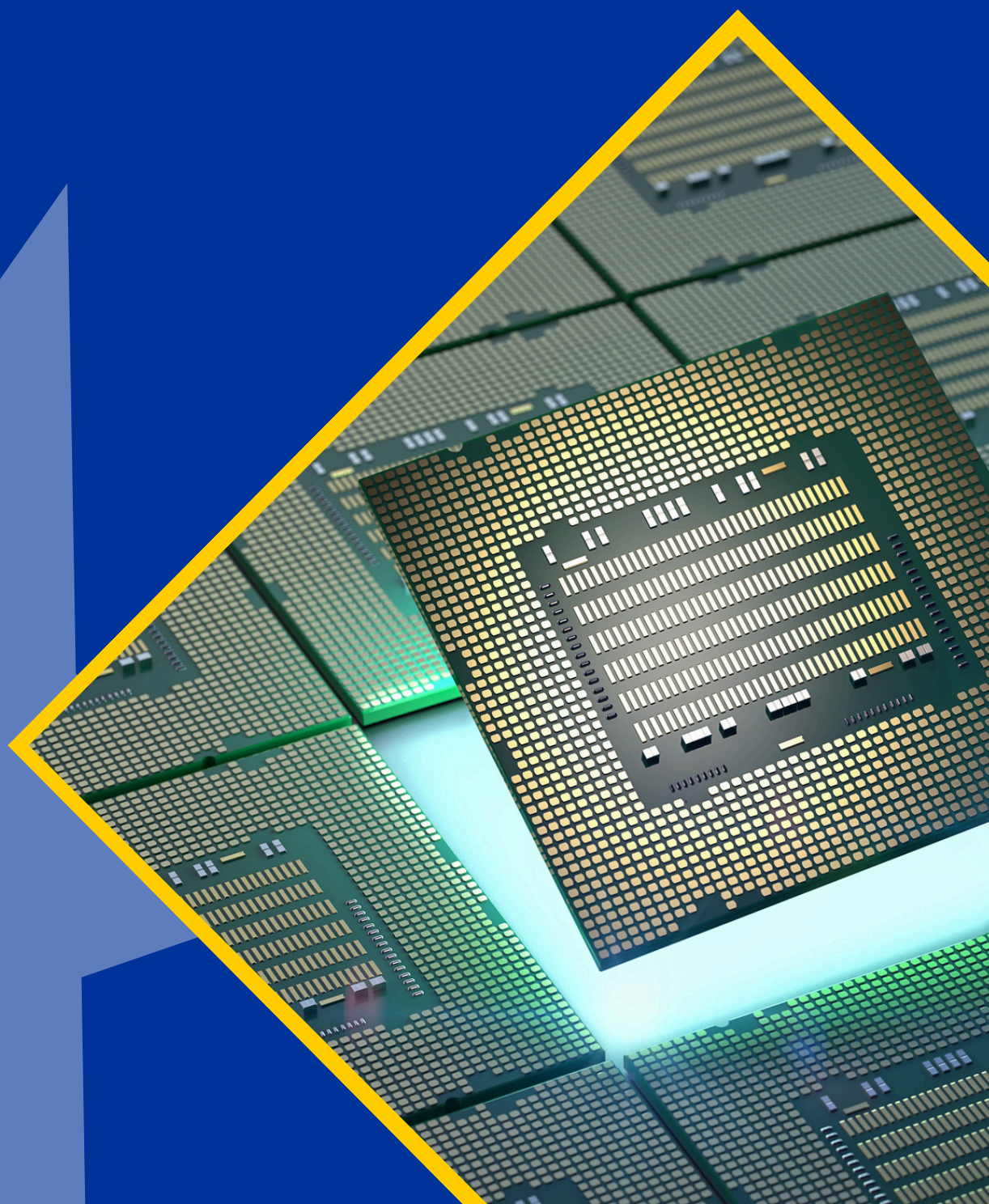


Position Paper

# RESourceEU Action Plan

DECEMBER 2025



## Introduction

The Malta Business Bureau welcomes the publication of the RESourceEU Action Plan and supports the European Commission's objective to strengthen the EU's resilience, competitiveness, and economic security. Considering increasing global competition and geopolitical instability, securing sustainable access to Critical Raw Materials (CRMs) is essential for the twin transition and the defence sector.

While we endorse the high-level goals of the plan, we wish to highlight specific implications for Malta and raise concerns regarding market interventions that may disrupt commercial autonomy.

## Security of Supply and Joint Purchasing

MBB strongly supports the establishment of the **European Critical Raw Materials Centre** and the **Joint Purchasing** mechanism. For smaller Member States with limited individual market influence, joint purchasing is a vital tool which helps mitigate the risks of price volatility and ensures equitable access to materials that might otherwise be monopolized by larger market players.

MBB likewise agrees with the prioritization of coordinated stockpiling. An overreliance on single-source suppliers, for instance, in Asia (particularly for semiconductors and related raw materials) poses a significant risk in the event of regional escalation. The urgency of this measure is compounded by the surging demand from the AI sector, which is placing unprecedented strain on global supply chains.

## Strategic Projects and Funding Accessibility

While MBB welcomes the mobilization of €3 billion in EU funds, the potential for **Strategic Projects** is limited in Malta's context due to our geographical size and industrial scale, which face inherent challenges in hosting large-scale extraction or processing facilities, often requiring significant space and capital.

Adequate funding streams must be maintained and ring-fenced for activities that smaller Member States are well-positioned to fulfil, such as niche R&I, circularity initiatives, and specific technological components of the value chain.

## Circularity and Export Restrictions

**MBB has significant and serious reservations regarding the proposal to restrict exports of scrap materials** (e.g., permanent magnet scrap, black mass, aluminium).

The decision of where to sell waste material is **fundamentally commercial**. It is not the prerogative of the EU to dictate market destinations to private enterprises. Sales to non-

EU buyers are often driven by better pricing and market availability, and restricting this freedom interferes with the principles of free trade.

Enforcing export restrictions will inevitably **distort cost structures** for EU companies and introduce **inflationary pressures**. Should the EU pursue these restrictions to retain feedstock, it must be accompanied by robust financial support mechanisms to compensate companies for the loss of competitive global pricing.

### **Supply Chain Diversification and Corporate Governance**

Regarding the amendments requiring large companies to diversify supply chains, we advocate for a supportive rather than prescriptive approach. It is inherently in a company's commercial interest to diversify supply chains to ensure resilience.

The reference to 'requiring large companies' should be avoided, and instead the focus should be on **incentivizing diversification** and reducing the barriers to entering new markets, rather than imposing additional mandatory risk assessments which may increase the administrative burden on European industry.

### **Protecting the Single Market and Investment Control**

MBB notes the proposal to integrate CRMA Strategic Projects into the Foreign Direct Investment (FDI) Regulation. **Caution is advised regarding the terminology of "control" over foreign investments.** We request further clarity on the Commission's specific intentions to ensure that legitimate investment flows are not impeded under this premise.

### **International Partnerships**

Finally, we fully endorse the expansion of **Strategic Partnerships** with third countries. These should be actively promoted within the framework of existing trade and association agreements. Strengthening ties with the Mediterranean and Western Balkans, alongside G7 and G20, is the most effective path toward long-term supply security.

For questions or more detailed information please contact Head of Projects & Sustainability Gabriel Cassar on [infobrussels@mbb.org.mt](mailto:infobrussels@mbb.org.mt)

*The Malta Business Bureau is the EU advisory organisation of;*



*and a partner of the Enterprise Europe Network;*

