

**Question for written answer E-005102/2021
to the Commission**

Rule 138

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Subject: EU Innovation Fund – rare earth and permanent magnet supply chains

The EU Innovation Fund is designed to help create the right financial incentives for investment projects in the next generation of technologies needed for the EU's green transition.

Its purpose is to focus on highly innovative technologies with European value added that can bring about a significant reduction in carbon emissions.

Electric vehicles will be a vital part of the EU's green transition and clearly align with the Innovation Fund's objectives. The permanent magnets that help power them will be key to the success of the electric vehicle revolution and represent a burgeoning new industry for Europe.

A recent publication by the European Raw Materials Alliance noted the strategic role that rare earths play in the electric vehicle industry and highlighted the disadvantages that the EU currently faces when it comes to their supply.

This demonstrates the intrinsic links between the EU's joint policy objectives of securing critical raw materials and supporting the green transition. There are some projects across the EU that could support these links if funding were available.

What consideration has the Commission given to extending the scope of the EU Innovation Fund to include rare earth and permanent magnet supply chains that are critical to European electric vehicle manufacturing?