A European Resilience Mechanism for Strategic Industrial Materials

Joint industry statement | November 2026

The European Union should establish a coordinated program to protect the supply of strategically indispensable industrial materials that fall outside the EU lists of critical and strategic raw materials when access is threatened by war, export restrictions, economic coercion or other serious geopolitical disruptions. The program should draw on the appropriate legal, trade, investment, procurement and emergency instruments. Any measure should be designed around the resilience of the full European value chain, including downstream users, rather than the interests or representation of a single sector.

A gap in Europe's economic security framework

Europe's industrial resilience depends not only on minerals extracted from the ground, but also on processed and synthetic materials that enable advanced manufacturing. Some of these materials are used in small volumes and do not meet the methodology or review timetable of the Critical Raw Materials Act. Their absence from a fixed list does not make them substitutable, readily available or non-strategic. A disruption can stop production in sectors whose economic and security importance is far greater than the value or volume of the materials used themselves.

The inexistant European supply of industrial diamonds illustrates this potential gap. Used in precision cutting, grinding, lapping and polishing, this synthetic material supports a range of industrial manufacturing processes. For affected European businesses, concentrated upstream supply, limited substitutability in certain applications and lengthy qualification procedures can create vulnerabilities. **Measures providing temporary relief must be accompanied by action to address Europe's structural dependence on a limited number of supplying countries.** Such dependencies warrant assessment on the basis of evidence provided by the industries concerned.

Europe's immediate exposure is both material and operational: high dependence on Chinese upstream supply, limited ability to qualify substitutes quickly, and potential constraints on the equipment and know-how needed to build alternative capacity.

The policy and supply chain gap

Rebuilding Europe's industrial capacity requires identifying critical points across supply chains, financing industrial projects and protecting access to essential inputs. Existing EU instruments address parts of this task, but leave gaps for strategic industrial materials outside established lists.

Identification: The *Critical Raw Materials Act* provides monitoring, stress testing and support for strategic projects, but its list-based scope leaves non-listed synthetic materials without a sufficiently rapid route to recognition and coordinated action when a supply threat emerges.

Financing: The *Innovation Fund* supports innovative low-carbon and net-zero technologies. It is not a general financing instrument for rebuilding strategic industrial capacity: projects whose primary purpose is supply security may fall outside its scope. Recognition of a critical dependency therefore needs to be connected to appropriate investment support.

Supply protection and diversification: The Commission's recent diversification in *Trade Instruments* is welcome, but rebuilding capacity also requires identifying bottlenecks and financing viable alternatives. Trade defence addresses harmful imports, not export restrictions. Supply-security measures must preserve affordable access for downstream users until qualified alternatives are available.

The relevant legal instruments must advance in parallel and operate coherently, so that identification, financing and protection reinforce one another and jointly address supply, investment and competitive pressures across the full value chain.

Rapid identification of strategic industrial materials

We call on the European Commission, the European Parliament and the Council to establish a focused mechanism through an appropriate legal instrument. The mechanism should contain three elements.

Rapid temporary designation	Allow the Commission, building on existing JRC/RMIS monitoring, to temporarily designate a non-listed material as a **Strategic Industrial Material at Risk** where **EU dependency on one or two third countries exceeds a defined threshold** and an actual or imminent disruption threatens strategic EU value chains. The assessment should also consider strategic end uses, supply concentration, substitutability, qualification lead times and European production capacity, with a fast-track assessment and regular review.
Whole-chain mapping and representation	Map production capacity, imports, intermediate processing, specialised tools, inventories and demand by end use. The assessment and consultation process should include downstream users, small and medium-sized enterprises and sectors without a large representative association.
Activation of relevant EU instruments	Designation should trigger a **rapid assessment and coordinated use of the existing EU toolbox** to support affected value chains. Where the applicable legal conditions are met, this could include measures under the Critical Raw Materials Act, trade defence instruments, State-aid frameworks, EU funding and financing instruments, strategic stockpiling, joint purchasing and supply diversification measures.

Supply continuity and long-term resilience

The European Commission and Member States should pursue a lasting arrangement with affected industries and relevant international partners to support predictable and reliable access to strategic industrial materials. Where supply risks are identified, the response should combine engagement with supplying countries, practical measures to maintain supply continuity and support for diversification.

The Commission should support diversified supply agreements, qualification of alternative sources, proportionate strategic stocks and investment in new or expanded commercially viable European production capable of supplying downstream users at competitive prices. These measures must be calibrated to actual European capacity and preserve access for downstream users while domestic supply is developed.

The Commission should establish, in consultation with affected industries, a coordinated action plan setting out priority projects, financing options, responsible authorities and implementation milestones.

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Co-signatories

Aegis Europe
Manufacturing for the Union

Aispec – Federchimica
Associazione Nazionale Imprese Chimica Fine e Specialità

ANFA
Asociación Nacional de Fabricantes de Abrasivos

BAF
British Abrasives Federation

CECIMO
European Association of Manufacturing Technologies

CLEPA
European Association of Automotive Suppliers

EPMA
European Powder Metallurgy Association

EPSA
European Producers of Specialty Aluminas

EPTA
European Tool Association

Evolis
Acteurs de l'industrie en mouvement

FEPA
Federation of European Producers of Abrasives

FIM
Fédération des Industries Mécaniques

FWI
Fachverband Werkzeugindustrie e.V.

Pôle européen de la céramique

SEMI
Semiconductors Europe

Sercobe
Asociación Nacional de Fabricantes de Bienes de Equipo

SiCMa
Silicon Carbide Manufacturers

SNAS
Syndicat National des Abrasifs et Superabrasifs

VDS
Verband Deutscher Schleifmittelwerke

WKO
Fachverband der Stein und keramischen Industrie