Raw Materials Board to include a representative of European local and regional authorities, appointed by the CoR.**

Rapporteur

Isolde RIES (DE/PES), Mayor of West Saarbrücken District

Reference documents

Communication from the Commission – A secure and sustainable supply of critical raw materials in support of the twin transition – COM(2023) 165 final

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 and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/1020 – COM(2023) 160 final

I. RECOMMENDATIONS FOR AMENDMENTS

I.1. 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 and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/1020 – COM(2023) 160 final

Amendment 1

COM(2023)160 – Part 1

Recital 3

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Firstly, in order to effectively ensure the Union's access to a secure and sustainable supply of critical raw materials, that framework should include measures to decrease the Union's growing supply risks by strengthening Union capacities along all stages of the strategic raw materials value chain, including extraction, processing and recycling, towards benchmarks defined for each strategic raw material. Secondly, as the Union will continue to rely on imports, the framework should include measures to increase the diversification of external supplies of strategic raw materials. Thirdly, is necessary to provide measures to reinforce the Union's ability to monitor and mitigate existing and future supply risks. Fourthly, the framework should contain measures to increase the circularity and sustainability of the critical raw materials consumed in the Union.	Firstly, in order to effectively ensure the Union's access to a secure and sustainable supply of critical raw materials, that framework should include measures to decrease the Union's growing supply risks by strengthening Union capacities along all stages of the strategic raw materials value chain, including extraction, processing and recycling, towards benchmarks defined for each strategic raw material, <i>guided by the Sustainable Development Goals</i> . Secondly, as the Union will continue to rely on imports, the framework should include measures to increase the diversification of external supplies of strategic raw materials. Thirdly, is necessary to provide measures to reinforce the Union's ability to monitor and mitigate existing and future supply risks. Fourthly, the framework should contain measures to increase the circularity and sustainability of the critical raw materials consumed in the Union, <i>towards a fully circular economy. Fifth, competitive measures should be taken to reduce the high demand for critical raw materials through efficiency gains in the value chain.</i>

Amendment 2

COM(2023)160 – Part 1

Recital 4

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
In order to ensure that the measures set out in the Regulation focus on the most relevant materials, a list of strategic raw materials and a list of critical raw materials should be established. Those lists should also serve to guide and coordinate Member States' efforts to contribute to the realisation of the aims of this Regulation. The list of strategic raw materials	In order to ensure that the measures set out in the Regulation focus on the most relevant materials, a list of strategic raw materials and a list of critical raw materials should be established. Those lists should also serve to guide and coordinate Member States' efforts to contribute to the realisation of the aims of this Regulation. The list of strategic raw materials

<p>should contain raw materials that are of high strategic importance, taking into account their use in strategic technologies underpinning the green and digital transitions or for defence or space applications, that are characterised by a potentially significant gap between global supply and projected demand, and for which an increase in production is relatively difficult, for instance due to long lead-times for new projects increasing supply capacity. To take account of possible technological and economic changes, the list of strategic materials should be periodically reviewed and, if necessary, updated. In order to ensure that efforts to increase the Union capacities along the value chain, reinforce the Union's capacity to monitor and mitigate supply risks and increase diversification of supply are focused on the materials for which they are most needed, the relevant measures should only apply to the list of strategic raw materials.</p>	<p>should contain raw materials that are of high strategic importance, taking into account their use in strategic technologies underpinning the green and digital transitions or for defence or space applications, that are characterised by a potentially significant gap between global supply and projected demand, and for which an increase in production is relatively difficult, for instance due to long lead-times for new projects increasing supply capacity. To take account of possible technological and economic changes as well as the latest scientific evidence on sustainability, the list of strategic materials should be reviewed periodically, at least every five years and, if necessary, updated. In order to ensure that efforts to increase the Union capacities along the value chain, reinforce the Union's capacity to monitor and mitigate supply risks and increase diversification of supply are focused on the materials for which they are most needed, the relevant measures should only apply to the list of strategic raw materials.</p>
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Reason
To account for a potentially faster changing pace of technological, economic and/or sustainability related changes over time, a review may be necessary more frequently than every five years.

Amendment 3
COM(2023)160 – Part 1
Recital 5

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>The list of critical raw materials should contain all strategic raw materials as well as any other raw materials of high importance for the overall Union economy and for which there is a high risk of supply disruption. To take account of possible technological and economic changes, the Commission should, in continuation of current practice, periodically perform an assessment based on data for production, trade, applications, recycling, and substitution for a wide range of raw materials to update the lists of critical and strategic raw materials reflecting the evolution in the economic importance and supply risk associated with those raw materials. The list of critical raw materials should include those raw materials which reach or exceed the thresholds for both economic importance and supply risk, without ranking the relevant raw materials in terms of criticality. This assessment should be based on an average of the latest available data over a 5-year-period. The measures set out in this Regulation related to one stop shop for permitting, planning, exploration, monitoring,</p>	<p>The list of critical raw materials should contain all strategic raw materials as well as any other raw materials of high importance for the overall Union economy and for which there is a high risk of supply disruption. To take account of possible technological and economic changes, the Commission should, in continuation of current practice, periodically perform an assessment based on data for production, trade, applications, recycling, sustainability and substitution for a wide range of raw materials to update the lists of critical and strategic raw materials reflecting the evolution in the economic importance and supply risk associated with those raw materials. The list of critical raw materials should include those raw materials which reach or exceed the thresholds for both economic importance and supply risk, without ranking the relevant raw materials in terms of criticality. This assessment should be based on an average of the latest available data over a 5-year-period. The measures set out in this Regulation related to one stop shop for permitting, planning, exploration, monitoring,</p>

circularity, and sustainability should apply to all critical raw materials.	circularity, and sustainability, <i>especially with an eye to the social and environmental impact</i> , should apply to all critical raw materials.
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Amendment 4
COM(2023)160 – Part 1
Recital 6

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>To strengthen Union capacities along the strategic raw materials value chain, benchmarks should be set to guide efforts and track progress. The aim should be to increase capacities for each strategic raw material at each stage of the value chain, while aiming to achieve overall capacity benchmarks for extraction, processing and recycling of strategic raw materials. Firstly, the Union should increase the use of its own geological resources of strategic raw materials and build up capacity to allow it to extract the materials needed to produce at least 10 % of the Union's consumption of strategic raw materials. Keeping in mind that extraction capacity is highly dependent on the availability of Union geological resources, the achievement of this benchmark is dependent on such availability. Secondly, in order to build a full value chain and prevent any bottlenecks at intermediate stages, the Union should in addition increase its processing capacity along the value chain and be able to produce at least 40 % of its annual consumption of strategic raw materials. Thirdly, it is expected that in the coming decades a growing share of the Union's consumption of strategic raw materials can be covered by secondary raw materials, which would improve both the security and the sustainability of the Union's raw materials supply. Therefore, Union recycling capacity should be able to produce at least 15 % of the Union's annual consumption of strategic raw materials. These benchmarks refer to the 2030 time horizon, in alignment with the Union's climate and energy targets set under Regulation (EU) 2021/1119 of the European Parliament and of the Council 29 and the digital targets under the Digital Decade 30, which they underpin. Furthermore, quality jobs, including skills development and job-to-job transitions, will address risks in the sectoral labour market and help ensure the EU's competitiveness.</p>	<p>To strengthen Union capacities along the strategic raw materials value chain, viable benchmarks should be set to guide efforts and track progress. The aim should be to increase capacities for each strategic raw material at each stage of the value chain, while aiming to achieve overall capacity benchmarks for extraction, processing and recycling of strategic raw materials. Firstly, the Union should increase the use of its own geological resources of strategic raw materials and build up capacity to allow it to extract the materials needed to produce at least 10 % of the Union's consumption of strategic raw materials. Keeping in mind that extraction capacity is highly dependent on the availability of Union geological resources, the achievement of this benchmark is dependent on such availability. Secondly, in order to build a full value chain and prevent any bottlenecks at intermediate stages, the Union should in addition increase its processing capacity along the value chain and be able to produce at least 40 % of its annual consumption of strategic raw materials. Thirdly, it is expected that in the coming decades a growing share of the Union's consumption of strategic raw materials can be covered by secondary raw materials, which would improve both the security and the sustainability of the Union's raw materials supply. Therefore, Union recycling capacity should be able to produce at least 20% of the Union's annual consumption of strategic raw materials. These benchmarks refer to the 2030 time horizon, in alignment with the Union's climate and energy targets set under Regulation (EU) 2021/1119 of the European Parliament and of the Council 29 and the digital targets under the Digital Decade 30, which they underpin, and are in line with the EU's 2050 climate neutrality target. Furthermore, quality jobs, including skills development and job-to-job transitions, will address structural change brought about by the green and digital transitions, as well as risks in the sectoral labour market and help ensure the EU's competitiveness.</p>

Reason

Only a high recycling rate can significantly reduce dependency on third countries.

Amendment 5
COM(2023)160 – Part 1
Recital 8

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
It is necessary to put in place appropriate measures to support Strategic Projects aimed at the extraction, processing or recycling of strategic raw materials in the Union that should, together with Member <i>State efforts</i> , contribute to increasing capacities towards the benchmarks. Other measures, notably on exploration or circularity, should also contribute to the reinforcement of different stages of the value chain and thereby contribute to the achievement of the benchmarks. To ensure that the benchmarks are met in time, the Commission, with the help of the European Critical Raw Materials Board ("the Board") should track and report progress towards the benchmarks. In case the reported progress towards the benchmarks is generally insufficient, the Commission should assess the feasibility and proportionality of additional measures. <i>A lack of progress only on a single or small set of strategic raw material should in principle not trigger the need for additional Union efforts.</i>	It is necessary to put in place appropriate measures to support Strategic Projects aimed at the extraction, processing or recycling of strategic raw materials in the Union that should, together with <i>the efforts of the Member States and those of local and regional authorities as stakeholders on the ground</i> , contribute to increasing capacities towards the benchmarks. Other measures, notably on exploration or circularity, should also contribute to the reinforcement of different stages of the value chain and thereby contribute to the achievement of the benchmarks. To ensure that the benchmarks are met in time, the Commission, with the help of the European Critical Raw Materials Board ("the Board") should track and report progress towards the benchmarks. <i>Those reports should be made available to the public for reasons of transparency.</i> In case the reported progress towards the benchmarks is generally insufficient, the Commission should assess the feasibility and proportionality of additional measures.

Amendment 6
COM(2023)160 – Part 1
Recital 9

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
In order to build capacities in the Union, the Commission should, with the support of the Board, identify Strategic Projects in the Union that intend to become active in the extraction, processing or recycling of strategic raw materials. Effective support to Strategic Projects has the potential to improve access to materials for downstream sectors as well as to create economic opportunities along the value chain, including for SMEs, and contribute to the creation of employment. Therefore, to ensure the development of Strategic Projects across the Union, such projects should benefit from streamlined and predictable permitting procedures and support in gaining access to finance. In order to focus support and ensure their added value, projects should, before receiving such support, be assessed against a set of criteria. Strategic Projects in the Union should strengthen the Union's security of supply for strategic raw	In order to build capacities in the Union, the Commission should, with the support of the Board, identify Strategic Projects in the Union that intend to become active in the extraction, processing or recycling of strategic raw materials. Effective support to Strategic Projects has the potential to improve access to materials for downstream sectors as well as to create economic opportunities along the value chain, including for SMEs, and contribute to the creation of employment. Therefore, to ensure the development of Strategic Projects across the Union, such projects should benefit from streamlined and predictable permitting procedures and support in gaining access to finance. In order to focus support and ensure their added value, projects should, before receiving such support, be assessed against a set of criteria. Strategic Projects in the Union should strengthen the Union's security of supply for strategic raw

materials, show sufficient technical feasibility and be implemented in an environmentally and socially sustainable manner. They should also provide cross-border benefits beyond the Member State concerned. Where the Commission assesses these criteria to be fulfilled, it should publish the recognition as a Strategic Project in a decision. As a speedy recognition is key to effectively supporting the Union's security of supply, the assessment process should remain light and not overly burdensome.	materials, show sufficient technical feasibility and be implemented in an environmentally and socially sustainable manner, <i>measured using viable benchmarks</i> . They should also provide cross-border benefits beyond the Member State concerned. Where the Commission assesses these criteria to be fulfilled, it should publish the recognition as a Strategic Project in a decision, <i>including the report on compliance with the criteria</i> . As a speedy recognition is key to effectively supporting the Union's security of supply, the assessment process should remain light and not overly burdensome, <i>without jeopardising compliance with social and environmental standards</i> .
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Amendment 7
COM(2023)160 – Part 1
Recital 10

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
In order to diversify the Union's supply of strategic raw materials, the Commission should, with the support of the Board, identify Strategic Projects in third countries that intend to become active in the extraction, processing or recycling of strategic raw materials. To ensure that such Strategic Projects are effectively implemented, they should benefit from improved access to finance. In order to ensure their added value, projects should be assessed against a set of criteria. Like projects in the Union, Strategic Projects in third countries should strengthen the Union's security of supply for strategic raw materials, show sufficient technical feasibility and be implemented sustainably. For projects in emerging markets and developing economies, the project should be mutually beneficial for the Union and the third country involved and add value in that country, taking into account also its consistency with the Union's common commercial policy. Such value may be derived from the project's contribution to more than one stage of the value chain as well as from creating through the project wider economic and social benefits, including the creation of employment in compliance with international standards. Where the Commission assesses these criteria to be fulfilled, it should publish the recognition as a Strategic Project in a decision.	In order to diversify the Union's supply of strategic raw materials, the Commission should, with the support of the Board, identify Strategic Projects in third countries that intend to become active in the extraction, processing or recycling of strategic raw materials. To ensure that such Strategic Projects are effectively implemented, they should benefit from improved access to finance. In order to ensure their added value, projects should be assessed against a set of criteria. Like projects in the Union, Strategic Projects in third countries should strengthen the Union's security of supply for strategic raw materials, show sufficient technical feasibility, <i>meet the EU's current benchmarks for social and environmental sustainability</i> and be implemented sustainably. For projects in emerging markets and developing economies, the project should be mutually beneficial for the Union and the third country involved and add value in that country, taking into account also its consistency with the Union's common commercial policy. Such value may be derived from the project's contribution to more than one stage of the value chain as well as from creating through the project wider economic and social benefits, including the creation of employment in compliance with international standards <i>of the International Labour Organization (ILO)</i> . Where the Commission assesses these criteria to be fulfilled, it should publish the recognition as a Strategic Project in a decision.

Amendment 8
COM(2023) 160 – Part 1
Recital 11

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
In order to ensure the sustainability of increased raw material production, new raw materials projects should be implemented sustainably. To that end, the Strategic Projects receiving support under this Regulation should be assessed taking into account international instruments covering all aspects of sustainability highlighted in the EU principles for sustainable raw materials 31, including ensuring environmental protection, socially responsible practices, including respect for human rights such as the rights of women, and transparent business practices. Projects should also ensure engagement in good faith as well as comprehensive and meaningful consultations with local communities , including with indigenous peoples. To provide project promoters with a clear and efficient way of complying with this criterion, compliance with relevant Union legislation, international standards, guidelines and principles or participation in a certification scheme recognised under this Regulation should be considered sufficient.	In order to ensure the sustainability of increased raw material production, new and existing raw materials projects should be implemented sustainably. To that end, the Strategic Projects receiving support under this Regulation should be assessed taking into account international instruments using viable benchmarks covering all aspects of sustainability highlighted in the EU principles for sustainable raw materials 31, including ensuring environmental protection, socially responsible practices, including respect for labour and human rights such as the rights of women, children and indigenous peoples and transparent business practices. Projects should also ensure engagement in good faith as well as comprehensive and meaningful consultations with local and regional authorities , including with indigenous peoples in full compliance with the principles of Free Prior and Informed Consent (FPIC) and respecting the right to say no of those communities . To provide project promoters with a clear and efficient way of complying with this criterion, compliance with relevant Union legislation, international standards, guidelines and principles or participation in a certification scheme recognised under this Regulation should be considered sufficient.

Amendment 9
COM(2023) 160 – Part 1
Recital 12

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Any promoter of a strategic raw materials project should be able to apply to the Commission for the recognition of their project as a Strategic Project. The application should include several documents and evidence related to the criteria. To better assess the social, environmental and economic viability, the feasibility of the project as well as the level of confidence in the estimates, the project promoter should also provide a classification of the project according to the United Nations Framework Classification for Resources, and to allow for objective validation, they should support this classification with relevant evidence. A timetable for the project should also be attached to an application, in order to estimate when the project would be able to	Any promoter of a strategic raw materials project should be able to apply to the Commission for the recognition of their project as a Strategic Project. The application should include several documents and evidence related to the criteria. To better assess the social, environmental and economic viability, the feasibility of the project as well as the level of confidence in the estimates, the project promoter should also provide a classification of the project according to the United Nations Framework Classification for Resources, and to allow for objective validation, they should support this classification with relevant evidence. A timetable for the project should also be attached to an application, in order to estimate when the project would be able to

contribute towards the benchmarks for domestic capacity or for diversification. As public acceptance of mining projects is crucial for their effective implementation, the promoter should also provide a plan containing measures to facilitate public acceptance. Special attention should be paid to social partners, civil society and other oversight actors. The promoter should also provide a business plan providing information regarding the project's financial viability and giving an overview of funding and off-take agreements already secured as well as estimates for potential job creation and for the project's needs in terms of skilled workforce, including upskilling and reskilling.	contribute towards the benchmarks for domestic capacity or for diversification. As public acceptance of mining projects is crucial for their effective implementation, the promoter should also provide a plan containing measures to facilitate public acceptance. Special attention should be paid to local and regional authorities , social partners, civil society and other oversight actors. The promoter should also provide a business plan providing information regarding the project's financial viability and giving an overview of funding and off-take agreements already secured as well as estimates for potential job creation and for the project's needs in terms of skilled workforce, including upskilling and reskilling.
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Amendment 10
COM(2023) 160 – Part 1
Recital 13

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
To ensure the effective and efficient treatment of applications, the Commission should be able to prioritise the processing of applications for projects related to specific underrepresented value chain stages or strategic raw materials, in order to be able to ensure the Union's balanced progress towards all benchmark for Union capacity included in this Regulation.	To ensure the effective and efficient treatment of applications, the Commission should be able to prioritise the processing of applications for projects related to specific underrepresented value chain stages or strategic raw materials, in order to be able to ensure the Union's balanced progress towards all benchmark for Union capacity included in this Regulation. <i>The Commission should prioritise Strategic Projects contributing to circularity of raw materials.</i>

<i>Reason</i>
Self-explanatory.

Amendment 11
COM(2023) 160 – Part 1
Recital 14

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
As the cooperation of the Member State on whose territory a Strategic Project will be implemented is necessary to ensure its effective implementation, that Member State should have the right to object to and thereby prevent that a project is granted the status of Strategic Project against its will. If it does so, the relevant Member State should provide a reasoned justification for its refusal referring to the applicable criteria. Similarly, the Union should not grant the status of Strategic Project to projects that will be implemented by a third country against the will of its government and should therefore refrain	As the cooperation of the Member State on whose territory a Strategic Project will be implemented is necessary to ensure its effective implementation, that Member State, <i>in consultation with local and regional authorities</i> , should have the right to object to and thereby prevent that a project is granted the status of Strategic Project against its will. If it does so, the relevant Member State should provide a reasoned justification for its refusal referring to the applicable criteria. Similarly, the Union should not grant the status of Strategic Project to projects that will be implemented by a third country

from doing so where a third country government objects.	against the will of its government and should therefore refrain from doing so where a third country government objects.
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Amendment 12
COM(2023) 160 – Part 1
Recital 18

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
At the same time, the unpredictability, complexity and, at times, excessive length of national permit-granting processes undermines the investment security needed for the effective development of strategic raw material projects. Therefore, in order to ensure and speed up their effective implementation, Member States should apply streamlined and predictable permitting procedure to Strategic Projects. To that end, Strategic Projects should be given priority status at national level to ensure rapid administrative treatment and urgent treatment in all judicial and dispute resolution procedures relating to them. This Regulation should not prevent competent authorities from streamlining permitting for other projects on the critical raw materials value chain that are not Strategic Projects.	At the same time, the unpredictability, complexity and, at times, excessive length of national permit-granting processes undermines the investment security needed for the effective development of strategic raw material projects. Therefore, in order to ensure and speed up their effective implementation, Member States should apply streamlined and predictable permitting procedure to Strategic Projects <i>while observing social and environmental standards</i> . To that end, Strategic Projects should be given priority status at national level to ensure rapid administrative treatment and urgent treatment in all judicial and dispute resolution procedures relating to them. This Regulation should not prevent competent authorities from streamlining permitting for other projects on the critical raw materials value chain that are not Strategic Projects.

Amendment 13
COM(2023) 160 – Part 1
Recital 19

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Given their role in ensuring the Union's security of supply for strategic raw materials, and their contribution to the Union's open strategic autonomy and the green and digital transition, Strategic Projects should be considered by the responsible permitting authority as being in the public interest. Strategic Projects which have an adverse impact on the environment, to the extent it falls under the scope of Directive 2000/60/EC, Council Directive 92/43/EEC and Directive 2009/147/EC 39 may be authorised where the responsible permitting authority concludes, based on its case-by-case assessment, that the public interest served by the project overrides those impacts, provided that all relevant conditions set out in those Directives are met. Where relevant, the case-by-case assessment should take into account the geological specificity of extraction sites, which constrains decisions on location.	Given their role in ensuring the Union's security of supply for strategic raw materials, and their contribution to the Union's open strategic autonomy and the green and digital transition, Strategic Projects should be considered by the responsible permitting authority as being in the public interest. Strategic Projects which have an adverse impact on the environment, to the extent it falls under the scope of Directive 2000/60/EC, Council Directive 92/43/EEC and Directive 2009/147/EC 39 may be authorised where the responsible permitting authority concludes, based on its case-by-case assessment, that the public interest served by the project overrides those impacts, provided that all relevant conditions set out in those Directives are met, <i>and that those adverse effects are kept to a minimum and the resulting damage is offset through compensation</i> . Where relevant, the case-by-case assessment should take into account the geological specificity of extraction sites, which constrains decisions on location.

Amendment 14
COM(2023) 160 – Part 1
Recital 20

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
In order to reduce complexity and increase efficiency and transparency in permitting process, project promoters of critical raw materials projects should be able to interact with a single national authority, which is responsible for facilitating and coordinating the entire permit granting process and in the case of Strategic Projects shall issue a comprehensive decision within the applicable time limit. To that end, Member States should designate a single national competent authority. Where needed in light of a Member State's internal organisation, the tasks of the national competent authority should be able to be delegated to <i>a different authority</i> , subject to the same conditions. To ensure the effective implementation of its responsibilities, Member States should provide their national competent authority, or any authority acting on its behalf, with sufficient personnel and resources.	In order to reduce complexity and increase efficiency and transparency in permitting process, project promoters of critical raw materials projects should be able to interact with a single national authority, which is responsible for facilitating and coordinating the entire permit granting process and in the case of Strategic Projects shall issue a comprehensive decision within the applicable time limit. To that end, Member States should designate a single national competent authority. Where needed in light of a Member State's internal organisation, the tasks of the national competent authority should be able to be delegated to <i>other regional or local authorities</i> , subject to the same conditions. To ensure the effective implementation of its responsibilities, Member States should provide their national competent authority, or any authority acting on its behalf, with sufficient personnel and resources.

Amendment 15
COM(2023) 160 – Part 1
Recital 21

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
In order to ensure clarity about the permitting status of Strategic Projects and to limit the effectiveness of potential abusive litigation, while not undermining effective judicial review, Member States should ensure that any dispute concerning the permit granting process for Strategic Projects is resolved in a timely manner. To that end, national competent authorities should ensure that applicants and project promoters have access to simple dispute settlement procedure and that Strategic Projects are granted urgent treatment in all judicial and dispute resolution procedures relating to the projects.	In order to ensure clarity about the permitting status of Strategic Projects and to limit the effectiveness of potential abusive litigation, while not undermining effective judicial review, Member States should ensure that any dispute concerning the permit granting process for Strategic Projects is resolved in a timely manner. To that end, national competent authorities should ensure that applicants and project promoters have access to simple dispute settlement procedure and that Strategic Projects are granted urgent treatment in all judicial and dispute resolution procedures relating to the projects, <i>without prejudice to the enforcement of the right to redress and the diligent application of the right to say no of local communities, especially of indigenous peoples.</i>

<i>Reason</i>
Self-explanatory.

Amendment 16
COM(2023) 160 – Part 1
Recital 24

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The environmental assessments and authorisations required under Union law, including in relation to water, habitats and birds, are an integral part of the permit granting process for a raw material project and an essential safeguard to ensure that negative environmental impacts are prevented or minimised. However, in order to ensure that the permit granting processes for Strategic Projects are predictable and timely, any potential to streamline the required assessments and authorisations while not lowering the level of environmental protection should be realised. In that regard, it should be ensured that the necessary assessment are bundled to prevent unnecessary overlap and it should be ensured that project promoters and responsible authorities explicitly agree on the scope of the bundled assessment before it is implemented to prevent unnecessary follow-up.	The environmental assessments and authorisations required under Union law, including in relation to water, soil health, air, forests , habitats and birds, are an integral part of the permit granting process for a raw material project and an essential safeguard to ensure that negative environmental impacts are prevented or minimised. However, in order to ensure that the permit granting processes for Strategic Projects are predictable and timely, any potential to streamline the required assessments and authorisations while not lowering the level of environmental protection should be realised. In that regard, it should be ensured that the necessary assessment are bundled to prevent unnecessary overlap and it should be ensured that project promoters and responsible authorities explicitly agree on the scope of the bundled assessment before it is implemented to prevent unnecessary follow-up.

Amendment 17
COM(2023) 160 – Part 1
Recital 32

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The existing knowledge and mapping of the Union's raw materials occurrences were developed at a time when ensuring the supply of critical raw materials for the development of strategic technologies was not a priority. To acquire and update information on the critical raw material occurrences, Member States should draw up national programmes for the general exploration of critical raw materials, which should include measure such as mineral mapping, geochemical campaigns, geoscientific surveys as well as the reprocessing of existing geoscientific datasets. The identification of mineral occurrences and the assessment of the technical and economic viability to extract them involves high financial. To lower that risk and facilitate the development of extraction projects, Member States should make publicly available the information acquired during their respective national exploration programme, where appropriate using the framework of the Infrastructure for Spatial Information established by Directive 2007/2/EC of the European Parliament and the Council.	The existing knowledge and mapping of the Union's raw materials occurrences were developed at a time when ensuring the supply of critical raw materials for the development of strategic technologies was not a priority. To acquire and update information on the critical raw material occurrences, Member States should draw up national programmes for the general exploration of critical raw materials, which should include measure such as mineral mapping, geochemical campaigns, geoscientific surveys as well as the reprocessing of existing geoscientific datasets. The identification of mineral occurrences and the assessment of the technical and economic viability to extract them involves high financial. Public funding opportunities must therefore be designed in such a way that preliminary studies are already regarded as aid projects as part of environmental aid or, in the case of projects involving regions from different Member States, as important projects of common European interest. To lower that financial risk and facilitate the development of extraction projects, Member States should make

	publicly available the information acquired during their respective national exploration programme, where appropriate using the framework of the Infrastructure for Spatial Information established by Directive 2007/2/EC of the European Parliament and the Council.
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Amendment 18
COM(2023) 160 – Part 1
Recital 33

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Space data and services derived from earth observation can support the efforts towards sustainable critical raw materials value chains by providing a continuous flow of information, which could be useful for activities such as monitoring and management of mining areas, the environmental and socio-economic impact assessment, or mineral resource exploration. As earth observation is also able to provide data about remote and inaccessible areas, it should be considered by Member States when drawing up and implementing their national exploration programmes to the extent possible.	Space data and services derived from earth observation can support the efforts towards sustainable critical raw materials value chains by providing a continuous flow of information, which could be useful for activities such as monitoring and management of mining areas, the environmental and socio-economic impact assessment <i>before and during exploitation to ensure compliance with social and environmental regulatory frameworks</i> , or mineral resource exploration. As earth observation is also able to provide data about remote and inaccessible areas, it should be considered by Member States when drawing up and implementing their national exploration programmes to the extent possible.

<i>Reason</i>
Self-explanatory.

Amendment 19
COM(2023) 160 – Part 1
Recital 34

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Although the reinforcement of the Union's critical raw materials value chain is necessary to ensure increased security of supply, the supply chains of critical raw materials will remain global and exposed to external factors. Recent or ongoing events ranging from the COVID-19 crisis to <i>the</i> unprovoked and unjustified military aggression against Ukraine underlined the vulnerability of some of the Union's supply chains to disruptions. In order to ensure that Member States and European industries are able to anticipate supply disruption and prepared to withstand their consequences, measures should be developed to increase monitoring capacity, coordinate strategic stocks and reinforce the preparedness of companies.	Although the reinforcement of the Union's critical raw materials value chain is necessary to ensure increased security of supply, the supply chains of critical raw materials will remain global and exposed to external factors. Recent or ongoing events ranging from the COVID-19 crisis to <i>Russia's</i> unprovoked and unjustified military aggression against Ukraine underlined the vulnerability of some of the Union's supply chains to disruptions <i>and the urgency to identify levers to limit the growth in demand, especially of strategic raw materials</i> . In order to ensure that Member States and European industries are able to anticipate supply disruption and prepared to withstand their consequences, measures should be developed to increase monitoring capacity,

	coordinate strategic stocks and reinforce the preparedness of companies <i>to cooperate</i> .
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Amendment 20
COM(2023) 160 – Part 1
Recital 35

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>Member States do not have the same capacity when it comes to risk-awareness and anticipation, and not all Member States have developed dedicated structures that monitor the supply chains of critical raw materials and can inform companies about potential risks of supply disruptions. Similarly, although some companies have invested in the monitoring of their supply chains, others lack the capacity to do so. Therefore, in light of the global dimension of critical raw materials supply chains as well as their complexity, the Commission should develop a dedicated monitoring dashboard assessing critical raw materials' supply risks and ensure the availability of the information gathered for public authorities and private actors, thereby increasing synergies amongst Member States. In order to ensure that Union value chains are sufficiently prepared against potential supply disruptions, the Commission should conduct stress tests assessing the vulnerability of the strategic raw materials supply chains and their exposure to supply risks. Member States should contribute to this exercise by, when possible conducting such stress tests through their national supply and information agencies covering critical raw materials. The Board should ensure the coordination of the implementation of the stress tests by the Commission and Member States. When no Member State has the capacity to perform a required stress test on a given strategic raw material, the Commission should conduct it itself.</p> <p><i>When making the results of such stress tests publicly available, the</i> Commission should also suggest potential strategies that can be adopted by the public authorities and private actors to mitigate supply risks, such as building strategic stocks or further diversifying their supply. For the purpose of gathering the information necessary to conduct the monitoring and stress tests measures, the Commission should coordinate with the relevant standing subgroup of the Board and Member States should identify and monitor key market operators that are important to the functioning of the value chain. When no member of the standing sub-group has the capacity to perform a required stress test on a given strategic</p>	<p>Member States do not have the same capacity when it comes to risk-awareness and anticipation, and not all Member States have developed dedicated structures that monitor the supply chains of critical raw materials and can inform companies about potential risks of supply disruptions. Similarly, although some companies have invested in the monitoring of their supply chains, others lack the capacity to do so. Therefore, in light of the global dimension of critical raw materials supply chains as well as their complexity, the Commission should develop a dedicated monitoring dashboard assessing critical raw materials' supply risks and ensure the availability of the information gathered for public authorities and private actors, thereby increasing synergies amongst Member States. In order to ensure that Union value chains are sufficiently prepared against potential supply disruptions, the Commission should conduct stress tests assessing the vulnerability of the strategic raw materials supply chains and their exposure to supply risks. Member States should contribute to this exercise by, when possible conducting such stress tests through their national supply and information agencies covering critical raw materials. The Board should ensure the coordination of the implementation of the stress tests by the Commission and Member States. When no Member State has the capacity to perform a required stress test on a given strategic raw material, the Commission should conduct it itself.</p> <p><i>The</i> Commission should also suggest potential strategies that can be adopted by the public authorities and private actors to mitigate supply risks, such as building strategic stocks or further diversifying their supply. For the purpose of gathering the information necessary to conduct the monitoring and stress tests measures, the Commission should coordinate with the relevant standing subgroup of the Board and Member States should identify and monitor key market operators that are important to the functioning of the value chain. When no member of the standing sub-group has the capacity to perform a required stress test on a given strategic raw material, the Commission should conduct it itself.</p>

raw material, the Commission should conduct it itself.	
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<i>Reason</i>
The results of the stress tests should remain confidential for security reasons.

Amendment 21
COM(2023) 160 – Part 1
Recital 36

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>Strategic stocks are an important tool to mitigate supply disruptions, notably for raw materials. Although the proposed Single Market Emergency Instrument allows for the possible development of such stocks in the event of the activation of the Single Market vigilance mode, Member States and companies do not have obligations to build up or coordinate their strategic stocks ahead of a supply disruption. In addition, there is no coordination mechanism across the European Union that allows for the development of a common assessment and of an analysis of potential overlaps and synergies. Therefore, as a first step, and taking account of the present lack of relevant information, Member States should provide to the Commission information about their strategic stocks, whether they are operated by public authorities or by economic operators on the behalf of the Member States. Such information should include the level of stock available per strategic raw material, the outlook of stock levels, and the rules and procedures applicable to these stocks. Any request should be proportionate, have regard for the cost and effort required to make the data available as well as for its impact on national security, and set out appropriate time limits for providing the requested information. Information on the stocks of economic operators may be added to the analysis, albeit this does not constitute a request for information on them. The Commission should handle the data in a secure manner, and only publish information on an aggregate level. As a second step, based on the information acquired, the Commission should develop a draft benchmark for what should be considered a safe level of Union stocks, taking into account the total annual Union consumption of the concerned strategic raw materials. Based on a comparison between existing stocks and the overall levels of strategic stocks for strategic raw materials across the Union, the Board, acting in agreement with the Commission, should then be able to issue non-binding opinions to Member States on how</p>	<p>Strategic stocks are an important tool to mitigate supply disruptions, notably for raw materials. Although the proposed Single Market Emergency Instrument allows for the possible development of such stocks in the event of the activation of the Single Market vigilance mode, Member States and companies do not have obligations to build up or coordinate their strategic stocks ahead of a supply disruption. In addition, there is no coordination mechanism across the European Union that allows for the development of a common assessment and of an analysis of potential overlaps and synergies. Therefore, as a first step, and taking account of the present lack of relevant information, Member States should provide to the Commission information about their strategic stocks, whether they are operated by public authorities or by economic operators on the behalf of the Member States. Such information should include the level of stock available per strategic raw material, the outlook of stock levels, and the rules and procedures applicable to these stocks. Any request should be proportionate, have regard for the cost and effort required to make the data available as well as for its impact on national security, and set out appropriate time limits for providing the requested information. Information on the stocks of economic operators may be added to the analysis, albeit this does not constitute a request for information on them. The Commission should handle the data in a secure manner, and only publish information on an aggregate level. As a second step, based on the information acquired, the Commission should develop a draft benchmark for what should be considered a safe level of Union stocks, taking into account the total annual Union consumption of the concerned strategic raw materials. Based on a comparison between existing stocks and the overall levels of strategic stocks for strategic raw materials across the Union, the Board, acting in agreement with the Commission, should then be able to issue non-binding opinions to Member States on how</p>

to increase convergences and to encourage them in building up their strategies stocks. In doing so, the Board should consider the need to maintain incentives for the development of strategic stocks by private operators using strategic raw materials.	to increase convergences and to encourage them in building up their strategies stocks. <i>From the point of view of diversification, these strategic stocks should be made as decentralised as possible in cooperation with local and regional authorities in order to protect stockpiling from interference and to support cross-border cooperation.</i> In doing so, the Board should consider the need to maintain incentives for the development of strategic stocks by private operators using strategic raw materials. <i>In addition, the Board, together with the Commission, should put in order of priority the options for using strategic raw materials with a view to safeguarding the supply of particularly critical goods in the internal market in the event of a supply disruption.</i>
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Amendment 22
COM(2023) 160 – Part 1
Recital 38

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
In order to ensure that they are sufficiently prepared to face supply disruptions, large companies manufacturing strategic technologies in the Union using strategic raw materials should audit their supply chains and report accordingly to their board of directors. This will ensure that <i>they</i> take into account the supply risks of strategic raw materials and develop appropriate mitigation strategies to be better prepared in the event of a supply disruption. Similarly, the large companies falling within this scope should run regular stress tests of their strategic raw materials supply chains to ensure that they consider all different scenarios that may affect their supply in the event of a disruption. These measures will lead to additional considerations being given to the costs of potential supply risks.	In order to ensure that they are sufficiently prepared to face supply disruptions, large companies manufacturing strategic technologies in the Union using strategic raw materials should audit their supply chains and report accordingly to their board of directors. <i>The EU Supply Chain Act should also include the financial sector in this framework, as influence on commodity traders, exchanges and off-exchange metal trading venues can only be exerted if sustainability standards and human rights and environmental due diligence requirements are met in supply chains in a way that is consistent, competitive and low in red tape.</i> This will ensure that <i>businesses</i> take into account the supply risks of strategic raw materials and develop appropriate mitigation strategies to be better prepared in the event of a supply disruption. Similarly, the large companies falling within this scope should run regular stress tests of their strategic raw materials supply chains to ensure that they consider all different scenarios that may affect their supply in the event of a disruption. These measures will lead to additional considerations being given to the costs of potential supply risks.

Amendment 23
COM(2023) 160 – Part 1
Recital 41

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>Most critical raw materials are metals, which can be in principle endlessly recycled, albeit with sometimes deteriorating qualities. This offers the potential to move to a truly circular economy in the context of the green transition. After an initial phase of rapid growth of demand for critical raw material for new technologies, where primary extraction and processing will still constitute the predominant source, recycling should become increasingly important and reduce the need for primary extraction and its associated impacts. Today, however, recycling rates of most critical raw materials are low, and recycling systems and technologies are often not adapted to the specificities of these raw materials. Action addressing the different factors holding back the circularity potential is thus required.</p>	<p>Most critical raw materials are metals, which can be in principle endlessly recycled, albeit with sometimes deteriorating qualities. This offers the potential to move to a truly circular economy in the context of the green transition. After an initial phase of rapid growth of demand for critical raw material for new technologies, where primary extraction and processing will still constitute the predominant source, recycling should become increasingly important and reduce the need for primary extraction and its associated impacts. <i>As the extraction capacity of primary raw materials is highly dependent on the availability of geological resources in the EU, the further development of the recycling industry for the extraction of secondary raw materials in the EU has great potential not only for security of supply but also for the creation of high-quality jobs.</i> Today, however, recycling rates of most critical raw materials are <i>still too low in the EU</i> and recycling systems and technologies are often not adapted to the specificities of these raw materials. Action addressing the different factors holding back the circularity potential is thus required.</p>

Amendment 24
COM(2023) 160 – Part 1
Recital 43

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>The Union has, in many of its regions, a legacy of raw materials extraction and thus substantial amounts of extractive waste on closed facilities which, due to their only recent rise in economic importance, have generally not been analysed for critical raw materials potential. The recovery of critical raw materials from extractive waste facilities has the potential to create economic value and employment in historical mining regions, which are often affected by deindustrialisation and decline. The lack of attention to, and information on critical raw materials content, especially on closed waste facilities, constitutes a key barrier to greater use of the critical raw materials potential of extractive waste.</p>	<p>The Union has, in many of its regions, a legacy of raw materials extraction and thus substantial amounts of extractive waste on closed facilities which, due to their only recent rise in economic importance, have generally not been analysed for critical raw materials potential. The recovery of critical raw materials from extractive waste facilities has the potential to create economic value and employment in historical mining regions, which are often affected by deindustrialisation and decline, <i>while improving resilience of the Union and limiting the negative environmental and social impacts of access to raw materials.</i> The lack of attention to, and information on critical raw materials content, especially on closed waste facilities, constitutes a key barrier to greater use of the critical raw materials potential of extractive</p>

	waste.
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<i>Reason</i>
Self-explanatory.

Amendment 25
COM(2023) 160 – Part 1
Recital 48

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
A precondition for effective magnet recycling is for recyclers to have access to the necessary information on the amount, type and chemical composition of magnets in a product, their location and the coating, glues and additives used, as well as information on how to remove the permanent magnets from the product. In addition, to ensure a business case for magnet recycling, permanent magnets incorporated in products placed on the Union market should, over time, contain an increasing amount of recycled materials. While providing transparency on the recycled content in a first stage, a minimum content of recycled content should be set after a dedicated assessment of the appropriate level and likely impacts.	A precondition for effective magnet recycling is for recyclers to have access to the necessary information on the amount, type and chemical composition of magnets in a product, their location and the coating, glues and additives used, as well as information on how to remove the permanent magnets from the product. In addition, to ensure a business case for magnet recycling, permanent magnets incorporated in products placed on the Union market should, over time, contain an increasing amount of recycled materials. While providing transparency on the recycled content in a first stage, a minimum content of recycled content should be set after a dedicated assessment <i>by the Commission</i> of the appropriate level and likely impacts, <i>following consultation of the Critical Raw Materials Board</i> .

Amendment 26
COM(2023) 160 – Part 1
Recital 50

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The production of critical raw materials at different stages of the value chain causes environmental impacts, whether on climate, water, fauna or flora. In order to <i>limit</i> such damage and incentivise the production of more sustainable critical raw materials, the Commission should be empowered to develop a system for the calculation of the environmental footprint of critical raw materials, including a verification process, to ensure that critical raw materials placed on the Union market publicly display information on such footprint. The system should be based on taking into account scientifically sound assessment methods and relevant international standards in the area of life cycle assessment. The requirement to declare the environmental footprint of a material should only apply where it has been concluded, based on a dedicated assessment, that it would contribute to the Union's climate and environmental objectives	The production of critical raw materials at different stages of the value chain causes environmental impacts, whether on climate, water, fauna or flora. In order to <i>prevent</i> such damage <i>and, in the case of strategic projects, to at least limit it</i> and incentivise the production of more sustainable critical raw materials, the Commission should be empowered to develop a system for the calculation of the environmental footprint of critical raw materials, including a verification process, to ensure that critical raw materials placed on the Union market publicly display information on such footprint. The system should be based on taking into account scientifically sound assessment methods and relevant international standards in the area of life cycle assessment. The requirement to declare the environmental footprint of a material should only apply where it has been concluded, based on a dedicated assessment, that it would contribute to

by facilitating the procurement of critical raw materials with lower environmental footprint and would not disproportionately affect trade flows. When the relevant calculation methods have been adopted, the Commission should develop performance classes for critical raw materials, thereby allowing potential buyers to easily compare the relative environmental footprint of available materials and driving the market towards more sustainable materials. Sellers of critical raw materials should ensure that the environmental footprint declaration is available to their customers. Transparency on the relative footprint of critical raw materials placed on the Union market may also enable other policies at Union and national level, such as incentives or green public procurement criteria, fostering the production of critical raw materials with lower environmental impacts.	the Union's climate and environmental objectives by facilitating the procurement of critical raw materials with lower environmental footprint and would not disproportionately affect trade flows. When the relevant calculation methods have been adopted, the Commission should develop performance classes for critical raw materials, thereby allowing potential buyers to easily compare the relative environmental footprint of available materials and driving the market towards more sustainable materials. Sellers of critical raw materials should ensure that the environmental footprint declaration is available to their customers. Transparency on the relative footprint of critical raw materials placed on the Union market may also enable other policies at Union and national level, such as incentives or green public procurement criteria, fostering the production of critical raw materials with lower environmental impacts.
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Amendment 27
COM(2023) 160 – Part 1
Recital 51

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The Environmental Footprint methods constitute a relevant basis for the development of the calculation rules. They rely on scientifically sound assessment methods which take into account developments on international level and cover environmental impacts, including climate change and impacts related to water, air, soil, resources, land use and toxicity.	The Environmental Footprint methods constitute a relevant basis for the development of the calculation rules. They rely on scientifically sound assessment methods which take into account developments on international level and cover environmental impacts, including climate change and impacts related to biodiversity , water, air, soil, resources, land use and toxicity.

Amendment 28
COM(2023) 160 – Part 1
Add a new Recital after Recital 52

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
	<i>A key aspect of reducing dependence on third countries and of security of supply is an overall reduction in demand for critical raw materials. Therefore, the link with other factors, such as improving product design and repair rights to prolong product durability, should be highlighted.</i>

Amendment 29
COM(2023) 160 – Part 1
Recital 62

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The Commission should carry out an evaluation	The Commission should carry out an evaluation

of this Regulation. Pursuant to paragraph 22 of the Interinstitutional Agreement on Better Law-Making, that evaluation should be based on the five criteria of efficiency, effectiveness, relevance, coherence and EU value added and should provide the basis for impact assessments of possible further measures. The Commission should submit to the European Parliament, to the Council, the European Economic and Social Committee, a report on the implementation of this Regulation and progress towards achieving its objectives, including the capacity and diversification benchmarks. The report should also, based on the implementation of the measures related the transparency of the environmental footprint of critical raw materials, assess the appropriateness of establishing maximum thresholds related to the environmental footprint.	of this Regulation. Pursuant to paragraph 22 of the Interinstitutional Agreement on Better Law-Making, that evaluation should be based on the five criteria of efficiency, effectiveness, relevance, coherence and EU value added <i>in line with the subsidiarity principle</i> and should provide the basis for impact assessments of possible further measures. The Commission should submit to the European Parliament, to the Council, <i>the European Committee of the Regions and</i> the European Economic and Social Committee, a report on the implementation of this Regulation and progress towards achieving its objectives, including the capacity and diversification benchmarks. The report should also, based on the implementation of the measures related the transparency of the environmental footprint of critical raw materials, assess the appropriateness of establishing maximum thresholds related to the environmental footprint.
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Amendment 30
COM(2023) 160 – Part 1
Article 1(1)

<i>Text proposed by the European Commission</i>	<i>CoR Amendment</i>
The general objective of this Regulation is to improve the functioning of the internal market by establishing a framework to <i>ensure</i> the Union's <i>access to a secure and sustainable</i> supply of critical raw materials.	The general objective of this Regulation is to improve the functioning of the internal market by establishing a framework to <i>improve the resilience of the Union vis-à-vis the</i> supply of critical raw materials, <i>by giving special importance to sustainability, efficiency, sufficiency and circularity provisions in order to improve the Union's competitiveness.</i>

Amendment 31
COM(2023) 160 - Part 1
Article 1(2)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
To achieve the general objective referred to in paragraph 1, this Regulation aims to: (a) strengthen the different stages of the <i>strategic raw materials</i> value chain with a view to ensure that, by 2030, Union capacities for each strategic raw material have significantly increased so that, overall, Union capacity approaches or reaches the following benchmarks: (i) Union extraction capacity is able to	To achieve the general objective referred to in paragraph 1, this Regulation aims to: (a) strengthen the different stages of the value chain <i>for each strategic raw material</i> with a view to ensure that, by 2030, Union capacities for each strategic raw material have significantly increased so that, overall, Union capacity approaches or reaches the following benchmarks: (i) Union extraction capacity is able to

<p>extract the ores, minerals or concentrates needed to produce at least 10% of the Union's annual consumption of strategic raw materials, to the extent that the Union's reserves allow for this;</p> <p>(ii) Union processing capacity, including for all intermediate processing steps, is able to produce at least 40% of the Union's annual consumption of strategic raw materials;</p> <p>(iii) Union recycling capacity, including for all intermediate recycling steps, is able to produce at least 15% of the Union's annual consumption of strategic raw materials.</p> <p>(b) diversify the Union's imports of strategic raw materials with a view to ensure that, by 2030, the Union's annual consumption of each strategic raw material at any relevant stage of processing can rely on imports from several third countries, none of which provide more than 65% of the Union's annual consumption;</p> <p>(c) improve the Union's ability to monitor and mitigate the supply risk related to critical raw materials;</p> <p>(d) ensure the free movement of critical raw materials and products containing critical raw materials placed on the Union market while ensuring a high level of environmental protection, by improving their circularity and sustainability.</p>	<p>extract the ores, minerals or concentrates needed to produce at least 10% of the Union's annual consumption of each strategic raw material, to the extent that the Union's reserves allow for this in order to ensure adequate self-sufficiency;</p> <p>(ii) Union processing capacity, including for all intermediate processing steps, is able to produce at least 40% of the Union's annual consumption of strategic raw materials;</p> <p>(iii) Union recycling capacity, including for all intermediate recycling steps, is able to produce at least 20% of the Union's annual consumption of each strategic raw material.</p> <p>(iv) by 24 months after entry into force, the Commission shall adopt a delegated act in accordance with Article 36 to establish for each strategic raw material a minimum recycling capacity target for 2030;</p> <p>(b) reduce demand for critical raw materials through improved efficiency along value chains;</p> <p>(c) diversify the Union's imports of strategic raw materials with a view to ensure that, by 2030, the Union's annual consumption of each strategic raw material at any relevant stage of processing can rely on imports from several third countries, none of which provide more than 65% of the Union's annual consumption;</p> <p>(d) improve the Union's ability to monitor and mitigate the supply risk related to critical raw materials;</p> <p>(e) ensure the free movement of critical raw materials and products containing critical raw materials placed on the Union market while ensuring a high level of environmental protection, by improving their durability, repairability, circularity and sustainability.</p>
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Amendment 32
COM(2023) 160 - Part 1
Article 5(1)(c)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
the project would be implemented sustainably, in particular as regards the monitoring, prevention and minimisation of environmental impacts, the use of socially responsible practices including respect of human and labour rights, quality jobs potential and meaningful engagement with local communities and relevant social partners, and	the project would be implemented sustainably, in particular as regards the monitoring, prevention and minimisation of environmental and climate impacts and willingness to offset such impacts , the use of socially responsible practices including respect of human and labour rights, quality jobs potential and meaningful

the use of transparent business practices with adequate compliance policies to prevent and minimise risks of adverse impacts on the proper functioning of public administration, including corruption and bribery;	engagement with local <i>and regional authorities</i> and relevant social partners, and the use of transparent business practices with adequate compliance policies to prevent and minimise risks of adverse impacts on the proper functioning of public administration, including corruption and bribery;
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Amendment 33
COM(2023) 160 – Part 1
Article 5(1)(e)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
for projects in third countries <i>that are</i> emerging markets <i>or</i> developing economies, the project would be mutually beneficial for the Union and the third country concerned by adding value in that country.	for projects in third countries, <i>including in</i> emerging markets <i>and</i> developing economies, the project would be mutually beneficial for the Union and the third country concerned by adding value in that country, <i>and comply with equivalent social, environmental and labour requirements to projects in the Union.</i>

Amendment 34
COM(2023) 160 - Part 1
Article 6(1)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>Applications for recognition of a raw material project as a Strategic Project shall be submitted by the project promoter to the Commission.</p> <p>The application shall include:</p> <p>(a) relevant evidence related to fulfilment of the criteria laid down in Article 5(1);</p> <p>(b) a classification of the project according to the United Nations Framework Classification for Resources, supported by appropriate evidence;</p> <p>(c) a timetable for the implementation of the project, including an overview of the permits required for the project and the status of the corresponding permit granting process;</p> <p>(d) a plan containing measures to <i>facilitate</i> public acceptance including, where appropriate, the establishment of recurrent communication channels with the local <i>communities</i> and organisations, including social partners, the implementation of awareness-raising and information campaigns and the establishment of mitigation and compensation mechanisms;</p> <p>(e) information on the control of the</p>	<p>Applications for recognition of a raw material project as a Strategic Project shall be submitted by the project promoter to the Commission.</p> <p>The application shall include:</p> <p>(a) relevant evidence related to fulfilment of the criteria laid down in Article 5(1);</p> <p>(b) a classification of the project according to the United Nations Framework Classification for Resources, supported by appropriate evidence;</p> <p>(c) a timetable for the implementation of the project, including an overview of the permits required for the project and the status of the corresponding permit granting process;</p> <p>(d) a plan containing measures to <i>ensure</i> public acceptance including, where appropriate, the establishment of recurrent communication channels with the local <i>and regional authorities, local communities and indigenous communities</i> and organisations, including social partners, the implementation of awareness-raising and information campaigns and the establishment of mitigation and compensation mechanisms, <i>ensuring that involuntary resettlement is used exclusively as a last resort option;</i></p>

<p>undertakings involved in the project, defined pursuant to Article 3(2) and (3) of Council Regulation (EC) No 139/2004;</p> <p>(f) a business plan evaluating the financial viability of the project;</p> <p>(g) an estimate of the project's potential for quality job creation and the project's needs in terms of skilled workforce as well as upskilling and reskilling.</p>	<p><i>(e) a plan with measures to monitor, prevent, minimise and, where appropriate, compensate for any environmental impact that may be caused by the project;</i></p> <p>(f) information on the control of the undertakings involved in the project, defined pursuant to Article 3(2) and (3) of Council Regulation (EC) No 139/2004;</p> <p>(g) a business plan evaluating the financial viability of the project;</p> <p>(h) an estimate of the project's potential for quality job creation and the project's needs in terms of skilled workforce as well as upskilling and reskilling <i>effort in order to address potential skill gaps, and promoting gender equality;</i></p>
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Amendment 35
COM(2023) 160 - Part 1
Article 7(3)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The Member State whose territory is concerned by a Strategic Project shall take measures to contribute to its timely and effective implementation.	The Member State whose territory is concerned by a Strategic Project shall take measures to contribute to its timely and effective implementation, <i>with the involvement of the relevant local and regional authorities.</i>

Amendment 36
COM(2023) 160 – Part 1
Article 7(9)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The project promoter shall establish and regularly update a dedicated project website with relevant information about the Strategic Project, including information on the environmental, social and economic impacts and benefits associated with the Strategic Project. The website shall be freely accessible to the public and shall be available in a language or languages that can be easily understood by the local population.	The project promoter shall establish and regularly update a dedicated project website with relevant information about the Strategic Project <i>for the local population</i> , including information on the environmental, social and economic impacts, <i>where appropriate solutions to emerging problems</i> , and benefits associated with the Strategic Project. The website shall be freely accessible to the public and shall be available in a language or languages that can be easily understood by the local population. <i>The project website shall include environmental, social and human rights impact assessments that have been carried out, as well as any existing agreements with affected communities and concession contracts with public authorities.</i>

Amendment 37
COM(2023) 160 – Part 1
Article 10

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p>1. For Strategic Projects in the Union, the permit granting process shall not exceed:</p> <p>(a) 24 months for Strategic Projects involving extraction;</p> <p>(b) 12 months for Strategic Projects only involving processing or recycling.</p> <p>2. For Strategic Projects in the Union that had entered in the permit granting process before being granted the status of Strategic Project, the duration of the remaining steps of the permit granting process after the project is granted strategic status shall, in derogation from paragraph 1, not exceed:</p> <p>(a) 21 months for Strategic Projects involving extraction;</p> <p>(b) 9 months for Strategic Projects only involving processing or recycling.</p> <p>3. <i>In exceptional cases, where</i> the nature, complexity, location or size of the proposed project so require, the national competent authority referred to in Article 8(1) may extend the time limits referred to in paragraph 1, point (a), and 2, point (a), by a maximum of 3 months and the time limits referred to in paragraph 1, point (b), and 2, point (b), by a maximum of 1 month, before their expiry and on a case-by-case basis. In that event, the national competent authority referred to in Article 8(1) shall inform the project promoter of the reasons justifying the extension and of the date when the comprehensive decision is expected in writing.</p> <p>4. For Strategic Projects only involving processing or recycling, the lack of comprehensive decision by the national competent authority referred to in Article 8(1) within the applicable time limits referred to in paragraphs 1 and 2 shall result in the relevant permit granting application to be considered as approved, except in those cases where the specific project requires an environmental impact assessment pursuant to Council Directive 92/43/EEC or Directives 2000/60/EC, 2008/98/EC, 2009/147/EC 2010/75 /EU, 2011/92/EU or 2012/18/EU or a determination of whether such environmental impact assessment is necessary and the relevant assessments have not yet been carried out.</p>	<p>1. For Strategic Projects in the Union, the permit granting process shall not exceed:</p> <p>(a) 24 months for Strategic Projects involving extraction;</p> <p>(b) 12 months for Strategic Projects only involving processing or recycling.</p> <p>2. For Strategic Projects in the Union that had entered in the permit granting process before being granted the status of Strategic Project, the duration of the remaining steps of the permit granting process after the project is granted strategic status shall, in derogation from paragraph 1, not exceed:</p> <p>(a) 21 months for Strategic Projects involving extraction;</p> <p>(b) 9 months for Strategic Projects only involving processing or recycling.</p> <p>3. <i>Where</i> the nature, complexity, location or size of the proposed project so require, the national competent authority referred to in Article 8(1) may extend the time limits referred to in paragraph 1, point (a), and 2, point (a), by a maximum of 3 months and the time limits referred to in paragraph 1, point (b), and 2, point (b), by a maximum of 1 month, before their expiry and on a case-by-case basis. In that event, the national competent authority referred to in Article 8(1) shall inform the project promoter of the reasons justifying the extension and of the date when the comprehensive decision is expected in writing.</p> <p>4. For Strategic Projects only involving processing or recycling, the lack of comprehensive decision by the national competent authority referred to in Article 8(1) within the applicable time limits referred to in paragraphs 1 and 2 shall result in the relevant permit granting application to be considered as approved, except in those cases where the specific project requires an environmental impact assessment pursuant to Council Directive 92/43/EEC or Directives 2000/60/EC, 2008/98/EC, 2009/147/EC 2010/75 /EU, 2011/92/EU or 2012/18/EU or a determination of whether such environmental impact assessment is necessary and the relevant assessments have not yet been carried out.</p>

Amendment 38
COM(2023) 160 – Part 1
Article 11(4)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The time-frame for consulting the public concerned on the environmental impact assessment report referred to in Article 5(1) of Directive 2011/92/EU shall not be longer than 90 days in the case of Strategic Projects.	The time-frame for consulting the public concerned on the environmental impact assessment report referred to in Article 5(1) of Directive 2011/92/EU shall <i>last at least 60 days and</i> not be longer than 90 days in the case of Strategic Projects.

Amendment 39
COM(2023) 160 – Part 1
Article 14(1)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The Commission and the Member States shall undertake activities to accelerate and crowd-in private investments in Strategic Projects. Such activities may, without prejudice to Article 107 and Article 108 of the TFEU, include providing and coordinating support to Strategic Projects facing difficulties in accessing finance.	The Commission and the Member States shall undertake activities to accelerate and crowd-in <i>public and</i> private investments in Strategic Projects. <i>Public funding opportunities for preliminary studies shall be regarded in this framework as aid projects as part of environmental aid or, in the case of projects involving regions from different Member States, as important projects of common European interest.</i> Such activities may, without prejudice to Article 107 and Article 108 of the TFEU, include providing and coordinating support to Strategic Projects facing difficulties in accessing finance.

Amendment 40
COM(2023) 160 – Part 1
Article 14(2)(b)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
(b) assistance to project promoters to further increase the public acceptance of the project.	(b) assistance to project promoters to further increase the public acceptance of the project. <i>Local and regional authorities will be given a special role in this regard.</i>

Amendment 41
COM(2023) 160 – Part 1
Add a new paragraph after Article 15(d)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
	<i>public funding opportunities for preliminary studies shall be regarded in this framework as aid projects as part of environmental aid or, in the case of projects involving regions from different Member States, as important projects of common European interest.</i>

Amendment 42
COM(2023) 160 – Part 1
Article 18(1)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Each Member State shall draw up a national programme for general exploration targeted at critical raw materials. Each Member State shall draw up the first such programme by [OP please insert: 1 year after the date of entry into force of this Regulation]. The national programmes shall be reviewed and, if necessary, updated, at least every 5 years.	Each Member State shall, <i>following mandatory consultation with local and regional authorities</i> , draw up a national programme for general exploration targeted at critical raw materials. Each Member State shall draw up the first such programme by [OP please insert: 1 year after the date of entry into force of this Regulation]. The national programmes shall be reviewed and, if necessary, updated, at least every 5 years. <i>Every time a programme is reviewed and updated, local and regional authorities shall once again be consulted.</i>

Amendment 43
COM(2023) 160 – Part 1
Article 18(5)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<i>Member States shall make the information on their 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. This information shall, where applicable, include the classification of the identified occurrences using the United Nations Framework Classification for Resources. The Commission is empowered to adopt implementing acts establishing a template for making available the information referred to in the first subparagraph. The template may indicate how the information referred to in the first subparagraph shall be expressed. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 37(2).</i>	

<i>Reason</i>
Information relevant to security policy should remain confidential.

Amendment 44
COM(2023) 160 – Part 1
Article 19(4)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The Commission shall <i>make publicly available on a free access website</i> and regularly update a monitoring dashboard containing:	The Commission shall <i>draw up</i> and regularly update a monitoring dashboard containing: (a) the available information on the

<p>(a) the available information on the evolution of the parameters referred to in paragraph 1;</p> <p>(b) a calculation of the supply risk for critical raw materials in light of the information referred to in point (a);</p> <p>(c) the results of the stress tests referred to in paragraph 3;</p> <p>(d) where appropriate, suggestion for suitable mitigation strategies to decrease supply risk.</p>	<p>evolution of the parameters referred to in paragraph 1;</p> <p>(b) a calculation of the supply risk for critical raw materials in light of the information referred to in point (a);</p> <p>(c) the results of the stress tests referred to in paragraph 3;</p> <p>(d) where appropriate, suggestion for suitable mitigation strategies to decrease supply risk.</p>
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<i>Reason</i>
Information relevant to security policy should remain confidential.

Amendment 45
COM(2023) 160 – Part 1
Article 30(4)(a)(i)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
(i) all relevant stakeholders, such as industry including downstream industry, SMEs and, where relevant, the craft industry, social partners, traders, retailers, importers, environmental protection groups and consumer organisations;	(i) all relevant stakeholders, such as industry including downstream industry, SMEs and, where relevant, the craft industry, local and regional authorities , social partners, traders, retailers, importers, environmental protection groups and consumer organisations;

Amendment 46
COM(2023) 160 – Part 1
Add a new point after Article 33(1)(a)(iii)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
	<i>contributing to the economic and social developments in partner countries, in particular for emerging and developing economies, while also promoting the uptake of environmentally sustainable and circular economy practices and decent working conditions;</i>

Amendment 47
COM(2023) 160 – Part 1
Article 33(1)(c)(ii)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
(ii) whether a third country's regulatory framework ensures the monitoring, prevention and minimisation of environmental impacts, the use of socially responsible practices including respect of human and labour rights and meaningful engagement with local communities, the use of transparent business practices and the prevention of adverse impacts on the proper functioning of public administration and the rule of law;	(ii) whether a third country's regulatory framework ensures the monitoring, prevention and minimisation of environmental impacts <i>as well a readiness to offset those impacts</i> , the use of socially responsible practices including respect of human and labour rights and meaningful engagement with local communities, the use of transparent business practices and the prevention of adverse impacts on the proper functioning of public

	administration and the rule of law;
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Amendment 48
COM(2023) 160 – Part 1
Article 35(1)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
The Board shall be composed of Member States and the Commission. It shall be chaired by the Commission.	The Board shall be composed of Member States, the Commission <i>as well as one representative of European local and regional authorities, appointed by the European Committee of the Regions</i> . It shall be chaired by the Commission.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1. welcomes the European Commission's proposal as a logical continuation of the process started in 2011 and a legislative follow-up to the 2020 Action Plan on Critical Raw Materials, which was also the subject of an opinion of the European Committee of the Regions (CoR);
2. recognises that critical and strategic raw materials are crucial for an internationally competitive, resilient and future-proof European industry, and for small and medium-sized enterprises and their transition under the European Green Deal; therefore welcomes the development of a legal framework on European raw materials policy to ensure the security of supply of critical raw materials in the EU, with the objectives of greater EU independence and diversification of raw materials sources, given the increasing geopolitical uncertainty and vulnerability of supply chains in crisis situations. This has been demonstrated by the COVID-19 pandemic and the war in Ukraine, among other things;
3. welcomes the fact that lists of critical and strategic raw materials have been codified, and the European Commission's ambition to relocate larger sections of value chains back to the EU, promote the circular economy and thus reduce over-reliance on third countries; supports, therefore, the objectives of a European extraction capacity of at least 10% and a processing capacity of at least 40% of the EU's annual consumption of strategic raw materials, which should avoid excessive shortages and price rises;
4. welcomes the proposed measures to cut red tape and speed up authorisation procedures for strategic projects (24 months for extraction permits and 12 months each for processing and recycling permits), including favourable conditions for accessing European and national funding; stresses, however, that this fast-track

process must not be to the detriment of current sustainability, environmental and social standards;

5. underlines that skills and expertise in former and active mining regions can be important for the mining, production and processing of critical and strategic raw materials; at the same time, points out that in many regions there is still a lack of skilled workers and environmentally friendly technologies for the mining and processing of raw materials in line with European standards. To improve energy efficiency, it was pivotal to ensure a sufficient supply of skilled labour;
6. stresses here that there are also opportunities for reindustrialising traditional mining regions in the EU, as mining waste could have large untapped raw material potential and these regions already have the necessary infrastructure and skilled workforce. Retraining these workers could help not only to rapidly expand extraction capacity, but also to promote a more just change in the context of the green and digital transitions;
7. notes the huge potential of the European recycling industry as a pillar of security of supply in the EU due to the bloc's lack of raw materials and the environmental benefits of secondary raw materials; welcomes, therefore, considering a more ambitious recycling capacity target of at least 20% of the annual consumption of strategic raw materials in the EU aiming at full circularity in future; points out, however, that it might be more useful to specifically define recycling capacity, not only in general terms, but also for individual raw materials;
8. supports the goal of circular resource use and therefore welcomes the European Commission's proposed Ecodesign Regulation, which not only determines durability, reusability, upgradability, reparability and higher recycled content for more sustainable products, but also makes relevant sustainability information available to consumers via a carbon and environmental footprint and a digital passport. Information on the sustainability and origin of critical and strategic raw materials in a value chain could also be taken into account in a way that ensures competition and is low in red tape. Viable measurement and certification systems can make a significant contribution to this;
9. believes that reducing the use of critical raw materials through efficiency gains along value chains must also be part of the solution for European security of supply. In order to increase resilience of the Union in the context of the anticipated sharp increase in demand for certain raw materials worldwide, particularly with regard to the development of certain strategic technologies, the Union should take anticipative measures to mitigate the expected increase in the consumption of

critical raw materials compared to projections, without compromising the achievement of the objective enshrined in the Climate Law and in accordance with the necessary reinforcement of the Union's strategic autonomy. These policy measures should take into account social impacts and redistributive effects;

- 10. stresses that only by means of a strong, competitive EU Supply Chain Act that is low in red tape, also covering the financial sector, can influence be exerted on commodity traders, exchanges and off-exchange metal trading venues; underlines that sustainability standards and human rights and environmental due diligence requirements must be met in supply chains in a way that is consistent, competitive and low in red tape;**
- 11. welcomes the proposed objective of diversifying European imports, under which no more than 65% of raw materials should come from a single country of origin; therefore supports the launch of strategic cooperation with reliable partners who contribute to stable value chains with mutual benefits and compliance with environmental, social, human rights, labour and governance standards;**
- 12. underlines that raw materials strategies and plans by Member States and local and regional authorities can make significant contributions to safeguarding domestic raw material supplies;**
- 13. advocates the need to strengthen the role of local and regional authorities in the Commission's proposal, as the impact of the Regulation will be felt locally. This concerns both the value added and employment effects as well as the environmental and social impacts of projects, which also should be taken into account;**
- 14. agrees that spatial plans should consider the potential for implementing critical and strategic raw materials projects, as this could defuse potential conflicts at an early stage, but also stresses that revising such plans is a lengthy and burdensome process;**
- 15. underlines the role of local and regional administrations, which should be seen as important representatives of people potentially affected by strategic projects;**
- 16. Stresses the importance of the meaningful involvement and active participation of affected communities all along the project, in particular of local communities and indigenous communities concerned;**
- 17. supports the consideration of public strategic stockpiling as a contingency measure in the event of supply disruptions, but proposes that this stockpiling be**

decentralised for policy and security reasons. The need to involve LRAs in national and EU policy development, as well as the need for direct access to funding for LRAs in order to increase energy efficiency and boost renewable energy sources. The location of sites should be decided in close cooperation with local and regional authorities, as they can contribute to the necessary security-related information and draw on existing cross-border cooperation structures;

18. further proposes that an audit be carried out, on the basis of a vulnerability analysis conducted by the European Commission's Observatory of Critical Technologies, of the private raw material stockpiles of businesses that rely on input from critical and strategic raw materials. These are intended to mitigate supply risks and ensure business continuity;
19. calls for further development of research and innovation on raw materials extraction, processing and recycling, with a particular focus on sustainability, diversification and substitution, in order to align security of supply with the latest scientific evidence on the economic, climate and environmental implications of certain raw materials;
20. stresses that the launch of research and extraction projects entails a major financial risk and that their planning, investment and operating costs may therefore be dependent on public financial support; calls, therefore, for public funding opportunities to be designed in such a way that preliminary studies are already regarded as aid projects as part of environmental aid or, in the case of projects involving regions from different Member States, as important projects of common European interest;
21. recognises that public opposition to new projects, especially in the area of raw materials extraction, remains one of the biggest obstacles; stresses therefore that the involvement of local and regional authorities, given their proximity to citizens and relevant stakeholders, can play an important role in gaining public approval and so calls for them to be involved even at the project planning stage;
22. supports the creation of the European Critical Raw Materials Board to monitor compliance with the directives; regrets, however, that the European Commission has not provided for an explicit role for European local and regional authorities in this Board; calls on the European Commission, therefore, to extend the membership of the European Critical Raw Materials Board to include a representative of European local and regional authorities, appointed by the CoR;
23. stresses the need for equal treatment of climate objectives with other environmental, economic and social objectives and therefore calls on the

Commission and the Critical Raw Materials Board to develop viable benchmarks with a view to safeguarding maximum ecological standards along value chains to protect biodiversity, air, water, soil and forests, including for strategic projects with fast-track permitting procedures;

- 24. supports the European Commission's intention to lay down rules for calculating and verifying the environmental footprint of different critical and strategic raw materials. Transparent, competitive procedures for categorisation with limited red tape, as long as they are updated in line with the latest scientific evidence, will help achieve the EU's climate and environmental objectives and gain public approval;**
- 25. welcomes the fact that the European Commission has accompanied its proposal with a detailed subsidiarity assessment grid¹; supports its conclusion that the proposal is in line with the subsidiarity principle, as Member States acting alone would be unable to properly achieve the Regulation's objectives. The CoR is also on the same page as the European Commission with regard to the proportionality of the proposal and the choice of a Regulation as a legal instrument. Nevertheless, the CoR regrets in principle that the Regulation's legal basis of Article 114 of the Treaty on the Functioning of the European Union does not provide for its mandatory consultation.**

Brussels, 6 July 2023

The President
of the European Committee of the Regions

Vasco Alves Cordeiro

The Secretary-General
of the European Committee of the Regions

Petr Blížkovský

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023SC0160>.

III. PROCEDURE

Title	Critical raw materials package
Reference document	Communication from the Commission – A secure and sustainable supply of critical raw materials in support of the twin transition – COM(2023) 165 final 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 and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/1020 – COM(2023) 160 final
Legal basis	Own-initiative, Article 307(3) TFEU
Procedural basis	Rule 41(b)(i) RoP
Date of Council/EP referral/Date of Commission letter	European Commission letter dated 17 March 2023 European Parliament's letter dated 11 May 2023 (on COM(2023) 160 final)
Date of Bureau/president's decision	13 April 2023
Commission responsible	ECON-VII - 7th Mandate - Commission for Economic Policy (ECON)
Rapporteur	Isolde Ries (DE/PES), Mayor of West Saarbrücken District
Discussed in commission	7 June 2023
Date adopted by commission	N/A
Result of the vote in commission (majority/unanimity)	N/A
Date adopted in plenary	5 July 2023
Previous Committee opinions	– Opinion on the <i>Action Plan on Critical Raw Materials</i> (ECON-VII/011), March 2021, rapporteur: Isolde Ries (DE/PES)
Subsidiarity reference	Subsidiarity check - yes Subsidiarity compliance - yes