

Webinar: Implications of the proposed EU battery regulation on battery value chains

Time Friday 11 December 2020, 9-10.00

Agenda

- Introductory remarks by **Stina Torjesen**, Associate Professor, University of Agder
- Presentations of the new regulatory framework for batteries by **Mattia Pellegrini**, Head of Unit at DG Environment, the European Commission
- Comments from **Thore Sekkenes**, European Battery Alliance Program Director, Industry at InnoEnergy Scandinavia AB
- Dialogue between **Linda Nylund**, Policy Officer at DG Environment, European Commission and **Thore Sekkenes**
- Closing remarks from Deputy Head of Mission **Per Strand Sjaastad** on behalf of ambassador **Rolf Einar Fife**, the Mission of Norway to the EU

Background The European Commission presented its *Proposal for a Regulation of the European Parliament and the Council concerning batteries and waste batteries*, repealing *Directive 2006/66/EC* and amending *Regulation (EU) No 2019/1020*, 10 December; one day after its expected launch. The much-awaited regulation takes a full life-cycle approach, hence affecting actors across the whole value chain. Organised jointly by the Mission of Norway to the EU, Eyde Cluster, South Norway European Office, and NorCore, the webinar aimed to **shed light on implications of the proposed regulation for the spectrum of stakeholders**.

Following **Stina Torjesen's** opening remarks, the European Commission Head of Unit at DG Environment **Mattia Pellegrini** gave an overview of the proposal. He opened by stressing the urgency with which the regulation has been put in place. An important next point was the novelty in terms of the procedure to produce legislation represented by the battery regulation in terms of its full life-cycle approach.

Main takeaways from Pellegrini were elegantly summed up by Stina Torjesen:
The regulation sets:

1. *¹Sustainability and safety requirements for batteries*: Notably through carbon targets for Co2 footprint. These will come in stages.
2. *Performance and durability requirements*: E.g. in terms of targets on recycling content and (systems for) classification.
3. *Labelling and information requirements* e.g. on hazardous materials: Battery – digital information available for every company in Eur. Need for digital solutions to implement this
4. *End-of-life management – increased separate collection, recycling and materials recovery*: Pellegrini touched on waste – the "more classical part", in his words, of the topic. With this regulation, targets on waste are stepped up.
 - Among the bundle of alleged ambitious targets Pellegrini notably mentioned that for a collection rate of 65 % of portable batteries by 2025 and 70% by 2030, as well as
 - "Very ambitious recycling and recovery efficiency targets"
 - Other batteries are to be collected in full: Industrial, automotive or electric vehicle ones.
5. Pellegrini also mentioned the regulation lends weight to 2nd life, 2nd use and repurpose for 2nd life, contrastingly to an exclusive focus on recycling batteries.

Pellegrini finally claimed EU legislation has proven its efficiency in promoting sustainability by citing the example of Panasonic's establishment of a massive gigafactory in Norway, which enables production at a very low carbon footprint due to access to green power.

Having congratulated Pellegrini on behalf of the Commission with the new proposal **Thore Sekkenes** in his intervention asked for a brief summary of important next steps in the regulation's implementation. This was answered by Pellegrini with reference to

1. The regulation's co-decision process, which starts already as it enters Parliament next week. Alluded to the speediness required for its adoption, as succeeding steps of implementation rely on this.

¹ Italic in this brief section indicates the text is derived from Factsheet on the new regulation: [Sustainable batteries in their full life-cycle EN.pdf.pdf](#)

2. The year 2024, as preparatory stages for full-fledged implementation normally take 2-3 years. Whereas ambitions for full implementation would be unrealistic, 2024 marks the year when "we need to be ready"; notably in terms of transparency across the chain and having proper tools/systems for assessing this.
3. Year 2027, when rechargeable electric vehicle batteries shall comply with "maximum carbon footprint thresholds"
4. Year 2030, as it marks the intended timing for achievement of several targets.

The discussion with **Nylund** and **Sekkenes** importantly brought up the question of the parallel promotion by the regulation of rules and targets for batteries reuse and recycling. Are these mutually supportive or conflicting, Nylund was asked, to which she replied

- The aim at DG Environment has been to strike a balance between the two.
- By stressing reliance on market. Especially regarding batteries' second life; the intent has been to motivate and enable market to develop rather than hamper it. Feasibility and success must be proven by market.

This was commented by **Sekkenes**, who said

- on the basis of own observations that whereas the regulation intends to foster both, a lot of people pose that same question.
- He importantly voiced dissent with Pellegrini's view that existing amounts of batteries is large enough to sustain the increasing demand if these are reused and recycled. Whereas re-use and -cycling will undoubtedly hugely benefit industry, demand is increasing exponentially which makes said view "unfortunately incorrect".
- "Let's keep in mind both solutions – the road is open to both", he concluded.

The European Battery Alliance was briefly presented by **Sekkenes**:

- The European Battery Alliance gathers companies and investors, innovation- and academia stakeholders under the common goal of building the competitive and sustainable battery industry.
- Work covers all life cycle
- The Alliance set back in 2017 several key objectives to operationalise this task, which were subsequently broken down to high priority actions. Today's topical piece of legislation is among these.
- 560 members as of today, distributed across the value chain.

He then moved to speak about the new regulation in terms of its main objectives:

1. To strengthen the functioning of the internal market. "I hope we come back to a level playing field", he said.
2. Promoting the circular economy and supply chain.
3. Reducing environmental impact and social

The following discussion importantly displayed perceptions that the package is in large based on consensus, however, remarks also indicated that potential antagonisms still might arise as diverging interests are now to face the test of implementation:

"Let's hope that we have agreed something that will be a common line", Nylund said. Sekkenes on an optimistic note added the potential outlook for European battery practices to spread across the world, as European stakeholders will possibly apply the rules applying in Europe elsewhere.

Questions from the audience notably depicted the realism of the proposed timeline, whose level of ambition was reiterated by Nylund. She cited the goal for an adoption by the end of the year: "Let's see what we can do", she said.

To **Torjesen's** final question about foci for the road ahead, she encouraged listeners supportive of the legislation to work towards decisionmakers. Whereas talking to the industry mainly generates supportive responses, conflicting views exist; hence the need to influence politicians.

Concluding remarks were given by **Per Sjaastad**, who observed commitment to the Green Deal and sustainable transition both at EU, national and lower levels is strong. Previous concerns about the level of ambition voiced by stakeholders now seem to have faded as commitment is "stronger than before", he said, then moved to

state Norway's commitment to contributing to the green transition. He then briefly summed up what he perceived as the webinar's and the regulation's main points:

1. The climate dimension.
2. Sustainable production and use of batteries.
3. Development of the industry, hereunder supporting employment.
4. The market dimension.

"I reckon the package aligns with all aspects above", he said, effectively crediting the Commission's efforts before rounding off the webinar.