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Today's Critical Raw Materials Act and Net-Zero Industry Act:

Now it is time to deliver to get Europe on track on its energy transition path and security of supply

<u>Brussels, 16.03.2023</u> – In the context of the REPowerEU plan and the need for Europe to increase resilience in its energy transition value chains, RECHARGE – the leading voice of the European advanced rechargeable and lithium batteries value chain in Europe – welcomes the Critical Raw Materials Act and Net-Zero Industry Act. "Today, with the two Acts presented, the European Commission has rightfully identified actions to tackle the challenge of supply of batteries materials and to further stimulate the domestic production of net-zero technologies of which batteries are part of. These two Acts can become a real game changer for competitiveness of the European battery value chain", commented Claude Chanson, RECHARGE General Manager.

Batteries play a key role as enablers of a green energy system and, by extension, of energy security. To ensure the supply of battery materials and to support a fast-paced energy transition, the EU needs to combine the development of recycling facilities with new primary metals supply. The CRM Act as well as the Net-Zero Industry Act are expected to improve competitive operating conditions for the batteries value chain in Europe. The Commission's ambition to identify priority projects, accelerate permitting procedures and unlock new finance is a very welcome step to improve the speed and viability of new projects. "An important step in the right direction is the pragmatic approach for a fast-track permitting to shorten the time to market. Making critical capacity available more rapidly and the provisions to prioritise projects for such streamlined accelerated permitting without undermining established EU environmental and social standards are key to ensure legal certainty," added Chanson. RECHARGE supports the requirements for authorities to prioritise strategic projects, including prescribed timelines for reaching a decision.

A key issue slowing down the domestic development of a sustainable and competitive EU batteries value is incoherence and incompatibility between EU climate objectives and EU chemicals policy. "Companies making long-term investments into new European refining and recycling activities require regulatory certainty. We would like to remind the Commission that multiple legislative frameworks related to critical raw materials and battery manufacturing are interconnected: this includes the Industrial Emissions Directive, Batteries Regulation, ELV Directive, REACH Revision, Waste Framework Directive, Waste Shipments Regulation as well as the upcoming European Waste Catalogue Revision. We underline the importance of coherence between these policies to allow predictability for investment", continued Chanson. It is crucial that the Commission takes this unique opportunity to address incoherencies that are delaying investments and impeding the Green Deal and climate neutrality objectives.

"Finally, what we need now is a fast adoption of the CRM Act and the Net-Zero Industry Act to avoid a standstill of projects. Now it is time to deliver to get Europe fast on track for its energy transition path and to secure the supply of battery materials", concluded Chanson.

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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

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