

EUROPEAN  
RAW MATERIALS  
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ERMA

# UNFC classification of ERMA investment cases progress report and recommendations

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## The Critical Raw Materials Act (CRMA)

Signed into law by the European Council, entry into force in early May 2024

Projects of 'strategic importance' to be fast-tracked in terms of permitting and financing

€6 billion funds established by France, Germany and Italy (and €30 million by Ireland)

How will the projects be evaluated and selected?

***ERMA has been using the UNFC classification for decision-making (internal evaluation and project selection)***

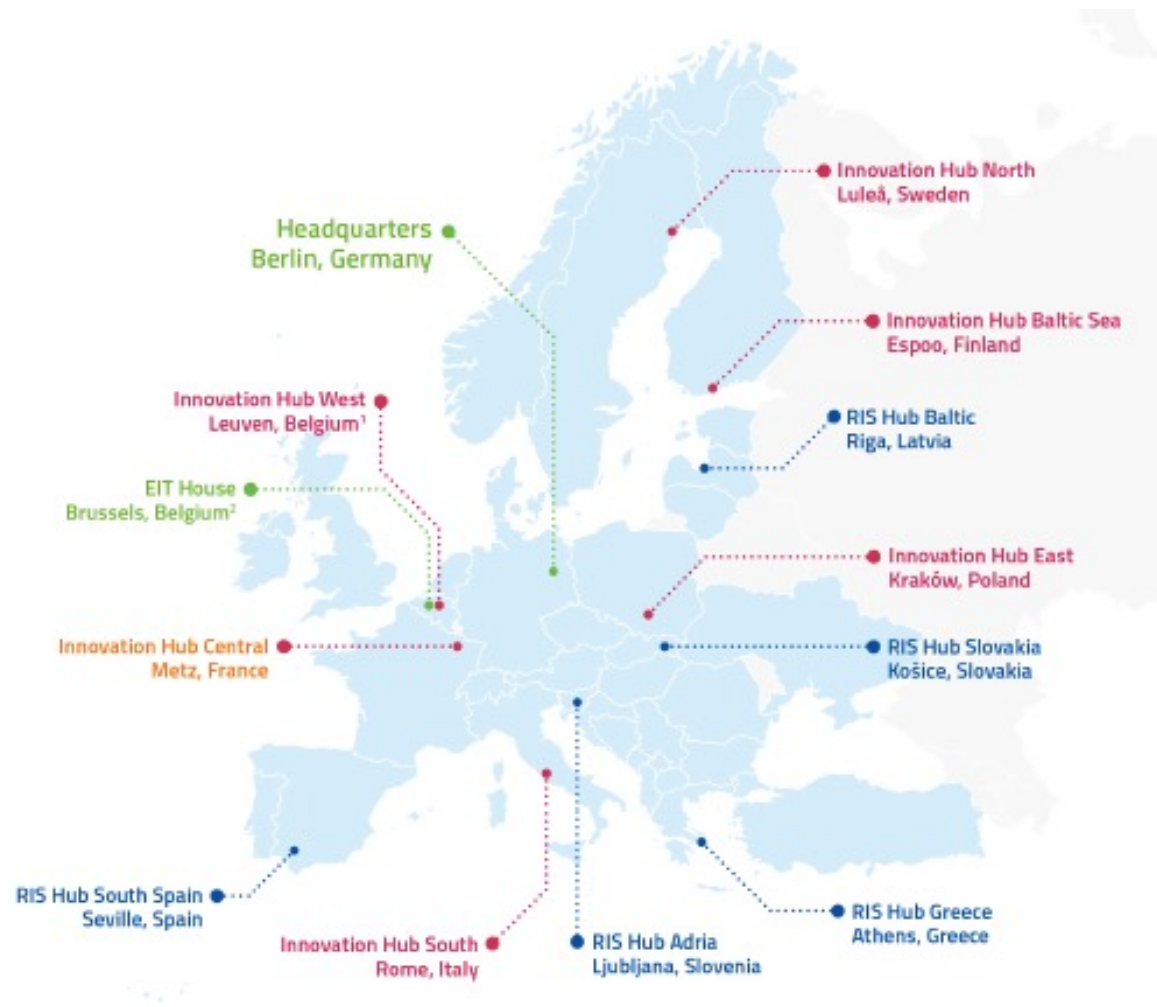
# EIT RawMaterials at a Glance

World's Leading  
Partner Network

**300+**  
MEMBERS

**400+**  
START-UPS

Entire Value  
Chain Coverage



EUROPEAN  
RAW MATERIALS  
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**ERMA**

**eit** RawMaterials  
Connecting matters



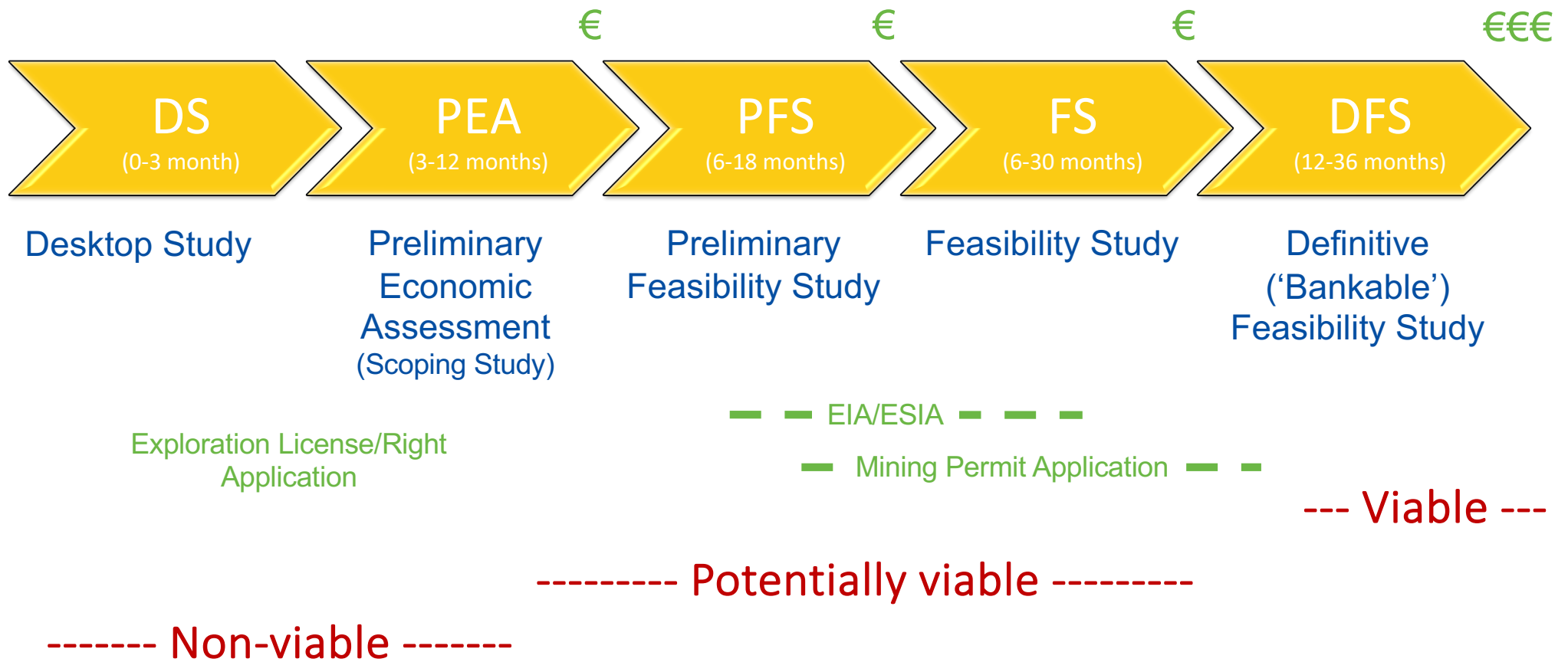
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## ERMA IMPACT TO DATE

- > 800 partners, strong policy drive
- REE Action Plan released on 30 September 2021
- Input into CRMA
- Materials for Energy Storage and Conversion Action Plan released on 15 May 2023
- > 100 investment cases screened, > 40 can be de-risked and advanced to bankable stage, > € 20 billion investment value

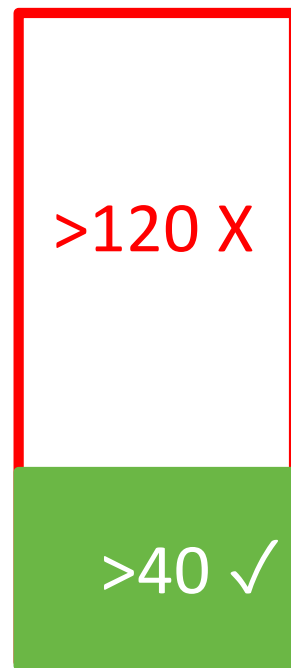


# Early stages of a mining project (typically 2 to 8 years)



# ERMA UNFC classification process

>160 projects  
screened



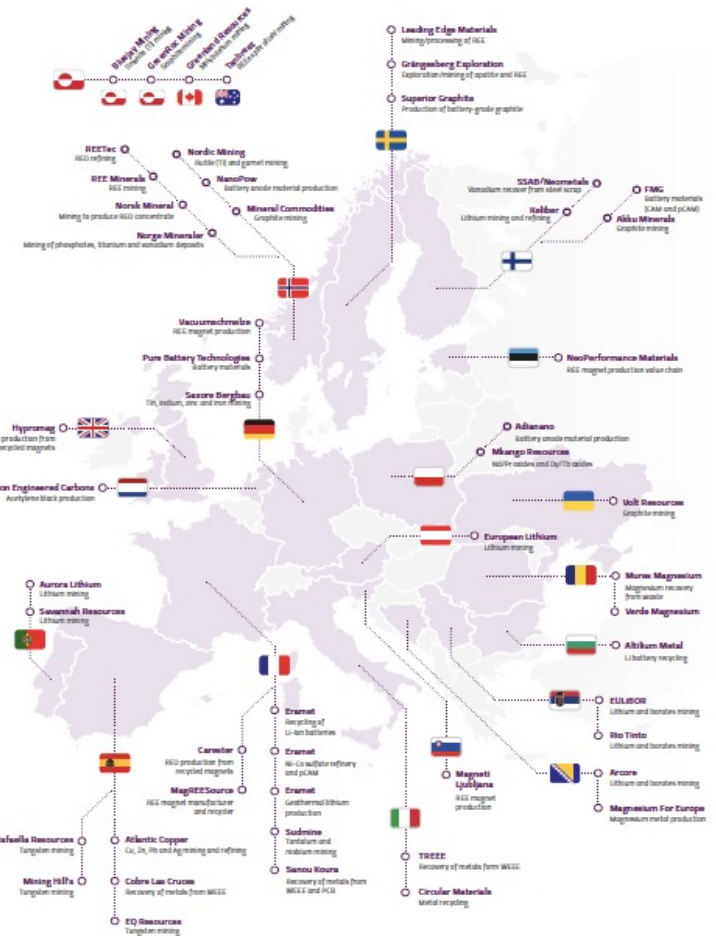
E1.2 F1.3 G2	Viable
E1.2 F1.3 G2	Viable
E1.1 F1.3 G1	Viable
E1.1 F1.3 G1	Viable
E1.2 F1.2 G1	Viable
E1.2 F1.2 G3	Viable
E1.2 F2.1 G2	Potentially viable
E1.2 F1.2 G1	Potentially viable
E1.2 F2.1 G1	Potentially viable
E2 F1.3 G1	Potentially viable
E1.2 F2.1 G1	Potentially viable
E2 F2.1 G1	Potentially viable
E2 F2.1 G2	Potentially viable
E3.2 F2.1 G1	Potentially viable
E1.2 F2.1 G1	Potentially viable
E2 F1.3 G1	Potentially viable
E1.1 F2.1 G2	Potentially viable
E1.2 F2.1 G2	Potentially viable
E2 F2.1 G3	Potentially viable
E2 F2.1 G2	Potentially viable
E1.2 F2.1 G2	Potentially viable
E2 F2.1 G2	Potentially viable
E2 F2.1 G3	Potentially viable
E2 F1.3 G1	Potentially viable
E2 F2.1 G3	Potentially viable
E2 F2.1 G3	Potentially viable
E2 F2.1 G3	Potentially viable
E3.2 F3.1 G3	Non-viable
E3.2 F3.1 G3	Non-viable

**40% viability**  
subject to issue  
of permits

# ERMA UNFC classification process – obstacles

1. *Insufficient* (too early) *or incorrect* (unprofessional; misleading) *information*
2. *KYC is not considered* – lack of transparency on ultimate beneficiaries; financial position; convoluted company structures; sanctions; corruption risk;
3. *Site visit is not required and/or may be problematic*

It may be difficult to explore financing solutions



## ERMA UNFC classification process – experience to date

1. *Highly versatile* – applies to primary, secondary, processing, manufacturing, recycling – early to late stage
2. *Simple and fast* – desktop ‘light due diligence’, but requires moderate knowledge of the project. **KYC (sanctions, beneficiaries, etc.) and site visit should be included**
3. *Easy to understand* – **but not for potential investors; indication of development stage should be included; viability ≠ bankability**
4. *Useful to identify next steps* – and advance the project towards full viability
5. *A starting point* – not the end of the process



SUSTAINABLE  
DISCOVERY AND SUPPLY



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