



**BEPDA**

Batteries European  
Partnership Association

## EU Clean Industrial Deal: Implications for the Battery Sector

March 2025

## Webinar Agenda

10:00-11:30, 25 March 2025

**The future —  
— of European  
competitiveness**

Commission européenne  
European Commission

- **Welcome and Introduction**
- **Review of the EU Competitiveness Agenda**
- **Panel Discussion**
- **Q&A**
- **Concluding Remarks**

Welcome from the Batteries European Partnership Association



**Wouter Ijzermans**

Executive Director, BEPA

# Why BEPA?

Support the  
**BATT EU Partnership**  
Batteries European  
Partnership

Deliver solutions for key European  
industries

Create a broad and excellent R&I  
community in Europe

Point the way forward for battery  
innovation in Europe (SRIA)

Providing cross-sectoral solutions for  
different mobility & storage  
applications

Provide a launchpad for  
battery startups

Hosting one of Europe's leading  
strategic battery events

**BEPA**  
Batteries European  
Partnership Association

**Developing new cell  
manufacturing technologies**

**Inventing the next generation of high-  
performance batteries**

**Deploying AI to discover new battery  
materials**

**Developing novel materials processing  
& recycling technologies to close the  
loop**

**Providing batteries of future  
for smart grid**

**Accelerated development of new cells by  
advanced system-level (virtual) testing**



**Over 230 members**

from industry & research representing  
all parts  
of the value chain

# Review of the EU Competitiveness Agenda



**Bozorg Khanbaei**

Policy Officer , BEPA

# EU Competitiveness Agenda

Implications for the Battery Sector....so far



European Commission  
Commission européenne

# When the new Commission's history started...

*Even though Europe's lag in productivity was in making for a couple of decades, the new European Commission's competitiveness agenda is based on the two "wake-up call" reports published in 2024*

## The Future of European Competitiveness by Mario Draghi

Europe largely missed out on the digital revolution led by the internet

The EU is weak in the emerging technologies

Europe will have to rise by around 5% of GDP

Three areas for action to reignite growth

1. **close the innovation gap** in advanced technologies
2. joint plan for **decarbonisation and competitiveness**
3. increasing **security** and reducing dependencies



## The Future of the Single Market by Enrico Letta

The EU's Single Market remains fragmented

EU needs the "Savings and Investments Union" to mobilize €33 trillion in private savings

Three key actions to enhance competitiveness:

- **Deepen integration** in finance, energy, telecom, defense, and space sectors
- **Simplify regulations** to reduce administrative burdens
- Promote equitable benefits **across all EU member states**

# The Commission's agenda to regain competitiveness



Competitiveness  
Compass



Clean Industrial Deal



Action Plan for Automotive Sector

# The Clean Industrial Deal



# EU Clean Industrial Deal

*A business plan to accelerate decarbonisation and competitiveness for European industry - by boosting innovation and reinforcing EU resilience*

*Energy-intensive industries*

*Focusing on*

*&*

*Clean-tech sector*

## *6 Pillars of the Clean Industrial Deal*

Affordable Energy

Lead Markets

Financing

Circularity & Access To  
Materials

Global Markets &  
International Partnerships

Skills

# EU Clean Industrial Deal

## Affordable Energy

- A fast increase of Power-Purchase Agreements (PPAs), including cross border PPAs, and Contracts for Difference (CfDs)
- a pilot programme for corporate Power Purchase Agreements (PPAs) for an indicative amount of EUR 500 million
  - EIB counter-guarantee part of PPA by preferably SMEs
- **Industrial Decarbonisation Accelerator Act will address Cutting permitting times** for the deployment of grid, energy storage and renewables projects

## Lead Markets

### *Measures on demand side to facilitate investments & guarantee employment*

- **Non-Price criteria** in public procurement: Building on Net Zero Industry Act Guidelines
  - Enforcing adoption of four main criteria of **Clean, Resilient, Circular & Cybersecure**
- Using **Product Labelling** to enable leverage of “green premium” : An opportunity for Battery Digital Passports?
- The Commission will continue working on developing LCAs:
  - existing Carbon Footprint Methodology in the Batteries Regulation as a unifying measure

## Financing

### *EU-level Funding*

- *The Commission plans to commit EUR 6 billion from the **Innovation Fund in 2025**, including for battery manufacturing*
- *making greater use of **resilience criteria** in competitive calls or restricting the **participation of third countries** in sensitive research projects*
- *The Commission will launch a flagship Horizon Europe call of ca. **EUR 600 million under the 2026-2027 work programme** to support fit-for-deployment projects*
- *Other introduced instruments: Industrial Decarbonisation Bank, Facilitate support for Sovereignty Seal, EUR 1 billion auction on the decarbonisation of key industrial processes*

## Financing

### *Leverage private Investments*

*Further mobilisation of the InvestEU & European Investment Bank resources toward clean-tech*

- *The Commission is putting forward an amendment of the InvestEU Regulation to **increase InvestEU's risk bearing capacity***
  - ***will mobilise around EUR 50 billion additional financing and investment***
- *the Commission will work with the EIB Group and private investors to deploy a **TechEU investment programme** to help bridge the financing gap to **support disruptive innovation** ( no clear details provided)*

### *Improve State aid*

*The commission propose new **Clean Industrial Deal State Aid Framework ( CISAF)***

- *Simplification and **quick approval of State aid**, including battery manufacturing*
- *The Commission will also work closely with the Member States to speed-up the design of **new IPCEIs** ( Important Projects of Common European Interest)*
- *The Commission will recommend to Member States that their corporate tax systems support a clean business case.*

# EU Clean Industrial Deal

## Circularity & Materials

### *circularity at the core of our decarbonisation strategy*

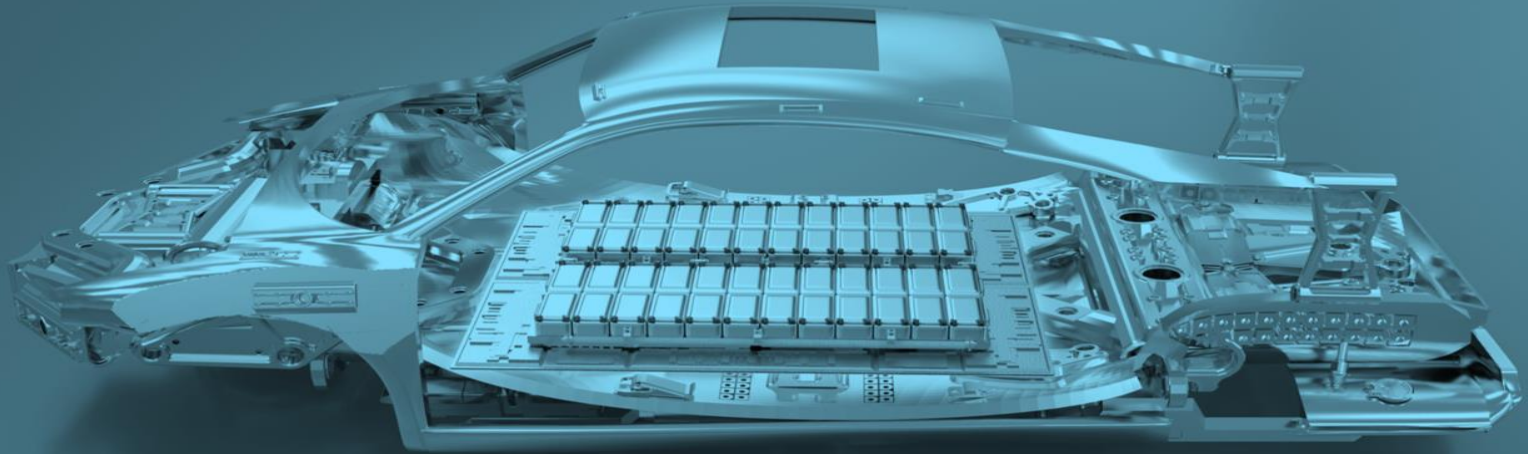
- Fast implementation of the **Critical Raw Materials Act**
  - recognition of a first list of **Strategic Projects in March 2025**
  - **demand aggregation** and a matchmaking mechanism for strategic raw materials
  - dedicated EU **Critical Raw Material Centre** to jointly purchase raw materials
- Building on the Single Market, The Commission will adopt a **Circular Economy Act** in 2026
- **The Commission will adopt specific measures regarding black mass**
- **a potential new IPCEI on circular advanced materials for clean technologies**

## Global Markets & Skills

*“...industry faces unfair global competition notably due to the export of domestic overcapacities from other countries at highly discounted prices...”*

- The Commission will also continue to make fast and efficient use of Trade Defence Instruments (TDIs), such as anti-dumping or anti-subsidy duties where necessary.
- The Commission will lay out a Union of Skills as an overarching **skills strategy**
- The **Quality Jobs Roadmap** will provide support to workers in transitions

# Action Plan For The Automotive Sector



# Action Plan for Automotive Sector

*sets out concrete measures to help secure global competitiveness of the European automotive industry and maintain a strong European production base*

*...Action Plan, which builds on the Competitiveness Compass, the Clean Industrial Deal and ...a wide series of consultations, led by the President of the Commission and several Commission members, in which more than 100 organisations actively participated...*

Innovation and  
Digitalisation

Clean Mobility (Measures  
on Demand)

Supply Chain Resilience (Cell,  
raw materials & recycling)

Skills & Social Dimension

Level Playing Field

## Innovation and Digitalisation

*“...European automotive industry must urgently regain a leadership position in the transition towards **software-enabled, AI-powered connected and autonomous Vehicles.**”*

- The Commission will launch the **European Connected and Autonomous Vehicle Alliance**
  - building on work done in 2Zero, CCAM and the Chips Joint Undertaking
- EC will support the Member States for **(IPCEI) candidate for clean, connected and autonomous vehicles**
- the Commission will work with the EIB Group and private investors to deploy a **TechEU investment programme**

## Innovation and Digitalisation

*“ .... The EU is putting a strong focus on battery innovation through the **Horizon Europe partnership BATT4EU**. This focus remains important. The Commission will support the whole EU value chain of **next generation batteries, including recycling**”*

- *close cooperation with partnerships in advanced manufacturing and advanced materials*
- *For the years 2025 to 2027, the dedicated budget will be around EUR 350 million, as part of the overall Horizon Europe contribution for the automotive sector.*
- *The activities of the Alliance as well as the Next-gen battery technology will be supported by joint public and private investment under relevant partnerships of Horizon Europe. The Programme **will make available EUR 1 billion for the automotive sector for the period 2025-2027, including relevant activities financed via the European Innovation Council.***

## Clean Mobility (Measures on Demand)

- *Emission standards*
  - *No change in the 2025 and 2035 targets but additional flexibility in the 2025-2027 period*
- *Accelerating the uptake of zero-emission vehicles in corporate fleets*
- *Better coordinating Member States' incentive schemes for consumers' purchases*
- *Accelerate the roll-out of charging infrastructure & facilitating the grid access*

## Supply Chain Resilience ( Cell Production)

*“ .... Batteries, which account for 30-40% of value-added of a typical electric passenger car, are a critical battleground for future employment and value creation.*

***Europe needs a cost-competitive domestic cell production and supply chain”***

### ○ **Battery Manufacturing Booster**

- *The document re-introduces the **EUR 3 billion of the Innovation Fund** for battery manufacturing*
- *The Commission **will look into EU direct production support** to companies manufacturing batteries in the EU*
- *Suggests benefit of the sector in upcoming simplification of the state aid*

### ○ *The Commission will explore additional practical ways to support European battery manufacturing **during the critical scale-up phase***

### ○ *The Commission will assess how and to what extent **standardisation interventions, especially regarding battery design**, could be beneficial for the European battery ecosystem to reach economies of scale*

## Supply Chain Resilience ( Cell Production)

*“To boost European added value, the support could be **available to overseas players** if European companies have entered in partnerships with them that **ensure sharing of skills, know how, technical expertise and technology, as well as sufficient added value for the EU.** ”*

- ***non-price criteria** such as resilience requirements will be considered, both for EU and Member State funding.*
- ***European content requirements** on battery cells and components in EVs sold in the EU will be addressed in upcoming legislation ( i.e., Industrial Decarbonisation Accelerator Act and the Circular Economy Act)*

## Supply Chain Resilience (Battery raw materials)

*“European automotive players need reliable and secure access to low-cost raw and refined materials. At the same time, value-added in these activities needs to be localized in Europe. “*

- the Commission will present in March 2025 a **list of Strategic Projects** covering the production of battery raw materials at all stages of the value chain
  - Such projects will benefit from **streamlined permitting procedures, access to finance and offtake agreements** will be facilitated
- Inclusion of Battery Raw Materials in Clean Industrial Deal Provisions of CRM: Platform for aggregate demand, launch of CRM Centre, EU Raw Materials Diplomacy, mobilise the public financial institutions,...

## Supply Chain Resilience (Materials Circularity)

*“Significant investment is needed in both **pre-treatment and post-treatment recycling capacities**, more advanced recycling technologies need to be developed, and **availability of recycling feedstock** should be ensured. “*

- the Commission will look into **financing support** for end-of-life vehicles and battery recycling facilities
- **black mass** shall be classified as hazardous waste. This will lead to better control of shipments of black mass, and especially a ban on its export to non-OECD countries.

## Level Playing Field

- *The Commission will look into defining **specific rules of origin in trade defence measures** for EV ecosystem*
- *make use of Trade Defence Instruments and the **Foreign Subsidies Regulation***

*“...the Commission will propose, in cooperation with Member States and the industry, **conditions for inbound foreign investments in the automotive sector** to further increase their added value for the EU”*

*The conditions could include, for example, **joint venture requirements**, senior management requirements, facilitating agreements that support the needs of EU industry (such as off-take or license services and royalty agreements with foreign partners), licensing of technology or intellectual property, commitments to supply critical inputs.*

***One of the priority areas for this will be the battery supply chain.***

## Glass half full!

*Inclusion of Battery Sector in the broad agenda in Clean Industrial Deal , and as a fundamental solution for future of the automotive sector is a promising development*

- ✓ *Battery Innovation and **BATT4EU** ( co-run by BEPA) as an important focus for the resilience of the sector*
- ✓ *Acknowledgement of the need for public support under the “**Battery Booster**”*
- ✓ *Multiple invitations of **the Member States** to support the European-based value chain*
- ✓ *Acknowledgement the concerns regarding the **Black Mass**, and closing the materials loop*
- ✓ *Inclusion of **European content requirements** in the upcoming legislations*

## Glass half unknown!

- *The EU's declared support regarding Innovation Fund and Horizon Europe stays within previously announced*
- *the “Battery Booster” lacks details and concrete measures*
- *Lack of detail on the implementation in the next Multi-annual Financial Framework ( MFF)*
- *Although the plans build on Net Zero Industry Act & Critical Raw Materials Act, relation to their targets is rather unclear*
- *Lack of details on new initiatives, e.g., TechEU investment programme*
- *Unclear provisions against adverse effects of Minimum Content requirements*
- *Unclear strategy for securing the benefits within “conditions for inbound foreign investments”*
- *Uncertainty in assuring the predictability of market for European startups and innovations, for instance companies and SMEs targeting second-life batteries, novel low-emission manufacturing, safe & sustainable by design advanced materials & cells*
- *Negative impact of relaxation of emission penalties on EV demand*
- *Limited foreseen strategic role of batteries in non-EV sectors in CID, e.g., stationary storage, defence, non-road mobility*

# Panel Discussion: EU Competitiveness Agenda, Implications for the Battery Sector



**Ilka von Dalwigk**

Director General,  
RECHARGE



**Thore Sekkenes**

Program Director, European  
Battery Alliance

Panel moderated by:



**Wouter IJzermans**

Executive Director, BEPA



**Fabrice Stassin**

Secretary General, BEPA  
Director of Government Affairs, Umicore

# Concluding Remarks



**Dr. Franz Geyer**

Head of Technology Cluster, **BMW Group**



**THANK YOU!**

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**BEPA**  
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