

Batteries Regulation needs to set sustainability leadership while boosting EU batteries production

PRESS RELEASE - Brussels, 17.03.2022 – Today the EU Environment Ministers reached a general approach on the proposal for a new Batteries Regulation. RECHARGE, the European association representing the battery value chains of the future, welcomes the short but reasonable implementation timelines and delays for developing secondary legislation. The industry also agrees to keeping the proposed recycling efficiency and recovery targets. However, RECHARGE strongly recommends addressing remaining critical shortcomings during the Trilogue discussions.

“A serious deficiency of the proposed Regulation is the issue of the producer definition, which we have stressed on multiple occasions”, stated Claude Chanson, General Manager, RECHARGE. The current producer definition in the Commission proposal as well as Council text creates discrepancies in the internal market due to uneven rules in regards to the application of the extended producer responsibility (EPR) for a battery producers selling to an OEM in the same or a different Members State (MS). “This needs to be rediscussed with the negotiating teams and a solution found whereby the EPR always lies with the economic operator that sells batteries to end-users either embedded in vehicles or appliances, or as “naked” objects”, continued Chanson.

Batteries are a key element of the clean energy transition and more generally for achieving climate neutrality. “Batteries, and in particular advanced rechargeable and lithium batteries, are essential enablers for the shift to electric mobility and the integration of renewables in EU’s energy mix. The new batteries legislation should not create unnecessary obstacles to the achievement of the objectives of the European Battery Alliance (EBA)”, added Chanson. According to EBA, the European battery market is estimated at €250 billion from 2025 onwards, some 800,000 new jobs are expected to be created in Europe by 2023 alone, and since its creation in 2017, over a dozen Europe-based “gigafactories” have been announced. “The new Regulation must encourage more domestic production, create a true level playing field and be enforceable. Europe could be the second-largest market for battery production by 2024 if the Regulation is effective. Europe’s climate neutrality course fully depends on the EU’s capability to develop a competitive and strong batteries value chain and decrease its high dependency of imported batteries. Given the current geopolitical context this needs to become an imperative for EU’s battery strategy”, explained Chanson.

RECHARGE had warned that the lack of enforceability and market surveillance feasibility of proposed measures in the Batteries Regulation could jeopardise the overall ambition and success of the legislation. Since the Commission put forward its legislative proposal, RECHARGE welcomed the sustainability leadership ambition overall. However, the carbon footprint and recycled content measures could become useless and merely a paperwork if not implemented and enforced correctly at MS level. The selection of a relevant scope when deciding about a sustainability measure is decisive. The size of the scope (the number of models to which the measure is applicable) must be understood to make sure that the measure can be applied and enforced correctly. A too ambitious initial scope, which cannot be verified and controlled effectively, can incentivise green washing.

The window of opportunity is short, as the next three to five years will be vital for developing a strong and competitive European batteries value chain. The new Batteries Regulation will set the legislative framework and conditions. In 2020, in the context of the EU Industrial Strategy update, the European Commission reviewed a number of areas that can be considered strategic for Europe’s interests: Lithium batteries were identified as one of the strategic areas of interest for the EU. “The industry is ready to deliver, provided the Regulation sets an enabling framework”, concluded Chanson.

****ENDS****

For more information on the industry's position, visit our [dedicated Batteries Regulation page](#).

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 by enabling decarbonised electricity and mobility, and cutting-edge consumer products. RECHARGE’s unique membership covers all aspects of the advanced rechargeable battery value chain: From suppliers of primary and secondary raw materials, to battery and original equipment manufacturers (OEMs), to logistic partners and battery recyclers. www.rechargebatteries.org.

Contact: Kinga Timaru-Kast, Public Affairs & Communications Director, ktimaru-Kast@rechargebatteries.org, +32 486 996 870

