

The European Commission has unveiled the new regulation yesterday, setting targets for the production, refining and recycling of [key raw materials](#) needed for the green and digital transitions.

The Critical Raw Materials Regulation marks yet another step in the EU's intention to revamp its reindustrialisation and competitiveness agenda, after a year marked by high energy costs, supply chain disruptions, and the United States' implementation of a large-scale **Inflation Reduction Act** (IRA) investment plan.

Commissioners Valdis Dombrovskis and Thierry Breton, who jointly lead on the file, have one key objective in mind: reducing Europe's reliance "on imports, often from quasi-monopolistic third country suppliers", they said at a press conference in Brussels. Securing supply chains of critical and strategic raw materials is also a crucial element of any effective green transition.

Demand for rare earth metals for wind turbines is expected to increase 4.5-fold by 2030. Lithium, a key element of batteries in electric vehicles and devices, shall see its demand increase 11-fold by 2030, and 57-fold by 2050, according to Commission's estimates – yet only a small proportion comes from EU mines.

The largest estimated [lithium deposits](#) in Europe are, respectively, in Germany, the Czech Republic and Serbia, with other countries falling far behind. However, the deposits in Germany, in the Rhine Valley in the southwest of the country, are located at great depths and require new extraction technologies that, among other things, can cause earthquakes, and whose ecological and economic sustainability is still not sufficiently explored.

In 2021, Serbia started negotiations on chapter 15, which concerns energy matters, and which, as the Ministry for European Integration writes, implies "implementation of the relevant legal acquis of the European Union in energy, environmental protection, use of renewable energy sources and protection of competition" in the Republic of Serbia.

It remains to be seen whether this new European regulation will once again raise the issue of the [Jadar lithium project](#).

Source: Serbian Monitor