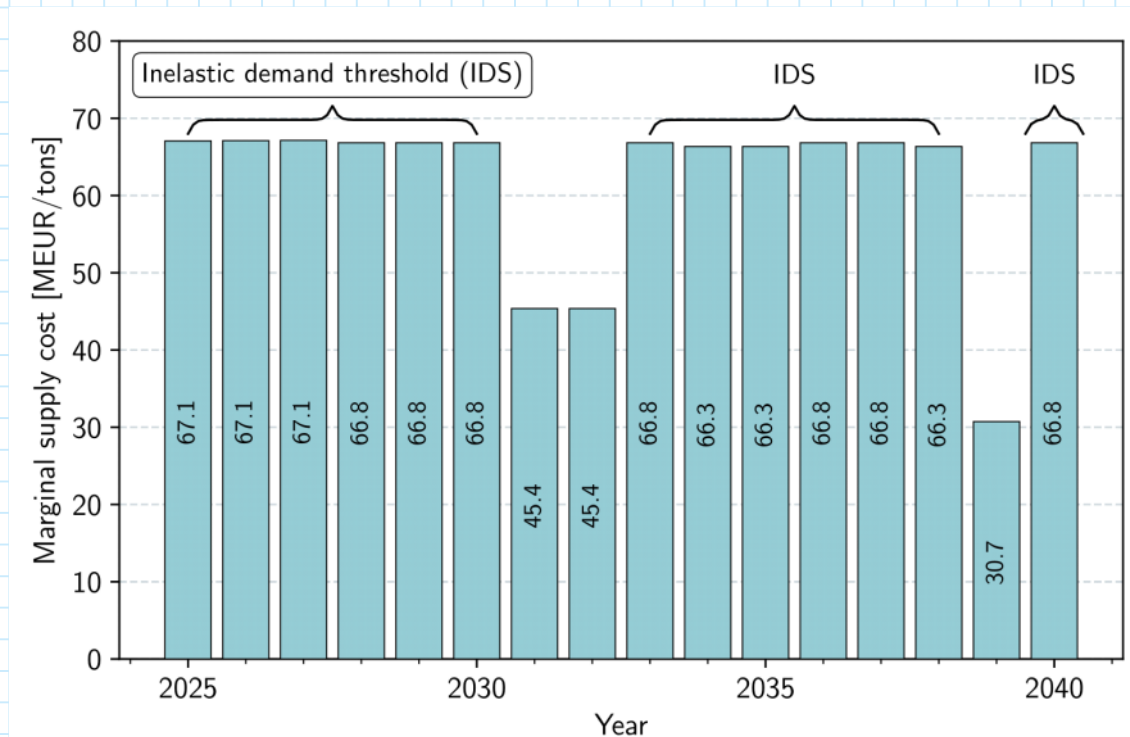


# Meeting about the result

Donnerstag, 7. März 2024 13:44

## 4.1 Marginal supply cost of the European market by 2040



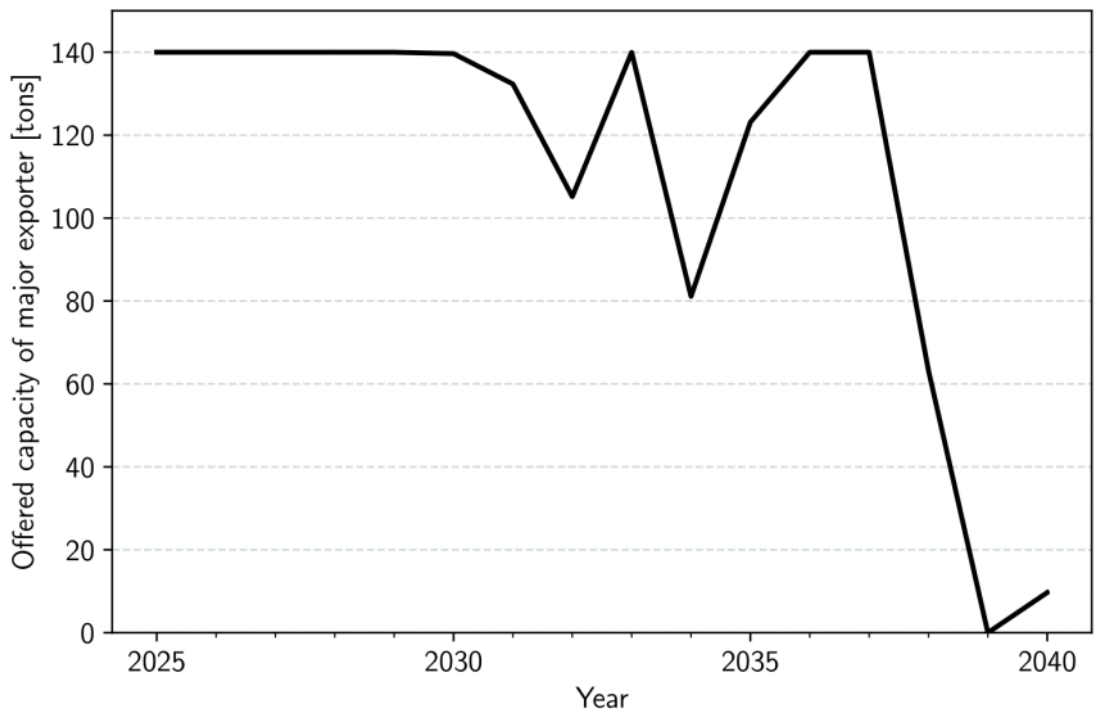
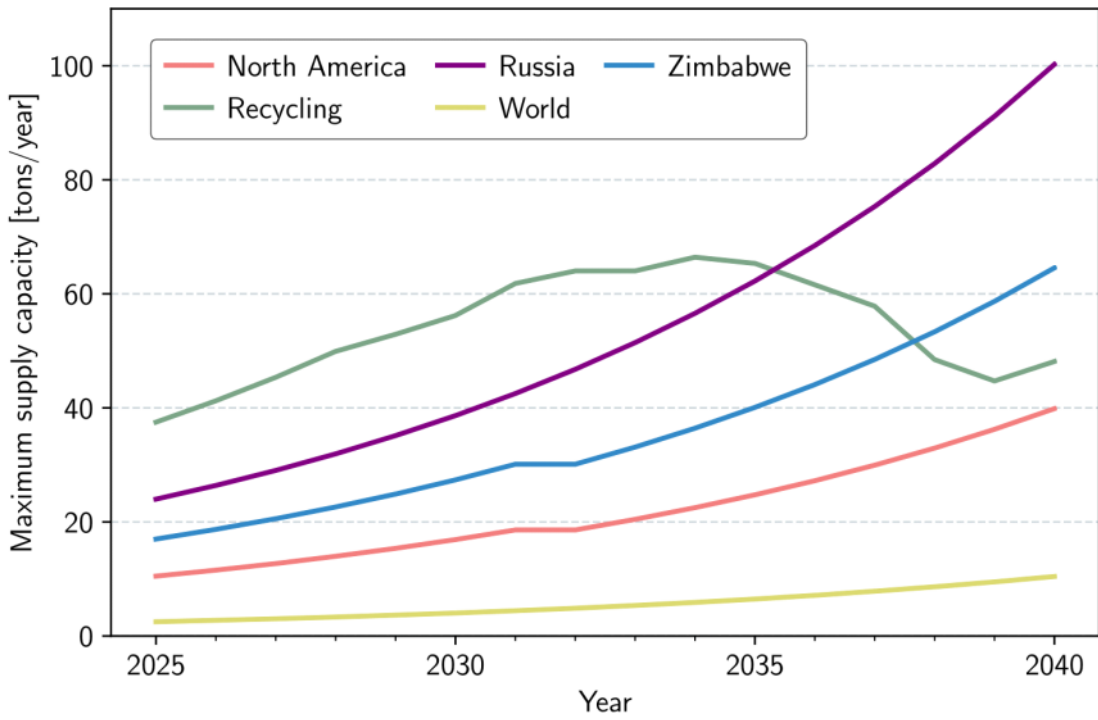
% ADD TABLE WITH THE SUPPLY SHARES OF THE DIFFERENT SUPPLIERS HERE!

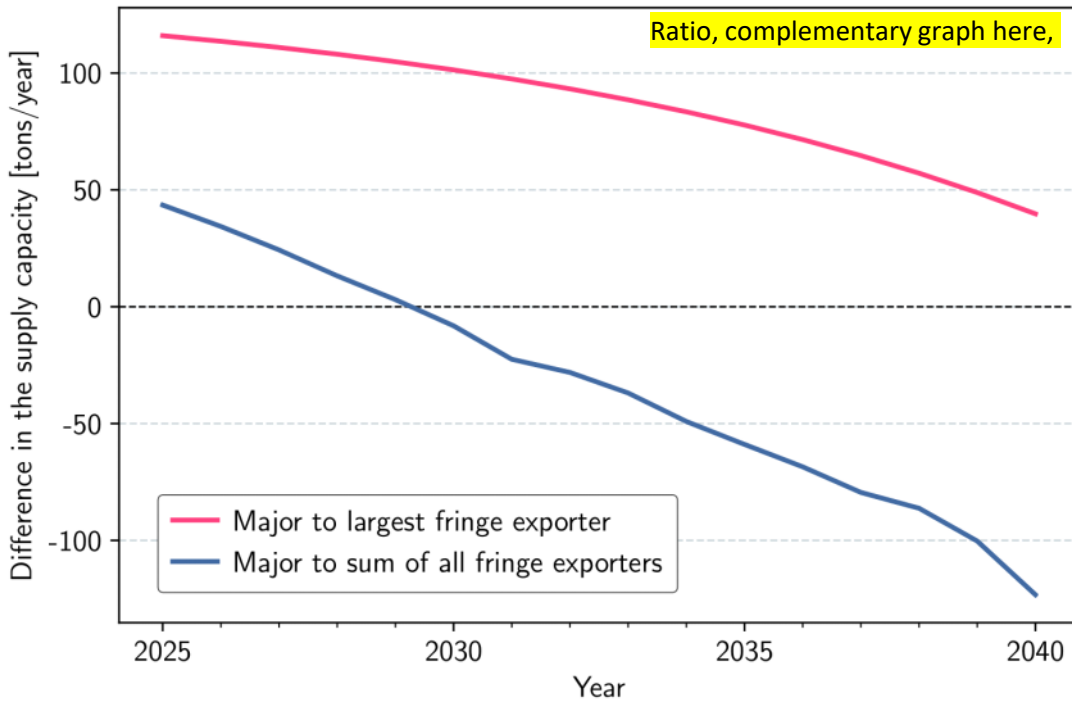
% e.g., Supply share of the major exporter: 43.5% (by 2030), 23.2% (2030-2035), and 35.2% (2035-2040)

% Explain here the assumptions on the "Inelastic demand threshold"

Limited recycling ==> Industry not there yet, but automotive!

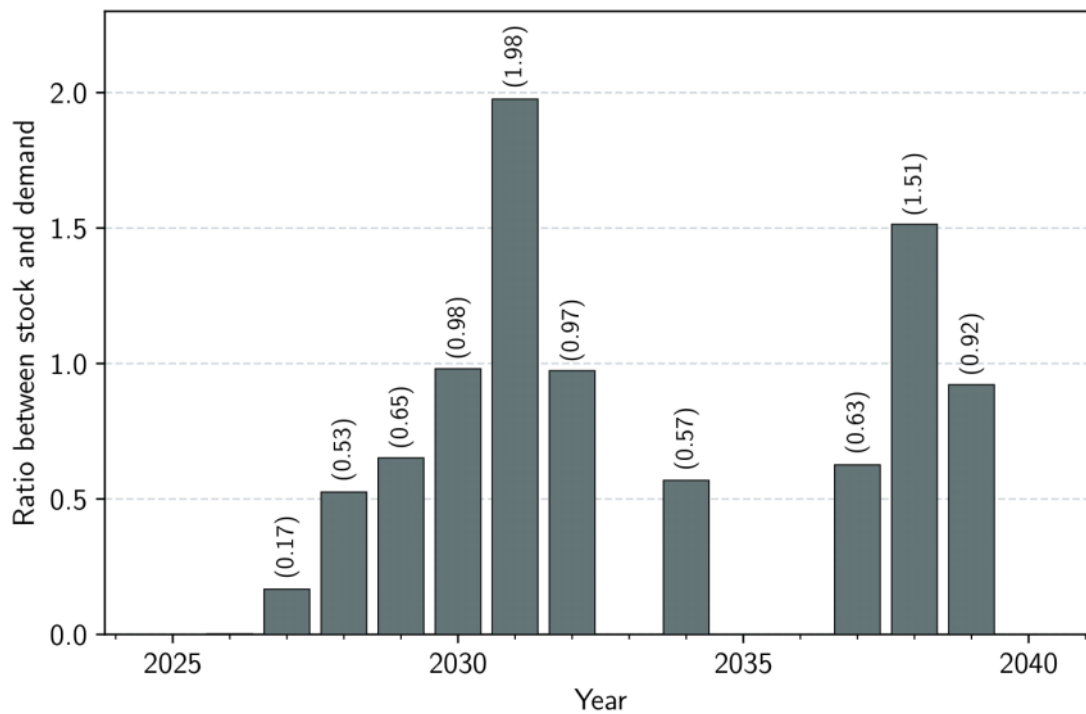
## 4.2 Development of the global export and supply capacities



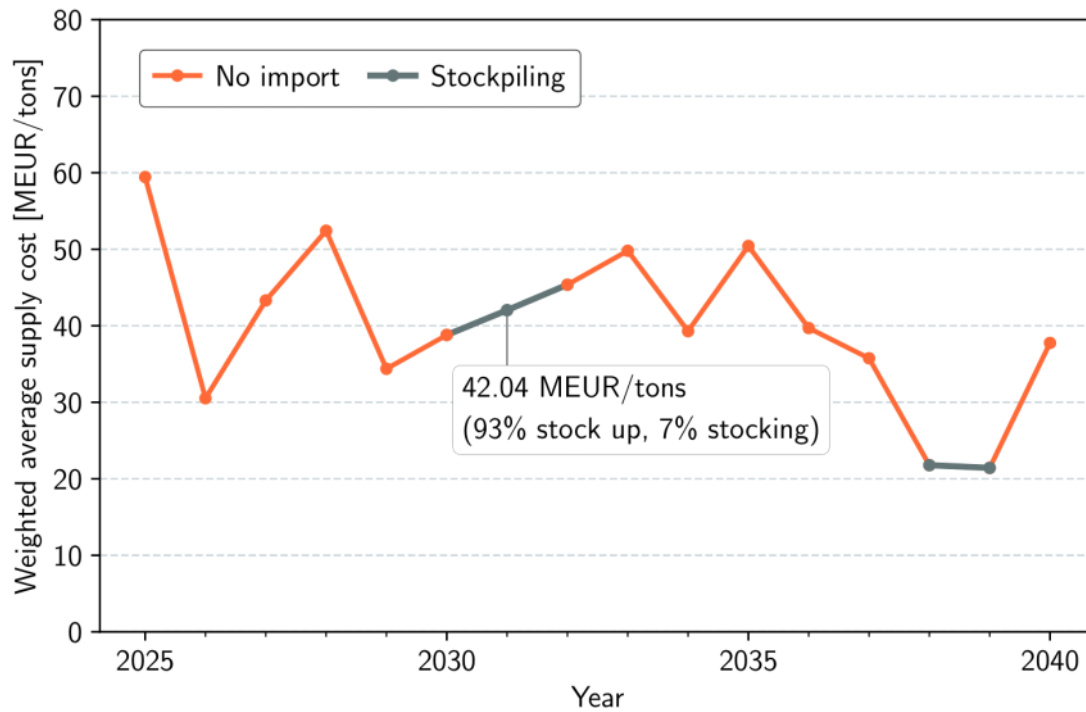


Amount of reserves; oldest and deepest drives up production cost, labour cost, lower productivity, energy supply unreliability,

### 4.3 Stockpiling in the European market



How to use the stock (?)



Maintenance + diversification, uniformed supply cost

## 5 Conclusions and outlook

- The major exporter will keep its dominant position (strategic behavior) but others (especially Russia) are expected to increase their relevance significantly
- gap between fringe exporters and the major exporter will drop notably
- barrier for the major exporter because of high production cost (low-hanging fruits already used)
  
- For Europe Zimbabwe, North America, and Recycling Key to ensure supply
- inelastic demand will determine market clearing  
In addition, Stockpiling key role in ensuring supply and stabilizing supply costs
- (around twice of annual demand size of the stock) according to the results optimal ==> + limiting stockpiling size, welfare, without stockpiling
  
- future work: inelastic demand, recycling, development of production cost of the fringe exporters if they ramp up export capacity, long-term contract, market clearing, discrimination, plausible, fringe also maximizing profit,

market consequences for the leader different than to the European market, policies to lower price