

July 2020

UFE answers the consultation on the roadmap on Modernising the EU's batteries legislation

UFE welcomes the EC initiative to revise the Directive 2006/66/CE on batteries which will offer strong opportunities for a competitive, circular and sustainable value chain for batteries produced in Europe.

UFE would like to emphasise the following points in the EC Roadmap.

1. Pave the way for an EU competitive, circular and sustainable value chain for batteries

Considering Europe's ambition to be the first carbon-neutral continent by 2050 and assessing its dependency on energy and raw materials towards third countries, UFE supports a comprehensive approach in line with the EU Industrial Strategy and Circular Economy Action Plan.

The EC should **invest in developing the recycling sector for batteries to tackle GHG emissions associated with battery manufacturing processes** (p.2). To be fully consistent with the Green Deal, **an assessment of the battery carbon footprint** should be conducted based on the location of the production of both batteries and its key components as well as on the CO2 emitted per kWh. To do so, the CO2 national average of the electricity system is the proxy available. The EC should also clarify the definitions of **"lifetime" and "hazardous substances" and consider the environmental impact of the battery production via LCA methodology** (p.3). The EC should investigate further the mechanisms which can be used to integrate low carbon electricity into the overall electricity mix in the production of batteries.



2. Clarify the rules of the game in the long run to reduce the risk perception

A circular approach on the battery lifecycle is key to tackle the environmental and health risks of the battery industry (p.2). Many obstacles remain to ensure a mature and viable recycling sector of batteries in Europe.

The legal uncertainty needs to be addressed to build confidence in the private and banking sectors. To face it, UFE recommends setting a fair balance between the recycling cost and the targeted recycling rate, which should be technically and economically feasible, to secure the effects of scale and increase the effectiveness of the battery collection and logistics. The EC should bring clarifications on the end-of-life and second-life batteries as well as on their price and could consider a battery recycling tax to vehicle sales (p.3). UFE calls also to further integrate technology advancements and enhance their effectiveness.

3. Ensure a non-discriminatory access to data on batteries

The revised Directive needs to address the access to data on batteries. Managing EV charging (smart charging) has economic, social and environmental benefits. It can provide a better experience for EV users and secure their mobility needs while reducing energy costs. In France, an EV user can save up to 200€ comparing to a normal recharge of its vehicle by traveling 14 000 km per year from home to work. It can also contribute to bring flexibility and stability to the power electricity system at any time and facilitate the integration the REs into the grids by managing more efficiently their intermittence. It also allows DSOs to better anticipate the impact of EVs and smart charging on the network and to better inform market players on the EV charging and battery potential for flexibilities.

UFE points out the importance of **adopting a non-discriminatory approach regarding the access to battery data** for dynamic charging management services and electricity reinjection (V2H, V2B, V2G) as it can be seen as an extension of EV charging services. The EC needs **to guarantee available information to all actors** on the state of battery charge (battery load factor), the minimum and maximum import (even export) capabilities in kW, as well as the kW capacity of the battery of each vehicle in order to better anticipate the options available for the batteries (natural or piloted recharge).

Attached document:

RTE, [In French] <u>Enjeux du développement de l'électromobilité pour le système</u> <u>électrique</u> (May 2019)