

Legislative proposal on substantiating green claims

Public Consultation, August 2020

In Europe and internationally, several hundred environmental and other sustainability labels exist. Europe's efforts to step up scrutiny of environmental claims made for products or services marketed on the EU Single Market date back to 2000 and 2016, when the Commission first introduced the Unfair Commercial Practices Directive (UCP Directive) and the respective Guidance on Environmental Claims for Member States authorities and self-regulatory bodies.

RECHARGE, the industry association for advanced rechargeable and lithium batteries in Europe, welcomes the new legislative proposal for better substantiating green claims.

Advanced rechargeable batteries have a strategic role to play in the achievement of the EU's 2050 climate-neutrality and industrial leadership objectives:

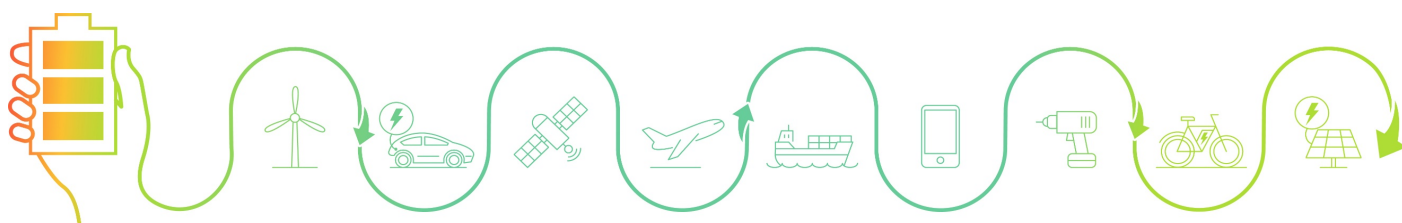
- Batteries are a main technology enabler for the transition towards low-GHG emission mobility and decarbonized electricity generation.
- An industry sector of the future, the European battery value chain is expected to create a 250 billion Euro market by 2025¹ and some 1 million new jobs by 2022².

Making sustainable value chains the norm and differentiating our products based on environmental sustainability and innovation is, hence, a main driver for a thriving and competitive battery industry in Europe. For this reason, RECHARGE promotes a legislative framework that helps establish meaningful environmental impact indicators based on (a) reliable, comparable and verifiable information, and (b) presented in a clear, specific, unambiguous and accurate manner.

We therefore encourage the Commission to implement a legal framework that would require companies "to make environmental claims related to the impacts covered by the PEFCR" (Option 3 of the Inception Impact Assessment). If adapted to the specifics of each value chain, RECHARGE supports the PEFCR (Product Environmental Footprint Category Rules) as a single, reliable tool to identify and assess important environmental impacts. Further, RECHARGE recommends to base mandatory

¹ European Battery Alliance

² InnoEnergy, June 2020 – EUSEW Sustainable Batteries an Ally for the Green Recovery



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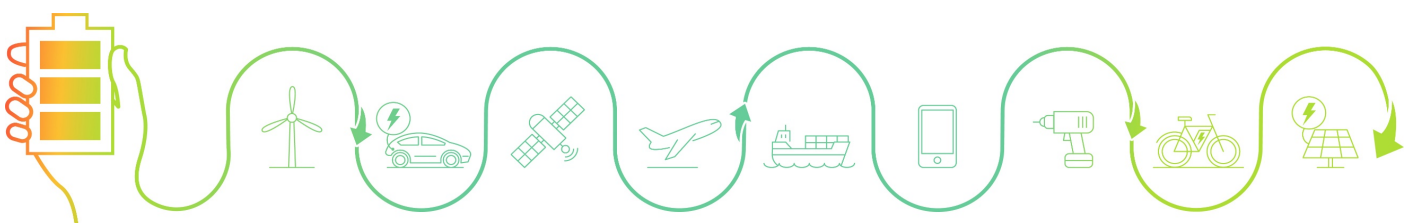
environmental requirements in our industry, such as anticipated in the upcoming modernized battery legislation, on the carbon footprint indicator as established by the PEFCR.

In 2013, the European Commission selected RECHARGE to establish the Product Environmental Footprint Category Rules for advanced rechargeable batteries. Our unique experience in identifying and assessing the environmental impacts of batteries based on the PEF has shown that a number of environmental impact categories are either of little relevance for batteries or not robust enough. Furthermore, some PEF datasets are incomplete and replaced by proxies, or complex components are simplified in secondary datasets. Additionally, the models used for the calculation of some environmental impacts are of uneven quality, and will require further development and validation in order to become “fit for purpose”.

In turn, batteries can truly differentiate on one key criterion: the carbon footprint. A value-chain based environmental indicator, the carbon footprint is probably the most meaningful, credible and comparable differentiator in our industry. *Carbon Footprint* and *Global Warming Potential* are well known and understood by the consumer, which allows them to easily identify batteries with a superior environmental profile and energy efficiency rating. It also gives necessary signals to poorly performing industry actors with the potential to incentivize them to improve the carbon content of their product.

RECHARGE believes that environmental claims for complex articles such as batteries or electronics should be based on a simplified PEF methodology using a harmonized and strong database. It is in this context that RECHARGE has recently relaunched the PEFCR for our products and prepares the ground for a strong industry benchmark.

To achieve a harmonized approach for providing reliable environmental information and help consumers make informed purchase decisions, RECHARGE recommends communication provisions that are easy to implement, update and use. To that end, the advanced rechargeable and lithium batteries industry in Europe recommends information systems such as the product passport supported by either a QR code or a similar electronic marker that can provide a future-ready data service.



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Independent of the policy options presented in the Inception Impact Assessment, RECHARGE supports establishing an appropriate framework for the verification of Environmental Footprint profiles but wants to caution against mandatory monitoring and enforcement. Both the PEF methodology and related databases will first require real-world validation experience before mandatory obligations can be established and enforced. Besides the challenges posed by incomplete or simplified data, industry actors also lack experience in applying the PEFCR methodology and will need some guidance. Especially for complex articles with multi-level value chains, such as batteries, this is a major subject of concern.

We also note that there is not yet a full alignment with other initiatives relying on the assessment of environmental performance (e.g. the Emissions Trading Scheme benchmarking, or international standards such as the Global Reporting Initiative) and therefore request that the European Commission provides clarification regarding the interaction and overlaps, as well as possibility for coordination and/or harmonization between these many initiatives.

FOR MORE INFORMATION

For more information on the Product Environmental Footprint Category Rules for rechargeable batteries, consult our [position paper](#).

For our comprehensive sustainability agenda, read [Batteries Fit For Europe](#).

ABOUT RECHARGE

RECHARGE is the European industry association for advanced rechargeable and lithium batteries. Founded in 1998, it is our mission to promote advanced rechargeable batteries as a key technology that will contribute to a more empowered, sustainable and circular economy. RECHARGE's unique membership covers all aspects of the advanced rechargeable battery value chain in Europe: From suppliers of primary and secondary raw materials, to battery, equipment and original equipment manufacturers (OEMs), to logistic partners and battery recyclers.

