

Dubí – Cínovec (CZ), 31st March 2025**PRESS RELEASE**

Statement of the CINVALD z.s. Regarding the European Commission's Granting of Strategic Project Status to Lithium Mining at Cínovec

The Czech non-profit organisation CINVALD z.s. expresses its **strong disagreement with the decision** of 25 March 2025, in which the European Commission declared lithium mining at Cínovec a strategic project under the Critical Raw Materials Act (Regulation (EU) 2024/1252, hereinafter "CRMA"). We believe that this **designation is premature, insufficiently considers key environmental, social, procedural, and national security aspects**, and moreover, it poses **significant financial risks to the Czech budget and taxpayers**.

Our main reasons for disagreeing with the status of the mining projects include:

1. Insufficient Demonstration of Project Sustainability

Article 6(1)(c) of the CRMA stipulates that a strategic project should be "**implemented sustainably**, in particular as regards the monitoring, prevention and minimisation of environmental impacts, the prevention and minimisation of socially adverse impacts through the use of socially responsible practices including respect for human rights... and meaningful engagement with local communities". Sustainability requirements are further specified in Annex III of the directive.

The lithium mining, transport, and processing project at Cínovec, as currently described in the available materials within the EIA process and in the materials submitted for the update of the Principles of Spatial Development (ZÚR), is **in direct contradiction with these requirements**. There is no final feasibility study demonstrating technical feasibility, no studies and expert opinions on environmental and climate impacts and no plans for monitoring and minimising impacts on nature and landscape. The risks of biodiversity loss, disruption of water ecosystems, and air and water pollution (including arsenic pollution) highlighted by experts have not been resolved.

2. Economic Profitability and Technical Feasibility

No relevant and final feasibility study has been submitted, and **the economic viability and technical feasibility of the mining projects have not yet been proven**. The project's financial viability is uncertain given the low concentration of raw materials in the ore, high investment and operating costs, the low market price of lithium, and the broader adoption of alternatives to Li-ion batteries. ČEZ, the owner of 51% of the shares in Geomet s.r.o., has postponed the decision on mining until 2025 presumably for economic reasons.

3. Insufficient Engagement of Affected Stakeholders

The EU principles for sustainable raw materials, emphasised in Recital 17 of the CRMA and related to Article 6(1)(c), stress the importance of "**meaningful engagement with local communities and relevant social partners**". We are deeply concerned that the **concerns and warnings of local communities and municipalities are being overlooked, and that even real and feasible demands of**

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local communities (e.g., the principle of one deposit-one mine, transport by rail) are **being rejected** for financial reasons or formally addressed superficially. The consultations and public information provided appear merely formal and incomplete. The public is not sufficiently and promptly informed about fundamental steps that will affect the lives of the affected communities and the state of the Ústí nad Labem Region. Despite the opposition of local communities and the critical stance of local authorities and the region, pressure for the implementation of the project is coming from the central government and the EU.

We consider this lack of sufficient public acceptance and meaningful stakeholder engagement a **serious failure** that contradicts the principles of the Aarhus Convention, which aims to guarantee public participation in decision-making on environmental issues.

4. Unprecedented Mining Volume with Unpredictable Negative Impacts

Geomet s.r.o. plans to mine 3.2 million tonnes annually of ore from the Czech side, while Zinnwald Lithium plans to mine 3 million tonnes annually from the German side. **This is an unprecedented scale of underground mining in the locality, which could have a devastating impact on the landscape, local nature, and human health.** For comparison, the maximum mining of tin ores in Altenberg in the mid-1980s was approximately 1 million tonnes per year, while the mining volume at Cínovec at that time was much lower. We note that the mining company has not yet adopted adequate measures to prevent adverse environmental and social impacts, including the risk of water loss and resettlement.

5. Neglecting Environmental Protection and Community Rights

The designation as a strategic project, which aims to accelerate and simplify the approval process, poses a risk of **harming key public interests in environmental protection**, including nature and landscape conservation, and **neglecting the rights of local communities**. This prioritising of raw material extraction over environmental and social interests contradicts the precautionary principle and the high level of environmental protection required by Article 191 of the Treaty on the Functioning of the European Union (TFEU).

6. Disputable Cross-Border Benefits

For projects within the Union, Article 6(1)(d) of the CRMA requires them to **“have cross-border benefits beyond the Member State concerned”**.

We believe that the parallel and independent planning of two underground mining projects and one surface mining project on the Czech and German sides will lead to a significant increase in negative impacts rather than foster tangible benefits. **The cross-border benefits appear to be unproven.** If the downstream chain will be exclusively in the Czech Republic, as claimed by the government and Geomet s.r.o., then for the territory of Germany, the mining project represents only negative impacts.

7. Potential Conflict with EU and Czech Environmental Legislation

We believe that granting strategic project status without a thorough and final assessment of environmental impacts could lead to future **violations of various EU environmental laws and directives as well as the Czech law** concerning water, biodiversity, air quality, waste management, the EIA process, etc.



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8. Concerns Regarding National Security and Czech National Interests

While the CRMA aims to ensure the supply of critical raw materials, the declaration of a specific mining project as “strategic” and the related obligations of Member States under the CRMA **should be carefully examined from the perspective of national security.**

Although Article 46(4) of the CRMA allows Member States to object to the disclosure of aggregated information on strategic stocks if it would compromise their national security interests, we are concerned that if the Czech Republic fulfils its obligations under the CRMA, it may pose risks to national security, which could be heightened in connection with the current geopolitical situation. At the same time, we believe that the procedures, obligations, and requirements under the CRMA may be in direct conflict with national interests. Mineral resources in our territory are the property of the Czech Republic according to § 5 of Act No. 44/1988 Sb., the Mining Act, and lithium mining should serve exclusively national interests, which is questionable given the ownership structure of Geomet s.r.o. (49% is owned by the Australian company European Metals Holding).

9. Risks of Funding from Public Budgets

The CRMA promises various ways of financing strategic projects; however, the **financial viability of this project without the use of subsidies and financial support has not been proven and remains uncertain.** Geomet s.r.o. has applied for funding from transformation funds (the Just Transition Operational Programme), and designating this project as strategic could pave the way for **further public funding, which would potentially burden the public budgets of the EU and the Czech Republic, and thus taxpayers.** Ore mining is costly and dependent on volatile global lithium prices, so there is a risk that **the project with uncertain economic benefits and significant negative environmental impacts will be ultimately paid by taxpayers.**

10. Disputable Contribution to Securing Strategic Raw Materials for the EU

Although one of the main goals of the CRMA is to guarantee the supply of necessary raw materials in the EU, it is not currently guaranteed that the lithium mining projects in the Ore Mountains will contribute to this goal. Given the ownership structure¹, there is **no guarantee that opening lithium mines in the Cínovec-Zinnwald locality will increase the security of supply of this raw material for the EU nor that the lithium will not be exported outside the European market.** On the contrary, due to the control over other mining projects, there is a risk of increasing the market share of some non-European players. The CRMA is intended, among other things, to lead the EU to meet its 2030 climate and digital targets. Access to sustainable supply of critical raw materials can also be ensured through recycling projects and research in this area is also underway in the Czech Republic.

The extraction, transport and processing of lithium as presented in the EIA process involve the consumption of millions of litres of fossil fuels per year, high energy intensity, the consumption of huge amounts of chemicals and significant emissions, regardless of the availability of more sustainable alternatives. It can be considered that the proposed extraction **will not meet one of the expected**

¹ The German project is managed by Zinnwald Lithium GmbH, which is not a German but a British company (thus outside the EU), and significant shares in this company are also held by Chinese companies (e.g., Ganfeng International Trading). European Metals Holding (EMH), the owner of 49% of Geomet s.r.o., which plans mining on the Czech side, is also a non-European entity listed on the stock exchanges in Australia and the UK. Australia mines and exports the largest amount of lithium, including huge quantities to China.



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objectives and proposed extraction, transportation and processing is unlikely to serve as a genuine decarbonisation lever to meet targets of the EU or the Czech Republic.

Conclusion

Civic organisations and initiatives on both sides of the Czech-German border have repeatedly draw attention of the Czech and German, respectively Saxon, governments and the European Union to the fundamental shortcomings of the mining projects in the Cínovec/Zinnwald locality and their negative environmental, social, financial, and security impacts. These shortcomings raise serious doubts as to whether the proposed lithium mining projects can be implemented sustainably and be profitable.

The CINVALD z.s. **urgently calls on the government and its members, individual ministries, members of the Parliament of the Czech Republic, and Members of the European Parliament to pay attention to strategic projects and the CRMA. We appeal to the government to reconsider promoting lithium mining**, as we believe that the project in its current proposed form **insufficiently meets sustainability criteria, lacks sufficient public acceptance, raises concerns regarding national security, and poses disproportionate financial risks to the public budget and taxpayers.**

We demand **a thorough and transparent assessment and consideration of more sustainable approaches in accordance with respect for human rights, the interests of stakeholders, the principles of environmental law, the Aarhus Convention, and national interests.** The prioritisation of ensuring the supply of raw materials and the interests of large industrial players must not be realised at the expense of the environment, human rights and the rights of local communities, national interests and security, or the responsible management of public finances.

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CINVALD z.s. is a non-political, non-profit organization established in 2017 in response to open-pit and underground lithium mining projects in Cínovec in the Ore Mountain, located directly within the NATURA 2000 area and near other protected sites. Its primary goal is to protect nature and the landscape while promoting civil society. The organization is actively involved in municipal and regional affairs and engages in awareness-raising and educational activities. Over the years, the association has been involved in numerous cases related to lithium mining and other large-scale projects in the area. CINVALD z.s. also highlights the negative impacts of mining projects not only on Cínovec itself—where water loss, subsidence, and pollution pose serious threats—but also on the wider surroundings and the already heavily devastated Ústí region. It also manages a website that informs the public about the environmental and social risks of lithium mining, as well as the controversies that accompany the permitting of mining.

<https://cinvald.cz>, <https://lithium-cinovec.eu/>



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