



7th High-Level Meeting of the European Battery Alliance

main takeaways by the Chair Maroš Šefčovič and the Council Presidency

The 7th High-Level Meeting of the European Battery Alliance took place in Brussels on 1st March 2023, chaired by European Commission Vice-President Maroš Šefčovič and organised in cooperation with the Swedish Presidency of the Council of the European Union, represented by Sweden's Deputy Prime Minister and Minister for Energy, Business and Industry, Ebba Busch, and the State Secretary for foreign trade and export and investment promotion, Håkan Jevrell.

The ministerial discussion, involving 27 Member States and Norway, focused on “Fostering the global leadership of the European battery industry in the face of the Inflation Reduction Act and other recent challenges”, based on a discussion paper by the industrial members of the European Battery Alliance, coordinated by EIT InnoEnergy. It benefitted from the interventions of Thomas Östros, Vice-President of the European Investment Bank, and Mark Bowman, Vice-President of the European Bank for Reconstruction and Development.

The discussion acknowledged that the European Battery Alliance has been playing a pivotal role in supporting progress towards the EU's climate neutrality goal by 2050, in delivering on the 2018 strategic action plan on batteries, and in allowing Europe's battery industry to achieve key milestones. In 2022, these included the rise in lithium-ion gigafactories from 26 to 30; the increase in the share of battery electric vehicles sales from 21% to 28%, with several new models launched in Europe; and the recent political agreement on the new EU Battery Regulation. In 2022, the total level of investment in Europe's battery ecosystem, which currently includes more than 160 industrial projects developed along the entire value chain, reached more than EUR 180 billion. However, Europe is still facing several structural challenges, such as the lack of 800,000 skilled workers by 2025, high energy, land, and permitting costs, as well as the fact that Europe is now home of only 1% of the production of key battery raw materials.

The discussion took into account third countries' support schemes for green technologies, most notably in China, affecting the global level playing field. Moreover, while it is positive that the United States have decided to enter in full speed the fight against climate change through the Inflation Reduction Act, some of its provisions risk having a negative impact on the EU's competitiveness and attractiveness for new investments along the battery value chain. The dialogue remains open between the EU and the US to ensure that our respective incentive programmes are fair and mutually reinforced.

The conclusions of the 7th High-Level Meeting of the European Battery Alliance stressed the need for urgent evidence-based actions to ensure that the EU remains a global battery frontrunner as regards innovation, production, circularity, sustainable competitiveness, and investment attractiveness.

The participants also stressed the need to strive for Europe's technological leadership and develop a comprehensive and forceful plan to strengthen the EU's long-term competitiveness and productivity. The situation at hand shows with clarity that the recipe for enabling European-based companies to lead the way in the global battery production is not a quick-fix. Therefore, the Commission and EU Member States are committed to a determined work on a broad array of issues and policy areas, including:

- *Improving the EU regulatory framework, including permitting procedures and increased circularity along the battery value chain, and reducing regulatory burdens for EU companies.*
- *Accelerating private investment and financing across the battery value chain, including a focus on upscaling.*
- *Ensuring the availability of skilled workers for the battery industry.*
- *Using trade policy and international partnerships to strengthen the competitiveness of the EU battery industry, in a manner compatible with our WTO commitments.*