



The Advanced Rechargeable & Lithium Batteries Association

EU Battery industry: how to support a sustainable development?

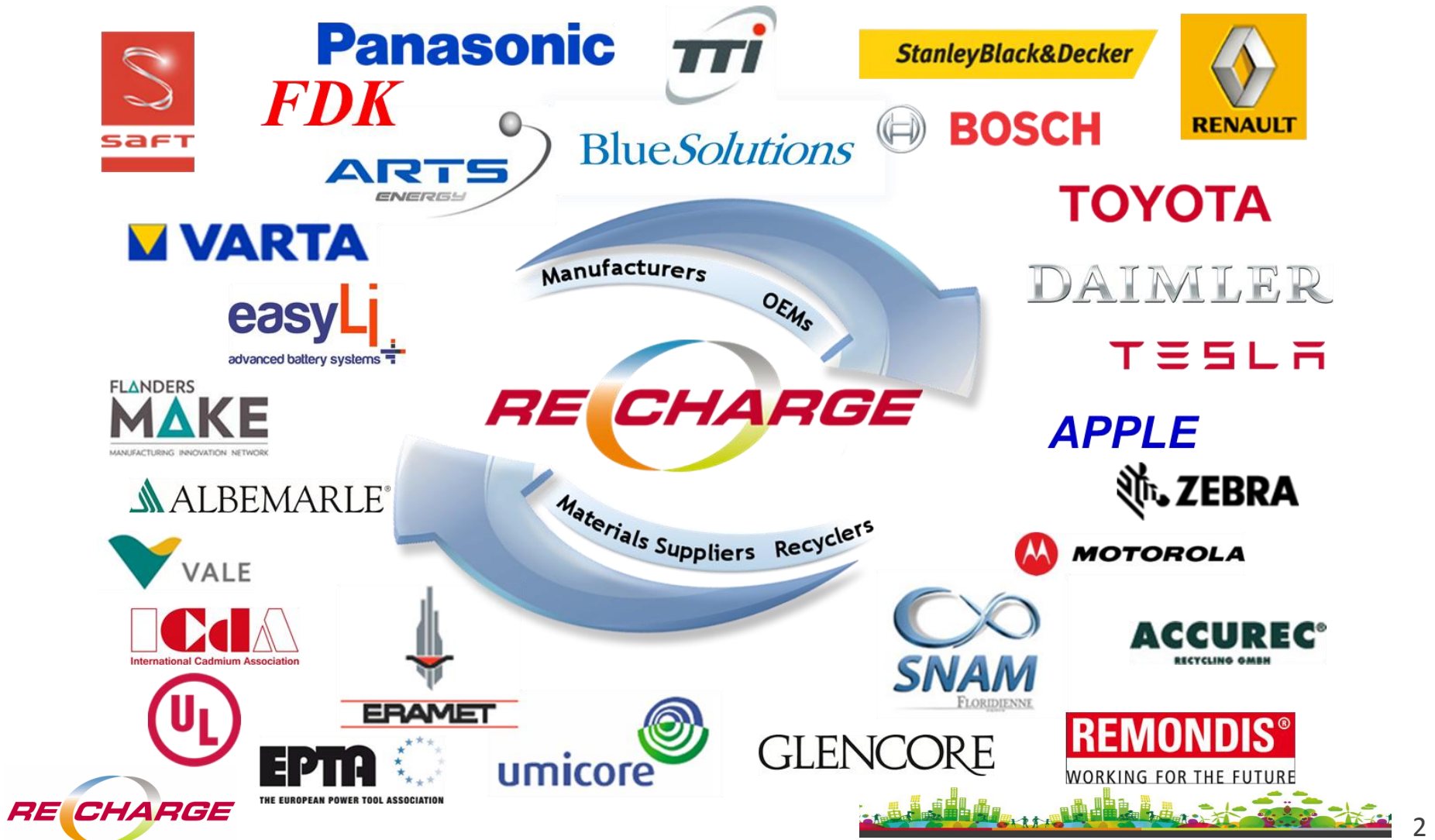
Patrick de Metz

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EU Parliament, Brussels



Membership throughout the value chain

The Advanced Rechargeable & Lithium Batteries Association

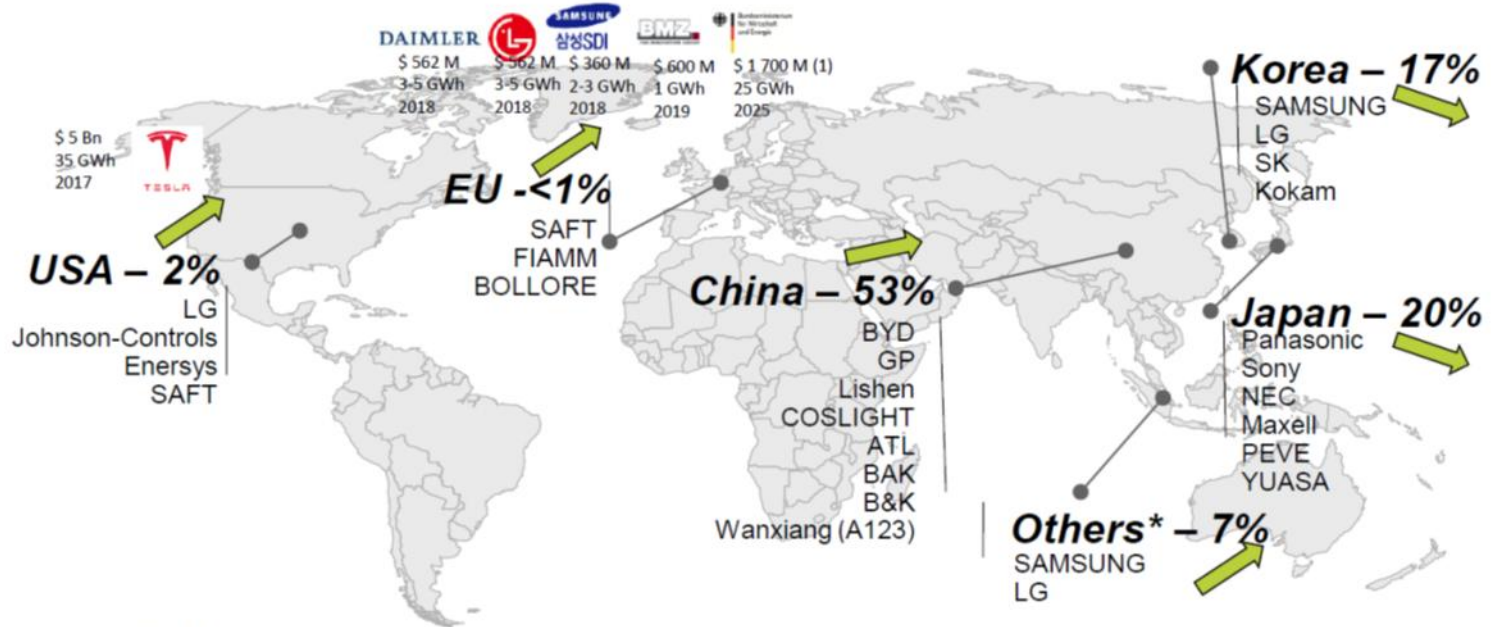


EU Battery manufacturing for EVs and IT is late!

LITHIUM ION CELL PRODUCTION

Korean companies start to move in Malaysia

New production capacity in Europe and US

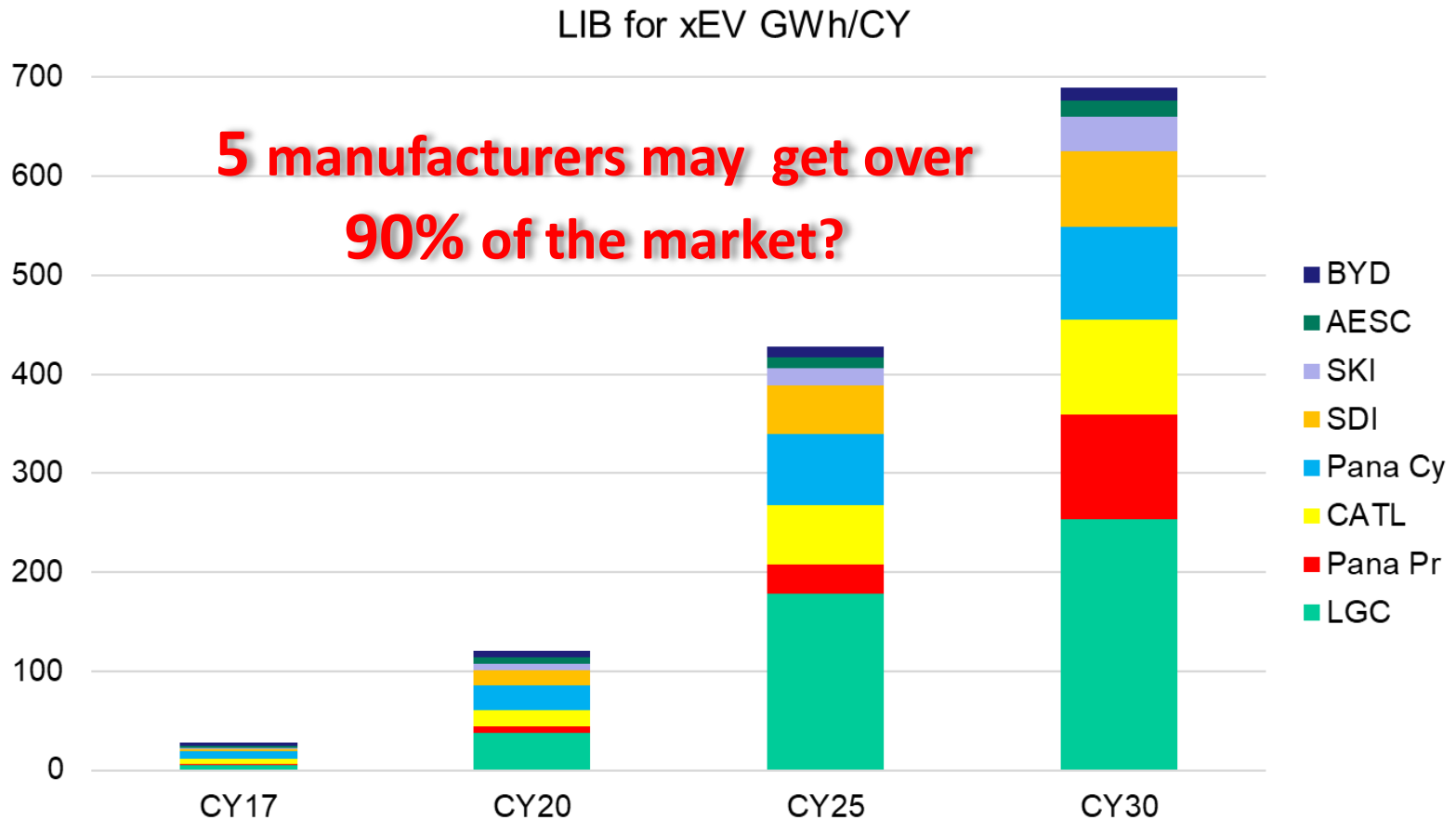


Source: AVICENNE 2017

* OTHERS: Malaysia mostly
 (1) Government subsidies only



Battery manufacturing requires big players !



Source: Takeshita, 9th Int'l Rechargeable Battery Expo, Tokyo Japan March 2nd 2018



Sustainable battery manufacturing

Can Europe take the lead?

AREA	ASSETS	PERCEIVED LIABILITIES
Is the function provided supporting sustainable development?	Batteries help the decarbonization of mobility and a higher share of renewable energy in the mix	
How to push for highly decarbonized batteries?		No widely agreed methodology to rate CO2eq performance
How to ensure raw materials are properly sourced?		Compliance with CSR must be ensured throughout the supply chain
How to help close the circular economy loop (for batteries)?		Collection, recycling and reuse must be facilitated



Sustainable battery manufacturing

Can Europe take the lead?

- Rating CO₂eq content performance
 - USADA: Understandable, Standardized, Accurate, Discriminating, Auditable
 - Europe has been at the forefront of decarbonization, it is high time Europe reaps some benefits!
 - The YES/NO approach does not reward improvements, rating on a performance scale is needed to drive progress



Sustainable battery manufacturing

Can Europe take the lead?

- Supply chain compliance with Corporate Social Responsibility (CSR) principles
 - Worker protection (social rights, H&S, child labor and women rights...) all enshrined in the 8 Fundamental Conventions of ILO
 - Metals (vertical) initiatives are progressing at different speeds,
 - Should the EU battery industry take the lead?



Sustainable battery manufacturing

Can Europe take the lead?

WHAT INCENTIVES ARE NEEDED TO PUSH FOR SELECTING THE BEST PRODUCTS?



Sustainable battery manufacturing

Can Europe take the lead?

- Closing the loop will be a necessity
 - 2030 placing on the market of batteries > 1,000,000 t/year
 - Possible scarcity of some Raw Materials may drive costs up
 - Most metals from recycling have a lower CO₂eq profile (less refining)
- Facilitate
 - For batteries, a “toxic-free environment” should not exclude the “controlled risk approach”,
 - Include circular economy goals in the “flow” regulations:
 - Waste cross border shipment: facilitate crossing of EU internal borders
 - Dangerous goods transport: regulate on an “as needed” basis.
- Second life
 - This is all fine, but products are designed for a specific use
 - Reuse = same use ... This is OK
 - Repurposing = different use ... This requires extra care and a reassignment of some responsibilities for operators who conduct repurposing (including EPR) to avoid “grey business”.



Thank you for your kind attention

The Advanced Rechargeable & Lithium Batteries Association

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