
EUROBAT Position on the Batteries Directive

What we ask for:

- ✓ A coherent and supportive regulatory framework (“Battery Package”) that removes unnecessary overlaps and inconsistencies between existing legislative instruments impacting battery manufacturing and use in Europe
- ✓ Recognition and promotion of the role played by all battery technologies in the decarbonisation of our mobility and energy systems.
- ✓ An understanding that all commercially relevant battery technologies for automotive and industrial batteries contain hazardous substances and that exposure should be addressed through risk assessment and consider socio-economics and life-cycle impacts of potential substitutes
- ✓ Recognition that collection targets would not improve management of automotive and industrial batteries at end-of-life as recycling is already well-established in Europe
- ✓ A clearly defined legal framework for extended producer responsibility aspects for second life of batteries
- ✓ Recycling efficiency targets should be technically feasible, socio-economically viable and developed from a life-cycle and value-chain perspective
- ✓ New labelling requirements for automotive and industrial batteries that clearly identify different battery chemistries to aid effective sorting and recycling processes

Making the EU Battery regulatory framework fit for the next decade

Batteries fulfill important functions in multiple automotive and industrial applications, and there are currently four main battery families (lead, sodium, nickel, lithium). Automotive batteries are used in all types of vehicles (internal combustion engine, hybrid and electric vehicles). Industrial batteries are essential in a number of areas as a source of back-up power, contributing to the effective functioning of communications, IT, production & distribution of renewable energy, nuclear safety, oil and gas networks and for the storage of data in uninterruptible power supply as well as other industrial systems.

In the transition to a low carbon economy legislators and regulators must achieve a sensible balance between the many benefits of different battery technologies towards achieving greater electrification and decarbonisation and the need to protect people and the environment. Whilst the primary objective of the Batteries Directive is the protection, preservation and improvement of the quality of the environment by minimising the negative impact of batteries it must provide a level-playing field for all battery technologies and ensure the smooth functioning of the internal market by harmonising requirements across the EU. The regulatory framework should provide business certainty for EU battery manufacturers, create new opportunities for all battery technologies and deliver jobs, growth and innovation in Europe.

Define a coherent battery legislative framework

Today, several pieces of legislation have batteries in their scope, creating legislative overlaps, lack of business certainty and incoherent policy directions. The Commission is currently working on the review of the Batteries Directive and of the End-of-life Vehicles Directive, and it is also preparing a new proposal to produce batteries in a more sustainable way, in the framework of the European Battery Alliance initiative.

We believe that this is the occasion to finally develop a coherent legislative framework on batteries: to this end, the Batteries Directive, the end-of-life vehicles Directive and the elements highlighted in the “sustainable batteries” work should be part of a coherent and comprehensive Battery package, to be published already in 2020.

Regarding the Batteries Directive, some of the problems highlighted in the Evaluation Report are related to uneven application at national level, and a lack of clarity and harmonization of definitions: for instance, the report highlights data gaps on Member States reports on recycling efficiencies and not harmonized methodology for calculating the degree of metal recovery. The Directive leaves too much room for interpretation, with negative consequences for the internal market. For this reason, we are calling for stricter and more precise methodologies and definitions, to ensure harmonized application at European level.

Hazardous substances: from hazard-based to risk-based approach

All current battery technologies use substances that are potentially hazardous to health: for instance, lead, cobalt, nickel and lithium are commonly included in batteries. However, batteries

are sealed articles without any intended release of any of the substances used in their manufacture, which means there is no risk of exposure for users. Moreover, automotive and industrial batteries are not landfilled, incinerated or improperly disposed of. Exposure risks of workers along the value chain is already addressed through the existing EU legislative framework (e.g. REACH & Occupational Health and Safety Legislation).

Right now, the Batteries Directive identifies a limited number of substances as hazardous using unclear criteria, prohibits their use or encourages substitution. This approach is disproportionate to the actual exposure risk and an assessment of this would be more effective and proportionate. In line with other existing legislation, such as REACH, the risk assessment should be supplemented by an evaluation of Socio-economic cost-benefit and also include wider sustainability or life cycle considerations to ensure that European battery manufacturing remains competitive in the global marketplace.

Collection targets: the right instrument to recycle more batteries?

Today, the Batteries Directive does not include any targets for the collection of automotive and industrial batteries. The reason is quite simple: the vast majority of automotive and industrial batteries of different technologies are already collected at the end of their life and recycled in highly regulated European operations. The current Batteries Directive prohibits landfilling and/or incineration of industrial and automotive batteries, and requires manufacturers to take back batteries at their end of life, regardless of the chemistry.

The high collection and recycling of automotive and industrial batteries is illustrated by the 2014 Eurobat study that demonstrated an effective closed loop recycling process for automotive lead-based batteries¹.

Typically very high collection rates are observed for spent automotive and industrial batteries because the spent battery has an economic value due to the recovery of the materials used in the battery. Moreover, due to their large size and business-to-business utilization, industrial batteries (energy storage, Motive Power, EV-batteries, UPS etc.) are not landfilled or incinerated but are and collected and handled responsibly at the end of their useful life.

It is acknowledged that there are problems related to end of life vehicles: the Oeko Institut estimates that up to 4 million vehicles every year disappear from the system. These “vehicles of unknown whereabouts” are generally illegally exported, stolen or improperly stored or recycled. Therefore, the battery in these vehicles is not available for collection in Europe and may not be properly recycled. However, this issue is better addressed in the recast of the ELV Directive, with a new proposal to improve the tracking and collection of end of life vehicles that may contain a battery.

¹ IHS for EUROBAT, ILA, ACEA, JAMA, KAMA, 2014, The Availability of Automotive Lead-based Batteries for Recycling in the EU,
https://www.eurobat.org/images/news/publications/ihs_eurobat_report_lead_lores_final_2.pdf

We conclude that collection targets for automotive and industrial batteries would be an ineffective tool: they would not improve the recycling rate of these batteries available for collection, which is already high, and would be the wrong instrument to improve the collection of batteries included in vehicles of unknown whereabouts which should be addressed through the anticipated revision of the ELV Directive.

Second life and EPR

The re-use and 'second life' approach needs to be supported by definitions. The Batteries Directive does not clearly define the legal framework for second life of batteries. This is a particular concern for the Extended Producer Responsibility (EPR). Right now, it is not clear who is responsible for the end-of-life management of a battery after its second life: the company who first produced the battery or the actor who re-conditions or repurposes it for its new use. Our position is that in the case of repurposing, the battery itself is placed again on the market, generally for a different application. Therefore, in this case the EPR should apply to the actor who places the battery on the market for the second time.

Recycling efficiency and targets for specific metals

EUROBAT considers there is no need to change the existing recycling efficiency targets. However, any new targets should be technically feasible, socio-economically viable and be developed from a life-cycle and value-chain perspective.

Labelling

With a growing market share of lithium ion batteries in certain segments of the automotive and industrial battery market, an effective method of identifying and separating used batteries of differing chemistries has become essential to guarantee the safety of transportation and recycling operations. We therefore ask to include a reference in the Batteries Directive to the forthcoming IEC Standard (IEC 62902) on labelling of batteries according to the electrochemical system. The objective of this suggestion is not to replace the current labelling of automotive and industrial batteries but to add identification to facilitate safe collection, sorting and, ultimately, treatment of these batteries during the recycling process.