

Statements by Vice-President Sefcovic and participants to the 4th high level meeting of the European Battery Alliance

Maroš Sefcovic, Vice-President for the Energy Union

We have just returned from the Competitiveness Council, where I informed all Member States about our work under the EU Battery Alliance.

In a few moments, I will host the 4th High-Level Meeting on batteries – with Ministers and with CEOs who have been most actively involved in the Alliance.

We will take stock of where we are and we will discuss the next step in order to succeed and produce at scale by 2023 – 2025.

Briefly where we are.

Several strong industrial and innovation partnerships are springing up across the value chain, for instance:

- Mining in Finland, Portugal, Spain and the Czech Republic;
- Cathode materials in Belgium, Finland, Germany and Poland;
- Other Battery materials in Belgium, France and Italy;
- Cell manufacturing in Sweden, Germany, France and Italy, with additional announcements in Slovakia and the Czech Republic;
- Battery packs in Germany and Poland;
- Recycling in Belgium, Germany and Poland.

I think that the success lies with our focus on concrete industrial projects stemming from the industry itself. There was no top-down blueprint for the battery value chain in Europe.

There was no break, even during summer. And thanks to intensive efforts of seven Member States, industry and the Commission, a first IPCEI (important projects of the common European interest) should emerge in the subsequent weeks. I want to pay tribute to the excellent co-ordination work by France. And I do hope that we will have a concrete announcement very soon.

In practice, it would mean Europe's first major pan-European battery consortium with projects in all segments of the value chain – no doubt this would be a very important signal.

Equally importantly, we are working hard – and are on track – when it comes to a second IPCEI-supported battery consortium, thanks to enormous co-ordination efforts by Germany.

Of course, Sweden is leading the way, with the Northvolt project. As you know

we support it heavily – with substantial loans from the European Investment Bank (guaranteed by our instruments). And we see the Gigafactory already in construction there.

Establishing these consortia quickly is vital. Why: because we only have a small window of opportunity of two to three years to establish genuine European leadership;

I am also glad to say that yesterday we launched the European Battery Alliance Business Investment Platform, aimed at facilitating the matchmaking between projects owners and financial stakeholders. I am sure that the Platform will contribute decisively to accelerating the deployment of solutions, going from lab to market in record-time. Already yesterday, we saw a matchmaking worth of EUR 5 billion.

The Platform will also work to create financial deal flows towards key projects identified under the battery smart specialisation partnership that already gather 27 regions in our Member States – and more in the future. These will be benefitting from European regional funds support.

Now what next for the EU Battery Alliance. We will discuss it this afternoon but I can give you my preliminary thoughts.

First, we need to establish an EU legal framework setting out the mandatory use and sustainability criteria for batteries placed on the EU market. My objective is to have this framework in place by 2022 – 2023 to be ready when we are likely to see the start of mass manufacturing.

Second, we need to improve access to raw materials – and our refining capacity, a key strategic issue for the battery value chain.

Third, we must tackle the issue of skill shortages upfront.

Fourth, we must continue to prioritise our investment in research and innovation. We had a dedicated call for proposals on batteries of EUR 114 million in 2019 – the selection procedure is finalised and results will be announced in coming weeks. A further call of EUR 132 million for 2020 has been published. We will set up a public private partnership to help.

To conclude, let me say once again that all we do under the European Battery Alliance is to secure Europe's automotive and renewable industry long-term future.

Not only do we want to capture a great part of European market but after discussing with the industry, we are convinced that we can also substantially expand our exporting and investment capacity globally.

We know the Chinese automotive market is becoming the largest in the world, while China and India are set to stand for 46 percent of the growth in renewables between 2015 – 2021.

Battery and storage are key enabling technologies for our leadership in these sectors. We also need to reflect upon whether and how to extend the EBA model

to other key strategic sectors across the board.

Bruno Le Maire, Economy and Finance Minister, France

"The European Battery Alliance is delivering in a record time. We will start building the first pilot factory in France before the end of the year. We will then build a first factory in France in 2022 and a second one in Germany in 2024."

Claudia Dörr-Voß, Secretary of State for Economic Affairs and Energy, Germany

"Numerous companies and consortia have submitted innovative project ideas for the development of competitive and sustainable battery production in Germany. These enterprises cover the entire value chain from mining and materials to the production of cathodes, anodes and mechanical components, actual battery cell production capabilities as well as integration into larger systems and applications. We are seeing many new business cases and firms engaging in European cooperation. The IPCEI instrument is making a significant contribution to the creation of new value chains."

Jadwiga Emilewicz, Minister of entrepreneurship and technology, Poland

"The European Battery Alliance and initiatives of summer and autumn IPCEIs related thereto are of high significance for our companies and the Polish government. Electromobility is one of fundamentals of our Responsible Development Strategy and we see it as an indispensable factor for successful transition towards green and sustainable economy. The EBA lays foundations for our European companies to make use from unique conditions and comparative advantages of European economy and Single Market for developing high-tech, low-emission and edge-cutting solutions in truly European, cross-border and sovereign value chains. Therefore, it is important for us to support and develop technologies suited for whole life cycle of batteries and cells – from R&D and the raw materials phase to recycling. Our intention is to use the opportunities created by the EBA and the next technological revolution to facilitate cohesive and geographically balanced growth and spread the technologies and solutions among all Member States in order to reinforce just transition towards low-emission economy. We expect the common projects to bring benefit for the whole Union, not only to participating companies and States."

Peter Carlsson, CEO of Northvolt

"Europe has made tremendous progress over the past few years to establish its own value chain for batteries. The European Battery Alliance initiative has been an important platform in this process, and we now need to make sure we continue to leverage it to speed up the transition to electrification even further, cutting lead times from planning to execution while championing a sustainable approach to battery manufacturing in Europe."

Marc Grynberg, CEO of Umicore

"Umicore is committed to enabling the transition to electrified mobility. Innovative technologies, responsible sourcing and closing the materials loop

will be key ingredients for the success of the European battery value chain. I am happy to see that IPCEI has been launched and that several European Battery Alliance projects are supporting the development of a sustainable industry in Europe."

Matti Hietanen, CEO of Finnish Minerals Group

"The ongoing Climate Week in New York highlights the importance of industry to take an ambitious action to curb the climate change. It is in the core of our mission in Finnish Minerals Group to participate in creating a battery value chain that provides sustainable high-technology materials to the European market. This will support us in our shift from combustion engine vehicles to electric vehicles, which will help cut the CO2 emissions from transport. We continuously support Vice-President Maroš Šefčovič's initiative to make Europe a leading actor in the battery industry."

Ilham Kadri, CEO of Solvay

"Solvay strongly welcomes the creation of the European Battery Alliance and active support from the European Commission and EU Member States. We have established partnerships and collaborative projects meant to accelerate the creation of a battery supply chain in Europe, thus fostering sustainable mobility, employment as well as the necessary research and innovation competencies. Solvay brings to this collaborative effort the strength of its innovation and manufacturing capabilities in advanced materials that enable breakthrough progress in battery technology, which will contribute to the commitments of the Paris agreement."