EUROBAT
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Position paper on the proposal for a new Batteries Regulation[1]

Our (initial) suggestions to policy makers

1. **Streamline administrative processes** for industry and national authorities
2. 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)
3. **Re-assess the numerical targets** once the methodologies will be developed
4. Clarify how the market access criteria on batteries will be tested and enforced especially for those **batteries imported into the EU**
5. **Hazardous substance management** in batteries shall follow a risk based approach, and avoid duplication of processes with REACH, OSH and the End-of-life Vehicles Directive
6. Focus the **scope** of carbon footprint, performance and durability criteria on "electric vehicle batteries" and "stationary battery energy storage systems"
7. Consider the **specificities of each battery technology and application** when developing these sustainability methodologies
8. **Standards shall be developed by Standardisation Committees**, not by the Commission; hence we strongly recommend removing Article 16
9. **Avoid duplication of labelling and information systems** and include **colour coding** among labelling information required under Article 13
10. Adopt a **careful approach on recycled content**, establishing targets only after a detailed methodology will be adopted

Structure and Transparency

1. The proposal has a **good general approach**: it considers all stages of battery lifetime, from production to use phase and end of life management, and it does so having in mind the interactions between chemicals management, environmental protection and industrial competitiveness. Turning the Batteries Directive into a Regulation is also welcomed by the battery industry, since it can be a step towards a level-playing field at EU level, reducing differences among national markets. However, definitions and scoping should be carefully assessed in relation with the obligations mandated, having in mind the specificities of each application and technology. Furthermore, some provisions risk creating **very high administrative burden for the industry**: for example, the provisions on Labelling (Art. 13), Conformity of Batteries (Chapter IV), on End-of-life management (Chapter VII) and on Electronic exchange of information (Chapter VIII) are quite burdensome for the industry but also for national authorities, and should be streamlined.

2. Another reason for concern is the **high number of delegated and implementing acts** included in the proposal. We wonder if the timeline proposed by the Commission will allow developing a solid methodology for the calculation of the carbon footprint: for instance, Product Environmental Footprint Category Rules are currently available only for lithium batteries for mobile applications, but not for lead or nickel batteries, or for stationary storage batteries. We would therefore recommend developing **a more reasonable timeline**

[1] With this position paper, EUROBAT would like to provide its initial assessment on the Commission proposal on a new Batteries Regulation[1]. A more in-depth analysis will be developed in the coming months, to correctly inform policymakers and provide them the expert opinion of the European battery industry.

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for the establishment of the methodology to calculate the total carbon footprint, with different applicability to each technology and application once the respective methodology will be available. Besides, the CO2 footprint methodology should ensure that GHG impacts from all actors in the supply chain of batteries are captured on the basis of their real and true emissions, and that the use of sectorial averages is limited to components that have marginal impacts relative to the complete battery footprint.

3. Numerical targets (e.g. on recycled content, see also point 10) are already established in the proposal, but the methodologies to calculate them are not: this makes it extremely complicated to assess the impact of the proposed measures, with negative consequences for business certainty. It will be paramount to **re-assess the targets once the methodologies will be developed.**

4. Finally, it is not clear **how the Commission plans to test, verify and enforce the criteria included in the Regulation for batteries imported into the EU**. This should be clarified as a priority, to protect the EU battery industry from unfair competition and the EU citizens from non-compliant products.

Hazardous substance management

5. Any restriction on the use of a substance in batteries should follow a **risk-based approach** taking into consideration the results of a socio-economic impact assessment. However, this could result in the duplication of chemicals management procedures and restriction process for substances used in batteries, including for instance REACH, OSH and the End-of-life Vehicles Directive. **This duplication shall be avoided**, to ensure business certainty and competitiveness

Carbon footprint, state of health reporting, performance and durability criteria

6. We welcome the Commission proposal to promote green batteries made in Europe by restricting market access to non-sustainable batteries. However, the original target of these measures[2] was only batteries for on-road electric vehicles and batteries for grid-connected stationary energy storage, because of their relevance in the coming years and their potential for CO2 and energy savings. Indeed, the segment of industrial batteries includes a huge variety of technologies and hundreds of real-life applications, from forklift trucks to batteries for telecommunications, from elevators to uninterruptable power supply in data centers and hospitals. The proposal currently targets all industrial batteries, but we would strongly recommend limiting **the scope of these measures to "electric vehicle batteries" and "stationary battery energy storage systems"**, as originally intended by the Commission when the ecodesign preparatory study on batteries was developed.

7. Extensions to other technologies and segments shall be considered on the basis of their size and following a structured methodology combining technology and use, including impact assessment, CO2 and energy savings potential and cost-benefit analysis. **The specificities of each battery technology and application shall be considered when developing these methodologies**: it is unacceptable to assess the performance of a battery technology using the methodology developed for another technology.

[2] The scope of the "Preparatory Study on Ecodesign and Energy Labelling of rechargeable electrochemical batteries with internal storage under FWC ENER/C3/2015-619- Lot 1" was in fact "high energy rechargeable batteries of high specific energy with solid lithium cathode chemistries for e-mobility and stationary energy storage (if any)".

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8. In this vein, we found unacceptable that the Commission is planning to task the development of standards to the Joint Research Center if the relevant harmonised standards developed by CEN CENELEC "are not sufficient" (Art. 16.b). Standards on batteries are developed internationally, in committees composed of experts from each national standardisation committee. It is unacceptable that the Commission wants to take the place of national technical experts on matters which are by nature extremely technical, and that refer to how the products are designed, produced and operated. We therefore **strongly suggest removing Article 16 in its entirety**, and to allow national, European and international standardisation committees to do their work on standards development.

Labelling

9. Article 13 refers to an exaggerated long list of information that will have to be provided together with the battery, in different forms (printed or engraved on the batteries, through a QR code and with a battery passport). This system would result in at least a **duplication of sources**, with consequent unnecessary administrative burden to maintain and operate several labelling systems. We would therefore suggest streamlining and unifying these processes.

   We then regret that the colour coding of batteries did not find a place in the very long list of information required for the batteries. Colour coding can we understood within a reading aid and would help to sort different batteries of different chemistry in a more reliable way than a QR code, and we therefore ask to **include a provision on colour coding in article 13 on labelling**.

Recycled content

10. We are quite surprised by the proposal of the Commission on recycled content. The Commission did not address any of the concerns emerged during the stakeholders meeting, and correctly reported in the Impact Assessment. For instance, there is no clarification on how the recycled content can be calculated and verified, above all for imported batteries, with the concrete risk of damaging the EU battery industry vis-à-vis international competitors. The scope of the measure, its application and the definitions are unclear, and do not allow to really assess the feasibility of the targets proposed. Besides, the availability of the materials is really a matter of an open global market, considering also the growth of the market and the push for second life applications, which is in direct contradiction with high levels of recycled content in new batteries. Finally, the measure will apply to all industrial, automotive and electric vehicles batteries, regardless of their characteristics: in some specific cases, high levels of primary materials are needed to ensure higher performances.

    For these reasons, we suggest a **careful approach on recycled content, refraining from establishing targets at this early stage and suggesting doing so only after a detailed methodology will be adopted**.