

A3M & European Metals position on Rare Earth Permanent Magnet scrap export ban

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A3M and European Metals joining forces for Rare Earth Permanent Magnets

A3M - Alliance Minerais Minéraux et Métaux (Alliance of Ores, Minerals and Metals) - and European Metals - representing nonferrous metals companies and association operating in Europe - decided to jointly ask for a scrap ban with regards to Rare Earth Permanent Magnets.

I. Rare earth permanent magnet value chain: the critical issue of scrap exports

Europe is facing a critical issue affecting the development of a sustainable and competitive rare-earth permanent magnet value chain in Europe: the ongoing export of magnet scrap and components containing rare-earth permanent magnets.

The European rare-earth magnet market remains at an early stage of structuring, with industrial players only beginning to scale up operations. In such a nascent ecosystem, the uncontrolled export of valuable secondary raw materials significantly undermines the ability to establish resilient recycling loops and secure domestic supply chains, as target by the Critical Raw Material Act.

II. Rare earth permanent magnet value chain: a necessary time to act

Unlike large, mature markets such as steel, aluminium and other metals, the rare-earth magnet sector is too small for mechanisms such as export fees to be effective. Therefore, it is important to distinguish the rare-earth permanent magnet scrap value chain from more mature metal scrap, such as steel, aluminium and copper scrap. In light of this, and at this stage, a clear, strong, and comprehensive regulatory signal is required.

- **We therefore advocate for a broad export ban on scrap materials containing rare-earth elements for magnets**, rather than partial or highly detailed measures that could be easily circumvented.

Indeed, current practices show that exports are often misclassified under categories such as “new magnets,” “ferrous materials,” or “metallic goods,” allowing traders and recyclers to bypass existing controls. To ensure effectiveness, any restriction must be sufficiently wide in scope to prevent such loopholes.

A key prerequisite is to clearly define what constitutes “rare earth permanent magnet scrap.” This term is frequently confused with pre-consumer or post-consumer recycling streams of RE magnets.

- **We propose that the scope of the ban should include:**
 - **Manufacturing scrap from** RE magnet producers, including swarf, machining sludge, and used powders, which are highly sought after outside Europe
 - **Industrial scrap from** downstream users of RE magnets, including both loose RE magnets (broken, magnetized or not) and components containing RE magnets (e.g., electric motor rotors, loudspeaker assemblies, and other subcomponents), generated across a wide range of industries assembling or importing products into Europe.
- **In addition, the creation of dedicated customs (HS) codes, complemented by corresponding waste and tariffs codes, are essential to enable proper monitoring and enforcement at EU borders.** This would allow authorities to better track flows and prevent indirect exports via third countries before reaching final destinations.

While we acknowledge that some level of circumvention may persist, we believe that a clear export ban would already have a strong structuring effect on most industrial players, incentivizing the development of local recycling capacities and reinforcing the European raw materials strategy.

This measure is a necessary step to ensure that strategic resources remain within Europe and contribute to building a robust, circular, and sovereign magnet ecosystem.

Conclusion

There is a strong willingness to achieve resilience and industrial autonomy in Europe in numerous technologies related to equipment enabling the twin transition. Rare earth permanent magnets are clearly part of the list. A number of projects emerging in Europe need to meet the appropriate conditions to be successful and actively contribute to the various objectives set by EU acts and regulations.

Consequently among the various pillars necessary to strengthen these industrial projects a **broad export ban on scrap materials containing rare-earth elements for magnets together with the implementation of appropriate creation of dedicated customs (HS) codes** are instrumental.

A3M members of the rare earth permanent magnet value chain :

Caremag/Carester, MagREESource, Orano, REEFine technologies, Solvay

About A3M

A3M - Alliance Minerais Minéraux et Métaux (Alliance of Ores, Minerals and Metals) - represents companies operating in France in the fields of mining, metallurgy and steelmaking. A3M members account for almost all electric steel production in France, including companies involved in flat and long products, carbon steel, specialty and stainless steels, as well as producers of ductile cast iron products. A3M also represents industrial members based in France in the non-ferrous metals sector, including chromium, copper, indium, lithium, manganese, nickel, silicon, titanium, lead, zinc, precious metals and platinum group metals, battery metals and rare earths, permanent magnets, etc., whether active in extraction and/or metallurgy and/or recycling.

A3M and its members are key players in the European industrial base, serving as essential links in the decarbonisation process and in strengthening the strategic autonomy of sovereign sectors.

<https://www.a3ms.fr>

About European Metals

European Metals is an umbrella association representing the interests of the combined non-ferrous metals industry towards EU policy makers. We bring together the companies and associations shaping Europe's non-ferrous metals ecosystem: from upstream mining and refining to downstream use and high-quality recycling. By connecting technical expertise with policy action, we ensure that the importance of the metals sector is recognised, valued, and that our sector's future is secured.

For more information, visit our website: <https://europeanmetals.eu/>