

Now it is time to deliver the deal and get Europe back on track on its battery manufacturing objective

<u>Brussels, 26.02.2025</u> – Today the Commission presented two key initiatives contributing to increase competitiveness and resilience in Europe's energy transition value chains. RECHARGE – the leading voice of the European advanced rechargeable and lithium batteries value chain in Europe – welcomes the highly expected Clean Industrial Deal as well as the First Omnibus Package. *"Today, the European Commission has rightfully identified actions to tackle a number of our continent's challenges. We have seen an important first step to delivering the new plan for Europe's sustainable prosperity and competitiveness. There is no clean tech industrial leadership and no energy transition without batteries", commented Ilka von Dalwigk, RECHARGE Director General.*

Europe is facing a dual challenge – transforming society and industry to become the first climate-neutral continent by 2050 without threatening our competitiveness or jobs, while achieving strategic autonomy by reducing dependencies in critical value chains. "In today's new uncertain geopolitical context, marked by the EU's concerns over the security of energy and raw material supplies and a global subsidies race in clean tech industries, our Union needs enhanced cooperation between policymakers and key industries. This partnership will ensure a coordinated and robust Clean Industrial Deal implementation, flashing out the announced legislative acts with a focus on building competitive value chains in Europe's strategic clean tech sectors, such as batteries. 2025 is a 'make or break' year for our continent's batteries industry and the EU industry's future role in the energy transition", continued von Dalwigk.

In alignment with the objectives of the Clean Industrial Deal, RECHARGE calls for the EU to set ambitious conditions to enable the industry to scale up and enhance its competitiveness. Through a resilient battery ecosystem, the EU's clean tech and automotive sectors can leverage opportunities for technological sovereignty, independence and competitiveness. In this context, <u>RECHARGE recommends</u> three key short-term policy actions:

- Creation of financial incentives to accelerate EU investments in the upscaling of strategic projects
- Strengthening demand pull for batteries and EVs produced in Europe
- Establishment of fair competition and international relations to protect the nascent European battery industry

Harmonising Due Diligence requirements across regulations is essential to create a unified framework that allows businesses to comply efficiently without duplication. This harmonisation is a key factor in enhancing the competitiveness of the battery industry, further driving industrialisation and economic growth in Europe. RECHARGE calls for the inclusion of the Due Diligence requirements of the EU Batteries Regulation (Chapter VII) in the scope of the Omnibus package to relieve companies' administrative burdens. The <u>RECHARGE recommendations</u> highlight the battery industry's expectations for simplification and address harmonisation of Due Diligence requirements and reporting without scaling back on our sustainability ambitions.

"In 2017, the Commission set the objective of becoming the world's second largest battery manufacturer by 2025, aiming for 20% of global production capacity. This was the objective – but are we getting there? Now it is time to deliver the deal and get Europe back on track on its battery manufacturing objective", concluded von Dalwigk.

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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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