

## Our position

# Batteries Regulation: a key stop on the road to net-zero

Reviewed position paper- March 2022



AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €3 trillion in 2020, directly supports more than 4.8 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

## Executive summary

The American Chamber of Commerce to the EU (AmCham EU) welcomes the European Commission proposal for an EU Battery Regulation, as well as the ongoing work within the European Parliament and the Council of the EU towards a final text to replace Battery Directive 2006/66/EC. The EU has set itself ambitious climate goals with the EU Green Deal and enabling of circularity. The electrification of industry and mobility is one of the pathways to achieve carbon neutrality by 2050. The Battery Regulation will be one of the key legislative proposals that should support and facilitate the uptake of the battery industry as well as the use of batteries in different applications. AmCham EU supports the European Commission's proposal to make batteries placed on the EU market 'sustainable, high-performing and safe all along the entire life cycle.'

Ahead of key interinstitutional negotiations, AmCham EU wishes to highlight its priority areas for a successful review of the batteries legislation:

- Better Regulation principles should be followed to ensure issues in the Regulation are thoroughly assessed before conclusions are drawn. In particular, we caution against the excessive use of secondary legislation and encourage the use of the New Legislative Framework (NLF) principles of standardisation;
- Industry requires adequate grace periods to be provided for the implementation of new requirements to best adapt to these legislative changes without hindering its innovative capacity. We therefore encourage the legislators to reflect this within the Regulation;
- Clarity and consistency between the Batteries Regulation and other circular economy legislation will be vital to ensure that double regulation and overlap is avoided. The Batteries Regulation must make its scope clear to avoid causing confusion and unnecessary burden for enforcement authorities and the industry;
- To ensure applicable regulation and facilitate a true level-playing field and potential export of the EU's circular battery model, the EU should follow existing tested and globally accepted industry and international standards - such as the United Nations Economic Commission for Europe (UN ECE) standards. ;
- To mitigate against limiting innovation with the unnecessary inclusion of certain types of information in the battery passport, the EU should thoroughly assess its implications, taking into account competition and anti-trust laws when coming to a conclusion;
- Streamlining aspects of the Regulation, specifically the One Substance-One Assessment principle and the - at times - excessive labelling requirements, is necessary to strengthen regulatory predictability, reduce administrative burden and limit the potential for overlaps with other legislative files.
- Recycling targets should not hinder re-use and remanufacturing.. Recycling should be a tool rather than an environmental target. Recycling should carefully be evaluated to avoid any trade-offs with other options for resource recovery like remanufacturing or re-use in a second-life application.

## General remarks

AmCham EU welcomes the fact that the Commission is proposing a regulation rather than a Directive; thereby facilitating an unified approach in the European Economic Area (EEA). Please see below for an overview of the most important issues for AmCham EU members as well as other concerns seen in the newly proposed regulation.

## Better regulation: use of delegated acts

The proposal includes a high number of delegated and implementing acts, some of which address very technical and essential parts of the proposal (e.g. on calculation and information dissemination methodologies). These issues need to be thoroughly assessed before any conclusions can be drawn about the potential implications for industry. In addition to this, elements that are to be determined by secondary legislation should be defined in cooperation with external stakeholders (e.g. industry; environment, health and safety; users) with enough lead time for economic operators to adapt. Overall, we caution against the excessive use of secondary legislation for fundamental elements of the proposal and instead favour the use of other decision-making tools which allow for more dialogue and openness to different stakeholders. In particular, the New Legislative Framework (NLF) principles of standardisation are strongly preferred, where timely high-level mandates based on essential requirements are issued to European Standardisation Organisations (ESO) who have access to the expertise for developing the required technical solutions.

## Carbon footprint

The Commission is proposing new requirements in Article 7 on carbon footprint declarations for certain types of batteries, to be implemented as of 2024. A methodology for the calculation of the carbon footprint (2023), battery performance requirements (December 2024) and minimum life cycle thresholds (July 2026) will be decided through delegated acts. The proposed dates and delays between the proposal and its entry into force are very ambitious and extremely difficult to fully implement in practice.

Carbon footprint calculations can be a useful tool to address the environmental impact of a product and are already applied by companies internally for the systematic management of environmental improvements. However, we stress that methodologies that may work for one sector could be difficult to implement for other sectors and we thereby strongly oppose a one-size-fits-all approach. The complexity of producer- as well as downstream user-industries makes it challenging to develop one methodology based on universal standards to allow for the comparison of different products. We also highlight the importance of international alignment to avoid trade barriers and enable global trade.

Carbon footprint studies should therefore be based on globally accepted indicators and based on existing ISO standards that are proven in use and globally accepted. Rather than adding more binding requirements, the EU batteries regulation should promote simplification and avoid too much red tape.

## Battery passports

The proposal for the introduction of a battery passport - to be used as a tracing tool - can be useful for the batteries in scope of this draft requirement. Nevertheless, we have concerns regarding the type of information to be contained in the passport as well as who will have access to this information. The more information that is made public – e.g. on chemical components - the higher the risk that this information can be used by competitors. This should be thoroughly assessed along with different aspects like competition and design rules or anti-trust rules. There should be no duplication of information provided across the trio of battery passport, sources accessed by QR code and physical labelling.

## Due diligence

AmCham EU acknowledges the need for requirements on the responsible sourcing of materials in the global battery supply chain for the batteries in scope and welcomes the goal to introduce a legal framework based on the OECD guidelines on responsible minerals supply chains. It is important to highlight that many industries have either developed or are in the process of developing initiatives to identify and mitigate social, ethical and environmental performance risks in their supply chains. Some of these activities already include responsible sourcing of raw materials for batteries. Recognising industry schemes such as the Responsible Business Alliance (RBA) and its Responsible Minerals Initiative (RMI) is an important step towards common standards and understanding helping companies to develop and enhance resilient and responsible sourcing due diligence practices. Recognition of such schemes based on an OECD-based methodology was built into the Responsible Minerals Regulation (RMR). Collaborative partnerships should also be encouraged to accompany well-designed laws. An example is the European Partnership for Responsible Minerals (EPRM) which assembles governments, supply chain actors (industry) and civil society to help improve the living conditions of local communities in Conflict-Affected and High-Risk Areas (CAHRAs) and deliver on the objectives of the EU responsible minerals regulation.

The Commission should provide clear guidance on the assessment and recognition system. We also ask for further clarification on how far along the supply chain companies' responsibility extend and stress that this definition should be proportionate. The risk categories listed in annex X also need further clarification and a detailed guidance as regards the application of environmental due diligence to provide clarity and legal certainty to EU companies.

We advise against the potential duplication of due diligence requirements under different pieces of legislation. Adding battery-specific due diligence and reporting requirements could lead to confusion and regulatory uncertainty with regard to existing and forthcoming legislation, namely Sustainable Corporate Governance, the Corporate Sustainability Reporting Directive and the Responsible Minerals Regulation.

The draft regulation stipulates that 12 months after entry into force of the regulation companies have to comply with the supply chain due diligence obligations. However, as guidance still needs to be developed and industry schemes be recognised - including controls, audits etc. - we call for an implementation period of at least 24 months.

Articles 39 and 72 provide for a dedicated obligation for economic operators placing certain batteries on the market to establish supply chain due diligence policies. We recognise that a higher risk of human rights violations and/or environmental harm warrants sector-specific mandatory Human Rights and Environmental Due Diligence (mHREDD) Regulation in certain limited cases. However, sector specific regulation should only be adopted if it provides clear and material additional protection not otherwise provided by 'horizontal' legislation. Sector-

specific legislation that duplicates existing obligations should be avoided, as this reduces legal certainty and confers an administrative burden on businesses to keep track of and comply with numerous cross-cutting obligations.

We caution against the potential duplication of due diligence requirements under different pieces of legislation which could create excessive administrative burden, duplication of effort and possible conflicting obligations. Adding sector-specific due diligence and reporting requirements could lead to confusion and regulatory uncertainty considering the Responsible Minerals Regulation, the Corporate Sustainability Reporting Directive and the new initiative on Sustainable Corporate Governance including mandatory human rights and environmental due diligence.

## One substance – one assessment

AmCham EU strongly supports the Commission's ambition to make assessment processes simpler and more transparent in order to reduce the burden on all stakeholders and make decision-making more consistent and predictable. Streamlining the assessment and management of substances also strengthens regulatory predictability, which is essential to investment.

Outcomes of comprehensive assessments carried out under the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and Classification, Labelling and Packaging Regulations must be taken into account when considering further sectoral assessments under product legislation, such as the proposed Batteries Regulation. Before new regulatory processes are initiated, formal mechanisms should be in place to ensure the authorities are aware of and can adequately reference previous assessments that have been performed for the same substances. Strong formal cooperation between EU agencies, Commission services and stakeholders is essential in this respect. While 'one substance – one assessment' should serve to promote coherence and coordination in the EU legislative framework for chemicals, it should not pre-empt sectoral risk assessment.

## Reporting requirements

Article 64 of the Regulation mandates the Commission to set up an electronic exchange system for battery information by 1 January 2026. This system will contain information and data on electric vehicle batteries and rechargeable industrial batteries, divided into publicly accessible information and information accessible only to accredited remanufacturers, second-life operators and recyclers. These pieces of information and reporting requirements could become a major burden for all stakeholders involved. Disclosing the required information breaches existing confidentiality and IP regulations despite already well-established tools and processes, such as the International Dismantling Information System (IDIS) in the automotive industry. When it comes to the disclosure of the battery composition (point E of Annex XIII), this is incredibly sensitive information and such disclosure would reduce any competition amongst manufacturers on improving their battery technology. We recommend that an assessment of the required information should firstly be performed, as well as the most efficient process of information provision, while considering the existing reporting and information systems. The requested information should be kept to a minimum and abide by existing confidentiality and IP regulations. Double reporting should be avoided in order to decrease the administrative burden and minimise the risk of

errors. Furthermore, any reporting requirements should be in line with existing product legislation and should not go beyond existing legal frameworks

## Recycling and recycled content vs re-use, remanufacturing

The Commission's proposal foresees targets for recycling of the battery, recycling efficiency and recycled content for some battery applications. AmCham EU members support a resource efficient approach and are ready to implement it. Resource efficiency means that recycling, re-use and remanufacturing are all equally important when it comes to resource conservation. Recycling targets should not hinder re-use and remanufacturing. Recycling should be a tool rather than an environmental target. Recycling should carefully be evaluated to avoid any trade-offs with other resource recovery options like remanufacturing or re-use in a second-life application.

As for recycled content, recycled material should only be used if there is a guarantee that recyclates have sufficient material characteristics compared to the virgin material. This is important not only for performance but also for safety and environmental protection. Furthermore, we cannot predict the continuous availability of recycled content required to comply with the targets set in the proposal. Bottlenecks in the production of batteries because of a shortage of recycled material should be avoided. Moreover, innovation and new technologies will have an influence on future demand and supply of certain materials that are difficult to predict at this time. Targets should not hinder innovation of new technologies of batteries and should be continuously reviewed.

Finally, Article 59 of the proposed Regulation introduces new requirements related to the repurposing and remanufacturing of electric vehicle batteries, most notably related to independent operators carrying out such operations. Mandating the use of standardised tools and processes for the dismantling of batteries could result in unwarranted technology and design restrictions. For the sake of extended producer responsibility, it is also essential that battery repairs and reuse remain managed by qualified and authorised operators.

## International harmonisation

International harmonised regulation based on United Nations Economic Commission for Europe (UNECE) rules is preferable. Any work on standards or technical requirements should be checked against the work being done on UNECE level rather than introduce double regulation. For example, in the case of Article 10 on durability requirements, there is a clear overlap between the legislative proposal and ongoing discussions within the United Nations Economic Commission for Europe (UNECE) – in these cases it is important to avoid double regulation and unnecessary increases of administrative burden.

## Removability, replaceability of the battery

Article 11 requires manufacturers to design appliances in which portable batteries are incorporated in such a way that batteries can be readily removed and replaced by the end-user or by independent operators, if the batteries have a shorter lifetime than the appliance. We welcome the Commission's proposal to retain the exemptions for removability/replaceability and look forward to the guidance to facilitate harmonised application of this derogation and for manufacturers to assess the lifetimes of the batteries and the appliances.

For medical devices it is important for patients to be confident that there is a continuous power supply to enable them to rely on data from their medical device to facilitate dosing requirements etc.

Furthermore, battery replaceability by end-consumers may not be an option in cases where electronic devices are equipped with customized batteries with functional technical specifications for which no safe equivalent alternative batteries are readily available for purchase by the end consumers. Replacement of such bespoke batteries by alternatives not meeting technical specifications defined by producers of electronic devices may pose serious risks to consumer health and safety. Such customized batteries are directly supplied as part of closed value chains and are thus available only on the B2B market. Hence, their replacement by the end consumer or independent operator is de facto impossible and their replacement with any other incompatible battery would compromise the safe function of the device and/or appliance. Furthermore, it is not feasible for manufacturers to prove that there are no available alternatives on the market as this would require them to have a continuous, full-time overview of the global battery market. This is practically impossible for any manufacturer to achieve given the lightning pace of battery innovation technology.

Given the anticipated short period between adoption and entry into force as well as the lack of methodologies to calculate lifetimes, we ask for an adequate transition period of 18-24 months to allow manufacturers to put together all necessary documentation to demonstrate conformity or to implement new engineering solutions and designs.

Battery replaceability can contribute to promoting appliance sustainability, but this cannot come at the expense of consumers' safety. There is a need to complement Article 11 with provisions to ensure a safe replacement of batteries in appliances that have critical impact for the health and safety of the users, e.g. medical devices, personal protective equipment. This is especially the case for appliances and medical devices or electronic devices with integrated soft pouch lithium batteries in contact with water where users can be exposed to safety risks (fire or electrical shocks), in case water tightness conditions are compromised by inappropriate replacement of batteries by untrained operators. We suggest the following modifications to Article 11:

1. An appropriate transition period of 24 months between the publication of the Guidance on Article 11 and the application of the replaceability obligation is needed to allow to re-design of appliances in a way that batteries can be safely replaceable;
2. Replacement should be performed by operators that are professionally qualified. This provision is in line with the provisions foreseen by several Eco-design Regulations and Art 9 in the revised Waste Framework Directive which emphasizes quality, safety and IPR as boundary conditions to repair. The stringency of this new requirement should be coupled with a clarification of the limitations of liability when a battery is replaced or removed. A clarification that manufacturers, importers and distributors are not liable for damages and defects resulting from the improper removal or replacement of a battery so long as they comply with the obligations of this provision and the battery bears the CE marking in accordance with the new Regulation, would support harmonised application across the European Single Market and reduce the risk of unnecessary burdens for companies.

3. The removal of the new ‘burden of proof’ on manufacturers of devices and/or appliances by which they would need to prove that there is no alternative available on the market when requesting a derogation from the obligations on the replaceability of batteries. This is particularly relevant for advanced, custom-made batteries with certain technical specifications which are currently available only on the B2B market and therefore not available to the end-consumers or independent operators.

## Labelling

The regulation introduces a multitude of labelling requirements (Art 13, 20, 38, 41 etc) for the battery, its packaging and its documentation; some of which are expected to apply with the entry into force of the regulation – such as the CE mark. It is unrealistic to expect manufacturers to be able to align their entire supply chain or a large part of their product portfolio to implement a new mark without a sufficient transition period. No labelling requirement should come into force without a transition period of at least 12 months.

In addition, there is an opportunity to streamline the labelling requirements. With the introduction of a QR code by 2023, there is an opportunity to have all, or at least, all non-consumer relevant marks, labels and information hosted via the QR code.

We otherwise propose that the wheelie bin, CE mark, risk statement, information on manufacturer name and contact address, heavy metal information, etc. are all subject to similar obligations: namely they should be legible, visible and indelible (without further colour requirement or requirement on how to affix, such as for the QR code). Additionally, they should all be subject to an exemption if size or nature of the battery warrants it. In case of an exemption, the manufacturer should have a choice between putting the labels on either the documentation or the packaging rather than both.

## Performance and durability parameters for portable batteries

Article 9 of the Regulation proposes that performance and durability parameters will be developed and will apply from 1 January 2027. A mix of rechargeable and non-rechargeable batteries ensures the best performance and lowest overall emissions for the portable battery sector, with different electronic devices working better with different battery types, depending on their energy consumption levels. In specific cases, devices can simply not function with rechargeable batteries for back-up memory purposes (e.g. laptops) or due to sanitization requirements (e.g. medical equipment). We therefore support the Commission’s proposal to develop durability and performance parameters for all portable batteries of general use, as this will ensure that only the best performing batteries - both rechargeable and non-rechargeable - access the EU market and are used in appropriate devices. Similarly, the Commission’s future study on measures to phase out the use of non-rechargeable portable batteries (Article 9.3) should be clearly based on a life-cycle assessment of both battery types within their designated applications, taking into account that in some cases no rechargeable equivalent can be envisaged. This study should be carried out once the durability and performance parameters are in place and their impact can be properly assessed – for this reason we also support the proposed date of 2030.



## Extended producer responsibility (EPR)

Article 47 of the Regulation states that battery producers should have extended producer responsibility (EPR) for their products sold on EU markets. This entails the collection of waste batteries as well as their transport, preparation for repurposing and remanufacturing, their treatment and recycling. It also requires that producers and producer responsibility organisations (PRO) have the necessary organisational and financial means to fulfil their EPR obligations. It should be closely looked into the financial consequences related to those requirements and how this will affect the cost of batteries. The introduction of terminologies on repurposing and reuse, will require more clarification in terms of EPR. It should be clearly defined when the responsibility starts and when it ends. Once a battery is being re-used or repurposed by a third party, a producer or importer of batteries can no longer be held responsible. This should clearly be documented in a harmonised system. Article 60 (5) requires mandatory visible fees: ‘The costs covered by the producer under Article 47(1)(e) shall be shown separately to the end-user at the point of sale of a new battery [...]’. The ICT industry is generally opposed to mandatory visible fees. If Member States must implement a visible fee it should only be applied on a voluntary basis and left for producers to decide whether or not they wish to utilise it.

We suggest amending Article 46.1 with a Delegated Act establishing a central coordination mechanism at EU level allowing producers to register and report for the quantities placed on the market in any of the Member States only once and to one competent authority. This centralized solution represents the best option for lifting the administrative and financial burden that businesses, especially SMEs, are facing when registering and reporting batteries placed on the market. This solution will further contribute to a fully harmonized regulatory framework, avoiding distortion of competition and barriers to trade.

Article 46 requires producers to register in ‘the Member State where they make a battery available’ allowing them also to delegate the responsibility to appointed PROs. The same Article (46.2) identifies the information to be provided: this, when implemented through the Regulation, will contribute to simplifying and avoiding the current variety of requirements and information to be provided across different Member States. It appears reasonable to establish a coordination mechanism allowing producers to register and report only once, either to (i) a central EU Register or (ii) to the National Register of the Member State where they are established, provided that such National Register later transfers the relevant information to the competent authorities of Member States where batteries are exported to.

At the same time, we are concerned about the requirement the cost paid by producers under EPR to be shown separately (e.g. so called ‘visible fee’) to the end-user at the point of sale of a new battery (Article 60 [5]). While this would offer little tangible benefit, it would place an excessive burden on economic operators because such data is not readily available. Visible fees may be inappropriate for products where the costs associated with the administration of the fee far exceed the actual cost of recycling the products and where the use of visible fees places an additional administrative burden on all actors in the batteries value chain. Given the lack of clarity over calculation and display modalities, there is also a significant risk of fragmented implementation of this requirement. We therefore propose removal of this provision and call on the European Parliament and Council to ensure that the visible fee will remain voluntary so to ensure that no excessive burden will be placed on businesses that do not need the visible fee to cover cost of recycling.

## Battery marking

Article 38.3 requires the manufacturer to affix the CE marking (as of the date of application of the Regulation).. We propose that any labelling requirements will not be required at least 12 month from the moment the regulation comes into force. Companies need at least 12 months transition period to implement the product marking through the entire supply chain. Furthermore Article 38.4 implies that the declaration of conformity (DoC) should accompany the battery. The QR Code will already give access to this and nowhere else in the draft regulation is such a requirement indicated. The second paragraph of Article 38.4 should therefore be deleted<sup>1</sup>.

Annex VI on labelling, marking and information requirements in part A of ‘General information about batteries’ in point 5 requires to provide the weight of the battery on the product label. Producers see this requirement not relevant as already such information is provided to Producers Responsibility Organisation to fulfil take-back obligations.

Imposing such requirement will require additional space on sometimes very small labels of batteries in small devices.

Another clarification is needed regarding CE marking of batteries which are on stock. The current draft text does not specify how this will affect existing stocks. The legally binding directive (amended by Directive 2013/56/EU) incorporates a provision specifically on the exhaustion of stocks:

‘(2) Article 6(2) is replaced by the following:

‘2. Batteries and accumulators which do not meet the requirements of this Directive, but which were lawfully placed on the market prior to the date of application of the respective prohibitions in Article 4, may continue to be marketed until stocks are exhausted.’

Given the set of information and markings to which the QR Code gives access, there should be minimal duplication of the same information either on the battery itself or its packaging to and preferably to neither of these.

Article 38.8 requires ‘the web address’ as part of the traceability information. This exceeds the provisions of the New Legislative Framework (NLF) and, given that the QR Code already gives access to the manufacturer’s DoC, is redundant. This requirement should be removed.

## Mobility

With the EU Green Deal the Commission has set itself the ambitious goal to become the first climate neutral continent in 2050. For the transport sector this means cutting emissions by 90%. The electrification of the (road) transport sector will play a major role in reaching this target and batteries will be one of the key technologies to help to further reduce emissions. Furthermore, the Commission launched the European Battery Alliance in October 2017 with the goal to build up battery technology and production capacity in the EU – a goal which is crucial for low-emission mobility, energy storage and Europe’s economic strategy.

---

<sup>1</sup> However, where several batteries are delivered simultaneously to a single user, the batch or consignment concerned may be accompanied by a single copy of the EU declaration of conformity.

From that point of view, a legislative framework for batteries should facilitate the market uptake of electric mobility while also setting the right industrial framework that will support the EU battery industry. Any future battery put on the EU market should comply with the highest environmental standards, hereby supporting the principles of the EU Green Deal.

Nevertheless, we see some challenges with the current proposal; some of which are already mentioned above. Any legislation should be predictable and provide for timely security planning. The (road) transport industry is massively ramping up the electrification of their fleet and with the proposal for the revision of the CO2 legislation for cars, now proposing an end date for the internal combustion engine in 2035 and likely higher targets for trucks, the electrification will have to come sooner rather than later.

As already explained, the large number of delegated acts and the accompanying legal uncertainties as well as timing will make planning and the right business decisions very challenging. Since we operate in a global supply chain, this is especially true for battery technology. As such global standards defined at the UN ECE level would be welcomed rather than a patchwork of different international standards. This would strengthen the EU battery industry and help them to become a global player.

The Commission should also ensure that European industry can easily access the necessary raw material required for the batteries on the global market through favourable trade agreements. We do not currently have any reliable data to predict the exact time and volume of batteries that will be available for recycling in the next decade. When it comes to recycling, we need a realistic approach on the availability of recycled material that could close the material loop. If we wish to reduce emissions in transport we must accelerate electrification of the transport sector. However, this can only be achieved with a legislative framework that is predictable and implementable.

## Incorporated batteries

In many cases, appliance manufacturers incorporate industry standard batteries (e.g. CR2032 coin cell) to serve secondary purposes such as keeping a real time clock operational during power outages. These may be sources from multiple suppliers according to current market availability. This regulation should not impose labelling requirements for these on the manufacturer of the appliance or its delivery chain into the EU as this would be unmanageable given the dynamics of the supply chains. The battery's traceability information would allow access to the details provided by the manufacturer of the incorporated battery. The obligations of the appliance manufacturer and his delivery channels should not extend beyond those of the producer as presented in the draft regulation.

## Extension of Article 4 of Regulation (EU) 2019/1020

Article 75(1) of the Proposal extends Article 4 of Regulation (EU) 2019/1020 on market surveillance and compliance of products (the Market Surveillance Regulation) to economic operators making batteries available on the EU market. The impact assessment report accompanying the Proposal does not assess the impact of this measure, which will be significant for economic operators affected by this scope expansion.

In addition, the products in scope of Article 4 were the subject of significant discussion amongst the institutions to find a compromise. At the same time, the Market Surveillance Regulation already provides for a possible revision of the scope of Article 4 in July 2023 in order to assess the impact of the newly created obligations. It would be prudent to wait for that review to assess the efficiency of the measures on the current list of product categories in order to ensure the best possible outcome for consumers and businesses alike.

To address the aforementioned concerns, Article 75(1) should be deleted from the proposal. Rather, better regulation principles should be followed in order to allow for a well-founded impact assessment before extending the scope of Regulation EU 2019/2020 to the revised Batteries Regulation.

## Adequate transition periods

Adequate transition periods should be provided for the novel requirements in the proposal where they imply a need to redesign batteries and appliances or to adapt processes to meet new obligations (especially on end-of-life of the batteries). Given that product development cycles are typically at least 18-24 months long, such requirements should come with grace periods that extend past the general date of application of the Regulation, which is currently set for 1 January 2023. Adequate grace periods should be ensured for the implementation of new requirements affecting design, conception, labelling or end-of-life handling of products and batteries. Delegated and implementing acts should also be adopted with sufficient time before their application for economic operators to adjust to new requirements and procedures.

## Conclusion

AmCham EU welcomes the European Commission's proposal for an EU Batteries Regulation, in order to achieve the ambitious targets set out in the European Green Deal. Our members remain committed to working with the institutions to move towards achieving targets and net-zero greenhouse gas emissions by 2050. We will continue to be constructive stakeholders in providing the perspective of industry who need clarity and coherence now more than ever in order to find innovative solutions to rapidly electrify industry and mobility.

Our position paper highlights where we believe the proposed regulation could be improved to deliver a workable outcome for industry while best achieving the targets of the Green Deal. The regulation should be based on the Better Regulation principles, avoiding excessive use of secondary legislation and following the NLF standardisation principles whilst also providing sufficient transition periods to allow industry to adapt. We encourage the institutions to use existing tested and globally accepted industry standards, such as for carbon footprint studies and due diligence aspects of the proposal. In order to mitigate against the unnecessary inclusion of certain types of information in the battery passport, the EU should thoroughly assess the potential implications of a battery passport; taking into account competition and anti-trust laws. Further to this, a resource efficient approach should be considered with regard to recycling and recycled content as opposed to re-use and remanufacturing. There should be coherence across the legislative files to avoid overlap. Where possible, international standards should be followed to avoid potential double regulation and facilitate a true level-playing-field.