

# Statement by Vice-President Maroš Šefčovič on the third political meeting under the European Battery Alliance

Today we held our third political meeting under the European Battery Alliance in less than 18 months.

Respective ministers were very clear about their resolve to prioritise the establishment of a strategic battery value chain in Europe –and therefore to speed up and step up our coordinated support for strategic trans-national projects across the supply chain.

We already have a lot to be proud of. Because cross-border, large-scale integrated consortia are being established in our countries across all segments of the EU value chain:

- Raw materials: Sweden, Finland, Portugal.
- Chemicals: in cooperation between Belgium and Poland as well as between Germany and Finland.
- Battery cells production: Sweden, France, Germany, Italy, the Czech Republic.
- Battery pack, software, machine tools and engineering: the automakers in Germany, France, Spain, Slovakia.
- Recycling: Belgium, Germany.

So the most visible achievement is undoubtedly the undisputable lead taken by our industry across the battery value chain.

According to InnoEnergy, EUR 100 bn have already been announced and are being invested in flagship projects covering the entire supply chain, incl. OEMs/car manufacturers.

Public authorities – namely, the COM, Member States and the EIB – are joining forces to support this venture.

All Member States represented on this stage have for instance, launched calls to express their interest in one or more important projects of common European interest – and I will elaborate in a minute.

I can tell you that our non-European competitors are getting worried. But at the same time, we cannot be naïve, as we are catching up slowly.

So we have agreed to act even faster.

As a result, the Commission expects the first IPCEI to be (pre-)notified to us by the end of this semester. I would want the Commission to be able to reach its decision still under this mandate. Commissioner Vestager today

discussed with the Member States the effort needed and cooperation will now intensify – already on 10 May, here in Brussels, the Commission with Member States and industrial actors will meet at expert level.

More Member States are now showing their interest to join the IPCEI (the important projects of common European interest). I have assured them today that we will look at subsequent projects with the same level of determination and commitment.

Moreover, our strategic partnership with the EIB is reaching an unprecedented level. Soon, in May, a decision will be taken by its Board on substantial financing for a Giga-factory in Sweden – it means moving from a pilot line to industrial deployment. This should serve as reference for other investors and future projects.

By June, our EU accelerator – the EIT InnoEnergy – is setting up together with the EIB support an Investment Platform. This match-making platform should create an additional flow of EUR 70 bn into EU-based projects.

Finally, we all agree that we need a robust framework in place to support our European champions.

This means our sustainability requirements and standards should be ready (i.e. enforceable) when EU mass production starts in 2022-23. And they should cover the entire value chain – so not just the recyclability and re-use, but also sustainable and ethical mining, and a production based on low carbon footprint. This is the only way to underpin our competitiveness and promote our standards globally.

We must also show that we mean business when filling the remaining gaps in the value chain, notably mining and refining. EU companies need to be better supported to invest in sustainable mining and refining of raw materials – both in EU and third countries. We plan to launch a European Raw materials investment facility with the EBRD and the EIB) – hopefully at the end of the year.

Following on our recent exchanges with our Chinese partners (I returned from the Belt and Road Forum yesterday), I am absolutely convinced that we need to ask for reciprocity in the way our companies are treated.

We ultimately want our European champions to be able integrate into global value chains – the same way our foreign competitors are investing in Europe.

For all these reasons, we see that our efforts under the EU Battery Alliance – to build a strategic value chain for batteries in Europe – should and can serve as a pilot for our future industrial policy. The European Council has requested its long-term vision for the end of this year.