

## Today's Industrial Accelerator Act Sets the Pace for Europe's Battery Sovereignty—If Loopholes Are Closed

**Brussels, 04.03.2026** – **RECHARGE**, the leading European batteries industry association, welcomes today's publication of the Industrial Accelerator Act (IAA) as an essential step toward restoring confidence in Europe's battery value chain after years of site closures, paused investments and relocation decisions. The IAA sends a clear signal that Europe intends to act at the scale needed to protect strategic technologies, quality jobs and competitiveness. However, RECHARGE cautions that several significant loopholes in today's IAA proposal may undermine the Regulation's objectives if not swiftly addressed.

RECHARGE unequivocally underscores the vital role of the battery sector in securing Europe's economic and technological leadership. Today's presented Act provides a needed framework to anchor battery manufacturing in Europe, strengthen supply chain resilience, and support the ramp-up of Union-origin components across the value chain. RECHARGE particularly welcomes strengthened rules for **public procurement**, clearer **Union-origin requirements** for batteries and vehicles, new **Foreign Direct Investment requirements**, and the inclusion of **battery energy storage systems** as strategic technologies.

"However, several loopholes risk diluting the Regulation's impact," warns Ilka von Dalwigk, Director General. "The possibility for Member States to bypass Union-origin and low-carbon criteria when costs exceed 25–30%, risk uneven implementation and weakened localisation incentives. There are also risks in the treatment of small zero-emission vehicles, where current thresholds could unintentionally incentivise imports with minimal EU value added—undermining Europe's EV ecosystem and emerging low-cost chemistries," von Dalwigk added.

On **Union origin requirements**, RECHARGE reiterates its support for **binding, EU-level, component-based requirements** implemented through a harmonised, predictable framework, **based on key manufacturing steps to determine Union origin**. Component-based definitions of local content—built on the geographic location of key manufacturing steps ensure transparency, verifiability and consistent enforcement. Union origin requirements must also be paired with production incentives, skills development, R&D, infrastructure and recycling capacity to avoid unintended cost penalties. The 'Rules of Origin' approach to establish when a component is originating as proposed in the IAA offers very limited assurance with minimal documentation or verification requirements, and a too flexible interpretation.

"Today's IAA is a pivotal first step toward rebuilding Europe's battery industrial base and proving that Europe intends to compete globally. But ambition must be matched with precision. The loopholes in the current draft risk diluting the very signal this Act is meant to send," commented von Dalwigk. "Europe needs a coherent, enforceable framework that rewards real local value creation and scales domestic manufacturing fast enough to meet global competition. RECHARGE stands ready to work with EU institutions and Member States to ensure the IAA becomes the accelerator Europe urgently needs—not just in name, but in impact. Europe needs to accelerate on batteries, but loopholes, if not identified and corrected, threaten momentum."

RECHARGE looks forward to engaging closely with the co-legislators and industry partners to ensure the IAA becomes a true accelerator for Europe's battery sovereignty, innovation and long-term competitiveness.

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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](http://www.rechargebatteries.org)

Contact: Kinga Timaru-Kast, Public Affairs & Communications Director, [king@rechargebatteries.org](mailto:king@rechargebatteries.org), +32 486 996 870

