



# EUROPEAN BATTERY STRATEGY

## VIEW ABVV-METAAL

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(FRDO WEBINAR EU BATTERY REGULATION - 24/2)



# EU battery strategy: an example of the opportunities and challenges in EU industrial policy

- Batteries are illustrative of the challenges we face today
- Both the EBA (in which a lot of metal companies are involved) and the EU 'sustainable batteries' regulation touch on two key issues:
  - (1) Transition to a climate-neutral economy (by 2050)
  - (2) Development of a strong, resilient European (metals-) industry
- Those two points are the main challenge for the EU in the next 30 years. We add a third point:
  - (3) Socially just transition (decent jobs, purchasing power, training, strong social security)



# Opportunities of the climate transition

- **Transition to climate-neutral and circular economy offers many opportunities.**
  - Ecological: combat climate change, restore environment & biodiversity, ...
  - Socio-economic: stronger European industry (more sustainable industrial development, more innovation, more resilience, more employment, less dependency).
- **Our industry must become climate neutral, but at the same time industry will shape transition to climate neutrality**
  - Non-ferrous and steel industries must become greener, but at the same time they provide building blocks to make transition possible. Especially in the field of energy transition (windmills, solar panels, batteries, more energy-efficient buildings, etc.)
  - Machine-building industry will provide the machines, equipment and components needed for the transition
  - Automotive industry (car, bus, trams, train) must ensure electrification of transport (electric vehicles)
- **Green Deal can thus ensure a new and sustainable industrialization in the EU**
  - European industry must shape European climate transition
  - EU industry is already producing in a much more sustainable way than e.g. the Chinese industry (competitive edge)



# Opportunities of the climate transition

- **Focus on CE very important**
  - Decoupling between economic growth and use of raw materials, energy and GHG. In the metals-industry (EU and Belgium) there is no decoupling today.
  - Security of supply! Limit dependence on other continents and regions. Transition will create very strong demand for raw materials, such as (rare) metals.
    - Demand for batteries will increase by a factor of 14 (2030)
    - 300% more metals for wind turbines, 200% more metals for solar panels, 1000% more metals for batteries (2050)
- In order to guarantee the supply of these metals, Europe will have to implement a **strong industrial policy** and **focus on CE** (recycling metals, repair/reuse, design for dismantling, etc.).



# Opportunities of the climate transition

## Tekort aan batterijen, Audi bouwt minder e-trons

Audi hoopt dit jaar in de fabriek in Vorst bij Brussel rond de 45.200 exemplaren van de elektrisch e-tron te bouwen. Dat zou dan ruim 10.000 minder zijn dan de oorspronkelijk geplande 55.800 stuks.

REDACTIE AUTOMOBIEL MANAGEMENT | 23 april 2019 12:35



ANALYSE

## China brengt aardmetalen in stelling als wapen tegen VS



Een Chinese arbeider aan het werk in een verwerkingsfabriek voor zeldzame aardmetalen. ©REUTERS

ERIK ZIARCZYK | 16 februari 2021 16:30



## New EU battery regulation: our vision

- **Positive that the EU is developing new regulations on sustainable batteries.**
  - Focus on sustainability throughout the value chain, on circularity, extended producer responsibility, design for dismantling, a (maximum) carbon footprint, recycling obligations, and so on. All these things are positive and important.
  - Important step forward in realizing the 2 essential pillars (climate neutrality and stronger European industry).
- **EU is strong in setting standards.**
  - Also play this role in the field of batteries. Set standards for 'green and sustainable' batteries and develop competitive advantage.



# New EU battery regulation: our vision

- We already see concrete investments



**Trafigura kondigt plannen aan om tot 30 miljoen euro te investeren in de ontwikkeling van een battery energy storage system bij de vestiging van Nyrstar in Balen (België)**

Wednesday January 06, 2021

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JAN DE SCHAMPHELAERE | 08 oktober 2019 17:46



# New EU battery regulation: our vision

- But ... still need for more ambition
- Urgent need to develop concrete industrial capacity for battery production (the focus is currently on China and the US)
  - The goal is a capacity of 200 gigawatts in 2025 but there is still a long way to go (in 2023 capacity will be only 70 gigawatts)
  - Only 3% of global battery-production is in EU – high dependence (especially on Asia).
  - Need for more battery factories, more European investments (public - private), scaling up, ...
  - Technology now needs to be effectively rolled out and applied through large industrial projects
- Specifically for electric cars and lithium ion batteries
  - Are currently not produced on the same scale in the EU as elsewhere (especially China).
  - The automobile industry is important in the EU: today 80% of European cars consist of European components, but if all cars become electric this will only be 45% (= dependency)
  - + also extra attention for development of charging infrastructure (acceleration needed)
- Certain specific aspects could be more ambitious
  - E.g. the obligation in 2030 to recover 70% of the used lithium in batteries while 90% is technically possible.
  - More focus on breakthrough technologies instead of existing technology (e.g. alternatives to lithium-ion).



# THANK YOU!



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