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Overview of the Batteries Regulation proposal

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Each decision at EU level must be agreed by the 3 institutions of the EU

- European Commission: the “Federal government” of the EU, with power on energy, environment and internal market policy

- European Parliament: 705 Members elected in the 27 Member States every 5 years, divided into 7 multinational political groups

- European Council: represents the member states

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Types of acts:

Directive: it sets the principles and the targets, leaving relative freedom to member states on how to achieve them. It needs to be translated into national law.

Regulation: it is a detailed legislative act, immediately applicable in the entire EU without need for translation into national law.

Secondary legislation (delegated/implementing acts): they define how a given measure shall be implemented, or specify certain aspects of the primary acts (for instance, formulas). The Commission has more power on these acts.

Batteries Regulation – timeline

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	2020	2021				2022	
	Dec	Q1	Q2	Q3	Q4	H1	H2
Institutional Batteries Regulation milestones							
Publication proposal on a new batteries regulation	10						
Public consultation on the Batteries Regulation (deadline: 1 March)							
Development of Council position							
Development of Parliament position							
Negotiations Commission - Council- Parliament on the Batteries Regulation							
Publication on the new Batteries Regulation							

The **Council** is already discussing the proposal – meetings every 2 weeks, the representatives are well aware of the key provisions and are already developing their individual positions

The **Parliament** is more delayed – conflict of competences between 3 committees (environment, energy and internal market)

Batteries Regulation – why this proposal?
The reasons of the European Commission

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- The Batteries Directive is outdated (2006) and it does not consider new technologies and recent developments
- The Directive leaves too much room for interpretation to the Member States – preferable to move to a Regulation
- Batteries (and specifically li-ion batteries for electric mobility) are of strategic importance – Europe must produce them! Link with the European Battery Alliance
- Production needs to be sustainable: competitiveness through sustainability along the entire value chain (raw materials, production, performances, reuse, recycling)

Batteries Regulation – key takeaways from EUROBAT

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1. Good approach in general: considers the interaction between chemicals management, environmental protection and industrial strategy. But high administrative burden and issue of compliance.

2. Approach on hazardous substances: new process duplicating REACH. Duplications must be avoided!

3. EV batteries and industrial batteries with capacity above 2KWh will have to comply with minimum requirements on due diligence, performance, durability, recycled content and carbon footprint to be placed on the EU market → basically, a ban of batteries which are not « green »

Carbon footprint (Art 7, Annex 2)

Scope: Electric vehicle batteries and rechargeable industrial batteries with internal storage and a capacity above 2 kWh

Timeline	Measure
July 2024	**Carbon footprint declaration requirement** enters into force
January 2026	Batteries shall bear a **label indicating their carbon footprint performance class**
July 2027	Batteries with values higher than the **threshold for maximum carbon footprint performance values** cannot be placed on the market

- The criteria for the methodology are tailored on lithium batteries – need to develop coherent methodologies also for other chemistries
- According to the Commission, performance classes and thresholds will be chemistry-specific: the point is to compare lithium with lithium and lead with lead, not to compare different chemistries

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Performance and durability requirements (art 10, Annex 4)

Scope: Electric vehicle batteries and rechargeable industrial batteries with internal storage and a capacity above 2 kWh

Timeline	Measure
1y after entry into force	**Obligation to declare** values of electrochemical performance and durability parameters: 1. Rated capacity (in Ah) and capacity fade (in %). 2. Power (in W) and power fade (in %). 3. Internal resistance (in Ω) and internal resistance increase (in %). 4. Energy round trip efficiency and its fade (in %). 5. An indication of their expected life-time under the conditions for which they have been designed.
January 2026	Batteries shall meet the **minimum values to be placed in the EU market (**developed by the EC by 2024)

- The criteria for the methodology are tailored on lithium batteries – need to develop coherent methodologies also for other chemistries
- According to the Commission, thresholds will be chemistry-specific: the point is to compare lithium with lithium and lead with lead, not to compare different chemistries

Recycled content (art 8)

Scope: Industrial batteries, electric vehicle batteries and automotive batteries with internal storage and a capacity above 2 kWh

Metals: Lead, cobalt, lithium and nickel

Timeline	Measure
January 2027	**Obligation to declare** the amount of cobalt, lead, lithium or nickel recovered from waste present in active materials in each battery model and batch per manufacturing plant. Methodology for calculation and verification of recycled content developed by EC by 2025
January 2030	**Minimum share**: (a) 12% cobalt; (b) 85% lead; (c) 4% lithium; (d) 4% nickel
January 2035	**Minimum share**: (a) 20% cobalt; (b) 85 % lead; (c) 10% lithium; (d) 12% nickel.

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Labelling (art 13, 15-20, Annex 6)

Timeline	Label	Battery
Entry into force	CE marking + label on special risk, use or other danger linked to the use, storage, treatment or transport + identification number of the notified body that has carried out the conformity assessment	Unclear – portable and industrial only?
Entry into force	QR code, including all information below, plus carbon footprint, due diligence, recycled content, EU declaration of conformity, end of life information	All batteries
2027	Unique identifier for each individual battery (battery passport)	industrial batteries and electric vehicle batteries with internal storage and a capacity above 2 kWh
2023	Separate collection (wheeled bin)	All batteries
2023	Chemical symbol for Cd and Pb	Batteries containing more than 0,002 % cadmium or more than 0,004 % lead
2027	Label with 1. the manufacturer's name, registered trade name or trade mark; 2. the battery type, batch or serial number of the battery or other element allowing its unequivocal identification; 3. battery model identifier; 4. date of manufacture; 5. date of placing on the market; 6. chemistry; 7. hazardous substances contained in the battery other than mercury, cadmium or lead; 8. critical raw materials contained in the battery	All batteries
2027	Capacity label	Automotive and rechargeable portable

To be included in the QR code AND as a printed or engraved label on the battery

Labelling & Battery passport (art 64-65)

- By 1 January 2026, the Commission shall set up the electronic exchange system for battery information with the information and data on **rechargeable industrial batteries and electric vehicle batteries with internal storage and a capacity above 2 kWh** as laid down in Annex XIII.
- 3 access levels: public, accredited economic operators and the Commission, Market surveillance authorities
- By 1 January 2026, each industrial battery and electric vehicle battery placed on the market or put into service and whose capacity is higher than 2 kWh shall have an electronic record ("battery passport").
- The battery passport shall be unique for each individual battery and shall be identified through a unique identifier printed or engraved on the battery.

EUROBAT consideration:

- Duplication? Label + QR code system + battery passport, information is often the same

Due diligence (art 39)

- Obligations on due diligence laid down in Art 39 – extremely detailed!

- **Scope**: rechargeable industrial batteries and electric-vehicle batteries with internal storage and a capacity above 2 kWh

- Raw materials covered by due diligence obligations (listed in Annex 10):
  - (a) cobalt;
  - (b) natural graphite;
  - (c) lithium;
  - (d) nickel;
  - (e) chemical compounds based on the raw materials listed in points (a) to (f) which are necessary for the manufacturing of the active materials of batteries.

EUROBAT considerations:

- Automotive batteries not in the scope
- Lead not included

EUROBAT position

1. **Streamline administrative processes** for industry and national authorities
2. Similar sustainability requirements should also be developed for **products directly competing with electrochemical batteries**, to correctly inform the user and support them in making the most sustainable choice
3. Adjust the **number of secondary acts** to where it is really impactful and propose **adequate timelines** to develop robust methodologies (e.g. on carbon footprint)
4. **Re-assess the numerical targets** once the methodologies have been developed
5. Clarify how the market access criteria on batteries will be tested and enforced, especially for those **batteries imported into the EU**
6. **Make use of the well-established REACH and OSH Regulations** when regulating hazardous substances in batteries and **refrain from creating a new parallel process** in the Batteries Regulation
7. Focus the **scope** of sustainability criteria on “electric vehicle batteries” and “stationary energy storage batteries”
8. Consider the **specificities of each battery technology and application** when developing these sustainability methodologies

EUROBAT position

9. **Standards should be developed by Standardisation Committees**, not by the Commission; hence, we strongly recommend removing Article 16
10. Adopt a **careful approach on recycled content**, assessing the possibility of establishing targets only after a detailed methodology has been adopted
11. **Avoid duplication of labelling and information systems,** and clarify the purpose and audience of the information and information systems
12. EUROBAT supports the **obligation to establish supply chain due diligence policies**
13. Clarify unequivocally which actor must be considered as the producer in view of the application of the **extended producer responsibility**
14. Include a **grandfather clause** to avoid the retroactive application of the regulation

Full position paper available here

EUROBAT advocacy plan – lobbying activities

Network of contacts with Commission, Parliament and Council already developed in the past 2 years, and supported by Charge The Future

January-February 2021:

- 2 joint meeting with Commission officials in charge of the proposal
- Meetings with 26 permanent representations
- Meetings with 15 members of the European Parliament
- Regular exchange with other Brussels-based stakeholders and associations

Meetings will take place with all relevant legislators and stakeholders in the course of 2021 and 2022. When possible/relevant, EUROBAT members directly involved in the meetings/site visits.

11 March: EUROBAT webinar to discuss the proposal

- Keynote speech of EUROBAT President and the Portuguese presidency
- Presentation on the battery market from C. Pillot (Avicenne)
- Panel discussion with 2 EUROBAT members, OEM and one member of the European Parliament

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Thank You

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