CONNECT ESG by TaylorWessing

The new EU Battery Law: Supercharged with Obligations –

Ensuring Product Compliance for Manufacturers and Importers

Dr. Ulrich Spiegel // Dr. Benedikt Rohrßen

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Agenda

I. European Batteries Market – Maintain Access & Avoid Liability

1. Evolving Batteries Market & Green Deal
2. Liability Risks – Maintain Product Compliance

II. European Batteries Regulation – Overview

1. Key Data & Overview & Deadlines
2. Economic Operators‘ Perspective
3. Battery Categories

III. European Batteries Regulation – Focus on Specific Tasks

1. Battery Management System
2. Battery Passport
3. Due Dilligence Obligations

IV. Q&A

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European Batteries Market – Maintain Access and Avoid Liability

EU Batteries Regulation – Overview
Relevance of the Batteries Market

- European Commission: Battery development and production are **strategic imperatives** for Europe in the context of the clean energy transition. COM(2020) 798 final
- Growing market, further increase in demand expected

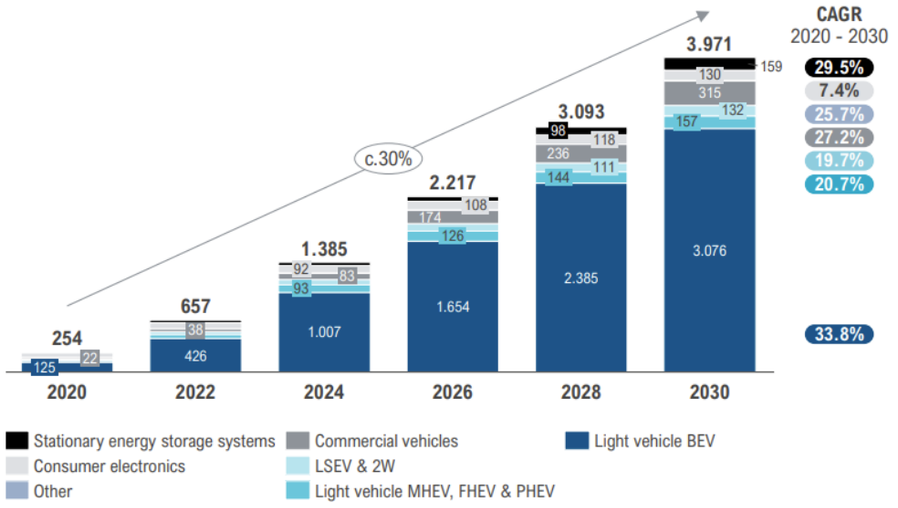


Figure 2: Global market demand forecast for LIB by application [GWh].
Source: IHS Markit, interviews with market participants, Roland Berger

Studie der RWTH Aachen

Deutscher Batteriemarkt setzt starkes Wachstum fort

Der deutsche Batteriemarkt wächst trotz der Corona-Pandemie dynamisch weiter. Im Jahr 2021 wuchs der Markt um mehr als 3,2 Milliarden Euro (+54 %) auf rund 9,29 Milliarden Euro. Der Wachstumstreiber war wie bereits im vergangenen Jahr der Absatz von Lithium-Ionen-Batterien (5,35 Mrd. Euro). Die Märkte für Bleibatterien (1,09 Mrd. Euro) und sonstige Technologien (2,86 Mrd. Euro) erholten sich stark im Vergleich zum Vorjahr.

Marktanalyse des Verband der Elektro- und Digitalindustrie (ZVEI)

The economic upside is clear: the **market will have an estimated annual value of up to €250 billion by 2025.** By combining European cutting-edge competences, financial strength and a cross-industrial approach, a competitive and sustainable production capacity is clearly within reach.

Forecast by the European Battery Alliance (EBA)

The EU Green Deal
Many Products – One Goal

Life Cycle Approach

- In line with the circular objectives of the European "Green Deal":
- The EU Batteries Regulation is based on a life cycle approach; it governs design, production, usage, and recycling of batteries within a single regulation.

Sustainability and Safety Requirements

- More than product safety

Labelling of Batteries

- (Extended) labelling obligations for batteries: information on capacity, performance, durability, and chemical composition.
- Labelling through marks and QR codes.

Prohibiting Built-in Batteries

- Objective: Extend the lifespan of electrical devices and reduce electronic waste
- Method: "Right to Repair". Plans to ban built-in batteries in electronic devices, allowing batteries to be replaced by users or professionals.

Promoting Recycling

- Minimum recycled content in batteries
- Batteries should be reusable, refurbishable, or recyclable at the end of their life cycle.

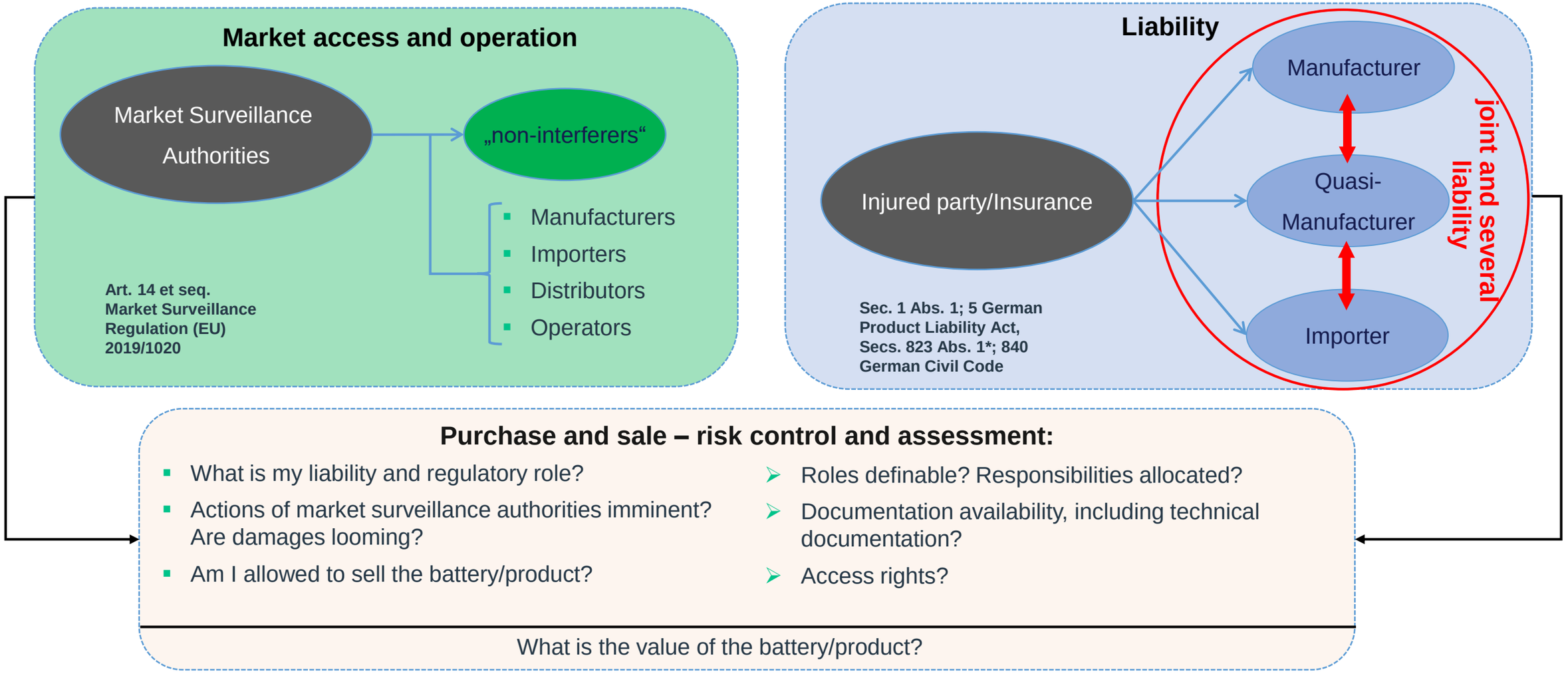
Replacing the EU Batteries Directive:

- The new EU Batteries Regulation replaces the old EU Batteries Directive 2006/66/EC.

No operation and no market without compliance

Or: Why is this also of your interest?

Product Compliance in Every Role



Purchase and sale – risk control and assessment:

- What is my liability and regulatory role?
- Actions of market surveillance authorities imminent? Are damages looming?
- Am I allowed to sell the battery/product?
- ➢ Roles definable? Responsibilities allocated?
- ➢ Documentation availability, including technical documentation?
- ➢ Access rights?

What is the value of the battery/product?

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European Batteries Regulation – Overview

EU Batteries Regulation – Overview
Key Data

- **Aspects**:
  - Establishing a harmonized framework for the entire lifecycle of batteries
  - Promoting the circular economy (Recycling) → thereby ensuring strategic independence
  - Reducing environmental and social impacts
  - Commission proposal from 10 December 2020 → the new (comprehensive) European Batteries Regulation of 12 July 2023 ("**EU-Batt-R**").

COM(2020) 798 final

EU-Batt-R: Regulation (EU) 2023/1542

	EU-Batt-R	Battery Directive 2006/66/EG
Recitals	143	30
Articles	96	30
Attachments	15	3
Pages	117	14

Recital No. 55 EU-Batt-VO

„… the novelty and complexity of the sustainability, performance, safety, labelling and information requirements for batteries under this Regulation […]"

EU Batteries Regulation – Overview
Prohibition subject to Authorisation

Art. 5 EU-Batt-R

Sustainability, safety, labelling and information requirements for batteries

*(1) Batteries shall **only** be placed **on the market** or put into service **if** they meet the following requirements:*

*a) the **sustainability and safety** requirements laid down in Articles 6 to 10 and 12; and*

*b) the **labelling and information** requirements laid down in Chapter III.*

*(2) For any aspects not covered by Chapters II and III, batteries placed on the market or put into service pursuant to paragraph 1 shall **not present a risk** to human health, to the safety of persons, to property or to the environment.*

EU Batteries Regulation – Overview
How to approach the EU-Batt-R?

- **Understanding one's own role and obligations by asking**
  - **Who**
  - **What**
  - **When**

Role:

- Economic Operator
- Operator „sui generis“ (= of its own kind)

- Project developer
- Provider of Online Marketplace or other Online Platform
- Operator of a battery

Battery category:

- portable batteries (incl. portable battery of general use)
- light means of transport batteries (LMT batteries)
- electric vehicle batteries
- industrial batteries (incl. stationary battery energy storage systems)
- starting, lighting and ignition batteries (SLI batteries)

Implementation deadlines:

- **See next slides**

Obligations | **Requirements** | **Timing**

EU Batteries Regulation – Overview
Deadlines

- Entered into force: **17 August 2023**
- Generally applicable: From **18 February 2024**
- As an EU Regulation, the EU-Batt-R applies directly – no need for implementation in Member States
- **National laws will stipulate sanctions and define authorities' responsibilities**
- Existing (especially environmental and waste-related) regulations from the "old" Batteries Directive will generally be repealed on 18 August 2025
- Phasing:
  - **Phasing start of application**, in terms of obligations, regarding individual battery categories
  - **Continuous adjustment** (becoming stricter) of stipulations, for example regarding permitted substances.

Art. 96 EU-Batt-R

Art. 95 EU-Batt-R;
Directive 2006/66/EC

EU Batteries Regulation – Overview
Phased implementation I – Different Deadlines

Requirement	Relevance					
	Article	Portable Battery	LMT Battery	Electric Vehicle Battery	Industrial Battery	SLI Battery
CO_2 - Footprint (excluding performance class requirements)	7	-	18.08.2028	18.02.2025	Rechargeable battery: 18.02.2026, with external memory: 18.08.2030	**(-)**
Minimum durability and performance requirements	9 10	Deadline for accopmanying docs: (-)	Deadline for accopmanying docs: 18.08.2024	Deadline for accopmanying docs:18.08.2024	Deadline for accopmanying docs: 18.08.2024	**(-)**
		Target: 18.08.2028	Target: 18.08.2028	Target: (-)	Target: 18.08.2027	
Prohibition of non-rechargeable general-purpose batteries	9	Assessment by EU (31 December 2030)				
Recycled content	8	-	18.08.2033	18.08.2028	18.08.2028	**18.08.2028**
Waste – recycling (getting stricter)	8	-	Deadline: 18.08.2036	Deadline 1: 18.08.2031 Deadline 2: 18.08.2036	Deadline 1: 18.08.2031 Deadline 2: 18.08.2036	**Deadline 1: 18.08.2031** **Deadline 2: 18.08.2036**

EU Batteries Regulation – Overview
Phased implementation II

Requirement	Relevance					
	Article	Portable Battery	LMT Battery	Electric Vehicle Battery	Industrial Battery	SLI Battery
Collection of old Batteries	59	31.12.2023	31.12.2028	-	-	-
Removability and Replaceability	11	18.02.2027	18.02.2027	-	-	-
Labeling and Information	13, 14	Phased implementation less by category, more by specific requirement – from 18 August 2024 to 18 February 2027.				
Battery Conformity	15	18.02.2027	18.02.2027	18.02.2027	18.02.2027	18.02.2027
Conformity	38	18.08.2024	18.08.2024	18.08.2024	18.08.2024	18.08.2024
Stationary Battery Energy Storage Systems	12	18.08.2024	18.08.2024	18.08.2024	18.08.2024	18.08.2024
Due Diligence Responsibilities	48	18.08.2025	18.08.2025	18.08.2025	18.08.2025	18.08.2025
(Extended) Manufacturer Responsibility	55, 56, 57	18.08.2025	18.08.2025	18.08.2025	18.08.2025	18.08.2025
Management of old Batteries	54, 56, 58	18.08.2025	18.08.2025	18.08.2025	18.08.2025	18.08.2025
Digital Battery Passport	77	-	18.02.2027	18.02.2027	18.02.2027	-

EU Batteries Regulation – Overview
Personal Area of Application

economic operators

- Manufacturer (its authorised representative)
Every person who manufactures or develops, or has manufactured, a battery and markets that battery under their own name or trademark, or puts it into operation.

- Importer
A person established within the Union who places batteries from third countries on the market.

- Distributor
A person in the supply chain who makes a battery available on the market, with the exception of the producer or the importer.

- Fulfilment service provider
A person who offers at least two services: storage, packaging, addressing, dispatching.

- Any other natural or legal person
Catch-all provision: Any person who has obligations with respect to the production, preparation for "Second Life", or within the framework of "Second Life".

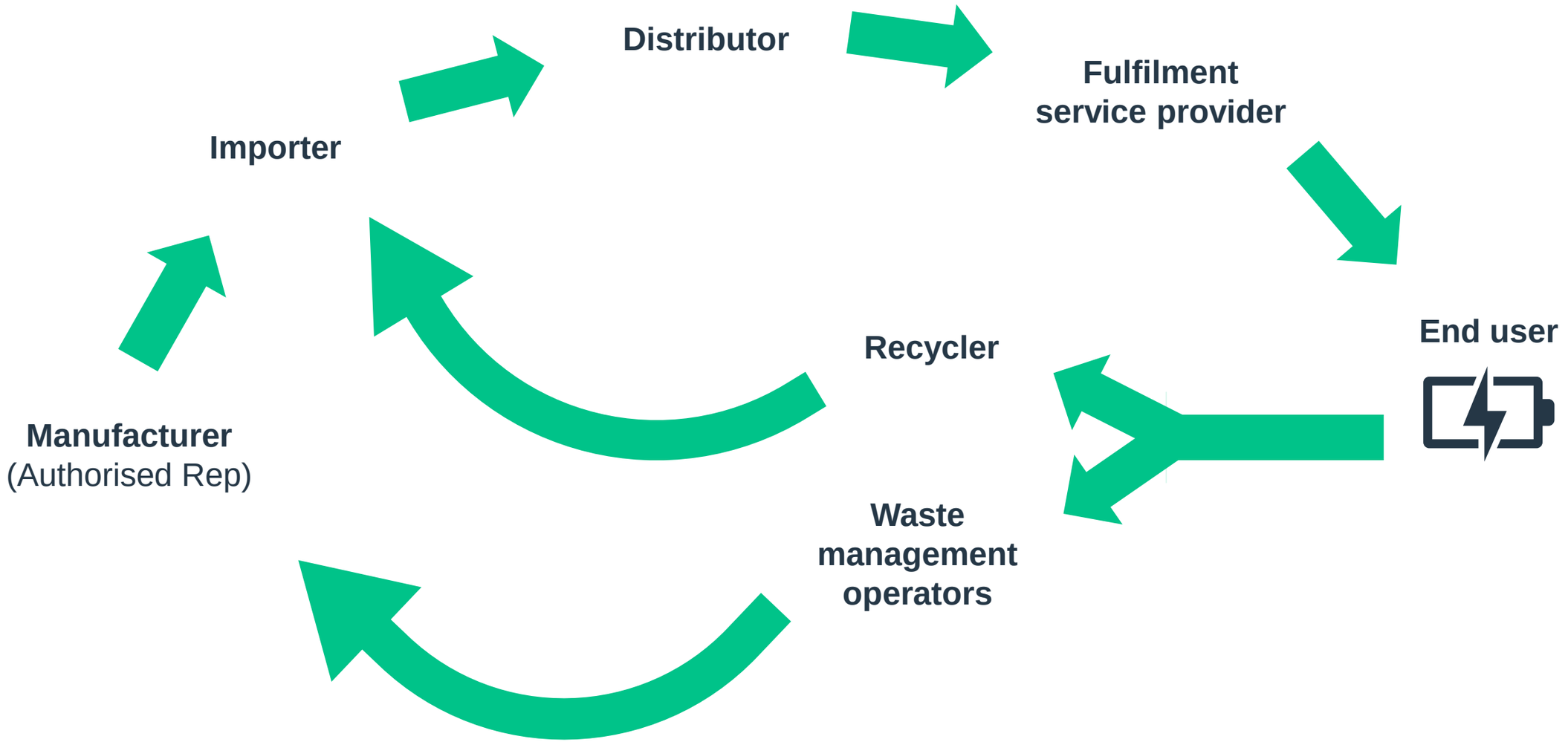
- Waste management operators
Individual involved in the separate collection or treatment of waste batteries.

- Recycler
Any natural or legal person who carries out recycling in a permitted facility

- Producer (its authorised representative)
Addresses, in particular, an economic operator at the level of a Member State who supplies a battery (for the first time) in that Member State.

operators „sui generis“

EU Batteries Regulation – Overview
Personal Area of Application



EU Batteries Regulation – Overview
Personal Area of Application

Manufacturer (Authorised Rep) → **Importer** → **Distributor** → **Fulfilment service provider**

= manufactures or develops, or has manufactured, a battery AND markets that battery under own name or trademark, OR puts it into operation.

- Typical obligations (Article 38*), known from the NLF for manufacturers, include ensuring that:
  - The battery is "materially" compliant = meets the requirements for material composition, safety, performance, and durability
  - Documents are drafted (for example, technical documentation, declaration of conformity, instructions and safety information), if applicable, included, and the documents are kept on file
  - Proper labelling: CE, separate collection symbol, manufacturer's name, postal address, and "if available" email address (consumer products!), internet address for “traceability", QR code
  - Grant access to the „battery management system“
  - Cooperation with market surveillance authorities
  - Implement corrective measures

*EU-Batt-R

EU Batteries Regulation – Overview
Personal Area of Application

Manufacturer (Authorised Rep) → **Importer** → **Distributor** → **Fulfilment service provider**

= established in EU, places batteries from third countries on the market

- Typical importer obligations (Article 41*), known from the NLF; (pleasing) clarification in the wording: Importers “verify" that:
  - Documents have been prepared and, where appropriate, included (such as the operating instructions), and conformity assessment procedures have been conducted
  - The battery is properly labelled: CE mark, separate collection symbol, "Traceability", QR code, manufacturer's designation
- Provide name (→ cf. the same issue for the producer)
- Ensure storage and transport conditions; no supply of "non-compliant" batteries
- Random sampling and **complaint register**
  - Cooperation with market surveillance authorities
  - Document retention, corrective actions

*EU-Batt-R

EU Batteries Regulation – Overview
Personal Area of Application

Manufacturer (Authorised Rep) → **Importer** → **Distributor** → **Fulfilment service provider**

= established in EU with a written mandate from a manufacturer to act on its behalf for specified tasks re manufacturer's obligations of Chapters IV & VI

- **Possible scope of authorised representative's mandate**
  - **Do:** Administrative support of the manufacturer within European Economic Area
  - **Don't:** Tasks regarding material compliance of the product, also: drafting technical documentation
- **Minimum scope of written mandate:**
  - Provide a copy of the mandate to the market surveillance authority upon request in a Union language
  - Keep the EU declaration of conformity, technical documentation, verification report, approval decision, and audit reports at the disposal of national authorities for 10 years
  - Provide information and documentation necessary to demonstrate conformity of the battery.
  - Cooperation with national authorities on corrective actions to eliminate the risks posed by batteries which are subject to the mandate

*EU-Batt-R

EU Batteries Regulation – Overview
Personal Area of Application

Manufacturer (Authorised Rep) → **Importer** → **Distributor** → **Fulfilment service provider**

= makes a battery available on the market, with the exception of the producer or the importer.

- Typical distributor obligations (Article 42*), known from the NLF, include checking whether
  - Documents have been drafted and, if applicable, included, and that conformity assessment procedures have been carried out
  - The battery is properly marked: CE, separate collection, "Traceability", QR code, designation of the producer and the importer
- **Check whether the manufacturer is registered in the manufacturer's register**
- Ensure storage and transport conditions; no supply of "non-compliant" batteries
- Market surveillance:
  - Cooperation with market surveillance authorities
  - Support corrective actions
- Obligation to take back waste batteries (in the same category as offered and for device batteries in "household quantities", Article 62*)

*EU-Batt-R

EU Batteries Regulation – Overview
Personal Area of Application

Manufacturer (Authorised Rep) → **Importer** → **Distributor** → **Fulfilment service provider**

= offers at least two services: storage, packaging, addressing, dispatching.

- **General Obligation:**
  - Fulfilment service providers must ensure that the conditions during warehousing, packaging, addressing, or dispatching of batteries do not compromise the batteries' compliance with Articles 6 to 10 and Articles 12, 13, and 14 of the EU-Batt-R.
- **Fulfilment service providers are considered essential in market surveillance activities.**
  - They are expected to work closely with national authorities.
  - Their role involves actively participating in surveillance tasks.
  - They are responsible for providing all necessary information related to batteries to the authorities

*EU-Batt-R

EU Batteries Regulation – Overview

The Regulation’s system / Economic Operator’s Perspective

Source reference	Content	Note
Chapter I	General provisions	Definitions, general sustainability, safety, labelling, and information requirements
Chapter II	Sustainability and safety requirements	Substance restrictions, CO2 footprint, recycled content, performance requirements, durability, safety requirements
Chapter III	Labelling and information requirements	CE mark, separate collection symbol, QR code, battery passport, chemical ingredients
Chapter IV	Conformity of batteries	Presumption of conformity, conformity assessment procedures, declaration of conformity, technical standardization by the EU Commission
Chapter VI	"Other" obligations of the economic operator as mentioned in Chapters VII and VIII	The core of the "NLF" obligations for producers, authorized representatives, importers, dealers, fulfillment service providers. Also for refurbishers
Chapter VII	Due diligence obligations of economic operators	Close to the Commission draft of the "CS3D" (Corporate Sustainability Due Diligence Directive)
Chapter VIII	Management of waste batteries	Manufacturer's register, extended producer responsibility, collection of waste batteries, "Second Life": recycling preparation, transport of waste batteries
Chapter IX	Digital battery passport	Identification of the producer, battery, information on material composition, CO2 footprint, information on dismantling

EU Batteries Regulation – Overview
Requirements

- **Labelling and information**
  - **General information,** such as: identification of the manufacturer, battery category and details for the identification of the battery, place and date of manufacture, weight, capacity, chemical composition, fire extinguishing agents, etc. – **Battery passport**
  - Symbol for separate collection, QR code, CE marking
  - Information regarding health and expected lifetime – **Battery Management System**
- **Sustainability and safety**
  - Restriction of substances
  - CO2 footprint
  - Recycled content
  - Performance and durability requirements
  - Removability and replaceability

EU Batteries Regulation – Battery Categories
Overview

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

*EU-Batt-R

EU Batteries Regulation – Overview
Portable Batteries

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

Article 3 (1)*

*„(9) „**portable battery**“ **means a battery that is sealed, weighs 5 kg or less, is not designed specifically for industrial use and is neither an electric vehicle battery, an LMT battery, nor an SLI battery**;“*
*(10) „**portable battery of general use**” means a portable battery, whether or not rechargeable, that is specifically designed to be interoperable and that has one of the following common formats 4,5 Volts (3R12), button cell, D, C, AA, AAA, AAAA, A23, 9 Volts (PP3);“*

- Specific performance and durability requirements for **portable battery of general use** — **Art. 9, Annex III***
  - The EU Commission is required to adopt a delegated act by 18 August 2028, which establishes requirements for electrochemical performance and durability (excluding button cells)
  - The EU Commission is reviewing the prohibition of non-rechargeable portable batteries of general use until 31 December 2030
- Remova- / Replacability: Persons who place products with portable batteries on the market must design them so that end-users can easily replace the batteries up to 5 years after the end of production! — **Art. 11***
- From 18 August 2026**: Labeling for capacity or average minimum operating time and, if applicable, additional information: "non-rechargeable.“ — **Art. 13 (1) and (2)***
- Specific regulations for the collection (including quotas) of waste batteries — **Art. 59, Annex XI***
- Examination until 31 December 2030, whether deposit systems and regulations regarding the CO2 footprint should be extended to device batteries — **Art. 7 (4); (63)***

*EU-Batt-R

** Depending on the delegated legal act / implementing legal act

EU Batteries Regulation – Overview
LMT Batteries

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

Article 3 (1)*

„(11) „light means of transport battery" or "LMT battery" means a battery that is sealed, weighs 25 kg or less and is specifically designed to provide electric power for the traction of wheeled vehicles that can be powered by an electric motor alone or by a combination of motor and human power, including type-approved vehicles of category L within the meaning of Regulation (EU) No 168/2013 of the European Parliament and of the Council (43), and that is not an electric vehicle battery;"

*EU-Batt-R

- **Performance and durability:** Information obligations from 18 August 2024, and mandatory performance requirements from 18 August 2028** — **Art. 10, Annex IV***
- **Battery management system:** From 18 August 2024, information on state of health and expected lifetime, as well as capacity (from 18 August 2026**) — **Art. 14; 13 (2) Annex VII***
- **Declaration on the CO2 footprint:** (from 18 August 2028**) — **Art. 7* Art. 3 (1) No. 21***
  - "carbon footprint" means the sum of greenhouse gas emissions and greenhouse gas removals in a product system, expressed as carbon dioxide equivalents and based on a Product Environmental Footprint (PEF) study using the single impact category of climate change;"
- **Recycled content**: Information obligations from 18 August 2033**, Maximum content from 18 August 2036 — **Art. 8***
- Specific regulations re. **collection** (including quotas) of waste batteries — **Art. 60, Annex XI***
- **Remova- / Replacability:** Persons who place products with LMT batteries on the market must design them so that professionals can easily replace the batteries **up to 5 years after the end of production!** — **Art. 11 (5) to (8)***
- **Battery passport:** General and specific information, including "exploded diagrams" — **Art. 77***

** Depending on the delegated legal act / implementing legal act

EU Batteries Regulation – Overview
Starting, Lighting and Ignition Batteries

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

- **Recycled content**: Information obligations from 18 August 2028**, maximum content from 18 August 2031 / 2036 — **Art. 8***
- **Labeling** for capacity from 18 August 2026** — **Art. 13 (2)***
- **Specific regulations** for the collection of waste batteries — **Art. 61***
- **No** obligations for the CO2 footprint
- **No** specific **requirements** for safety, performance, and durability

Article 3 (1)*

„(12) “starting, lighting and ignition “battery”” or “SLI battery”” means a battery that is specifically designed to supply electric power for starting, lighting, or ignition and that can also be used for auxiliary or backup purposes in vehicles, other means of transport or machinery.“

*EU-Batt-R

** Depending on the delegated legal act / implementing legal act

EU Batteries Regulation – Overview
Industrial Batteries

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

- **Declaration on the CO2 footprint** (from 18 August 2026**) — **Art. 7***
- **Recycled content:** Information requirements from 18 August 2028**, maximum content from 18 August 2031 / 2036 — **Art. 8***
- **Performance and durability:** Information requirements from 18 August 2024, mandatory performance standards from 18 August 2027** — **Art. 10, Annex IV***
- **Specific** regulations for the **collection of waste** batteries — **Art. 61***
- **Battery passport:** General and specific information – including "explosion diagrams“ — **Art. 77***
- “**stationary energy storage systems**“ → **Definition?!**
  - Specific (safety) requirements
  - Battery management system: From 18 August 2024, information on aging condition, lifespan, and capacity (from 18 August 2026**) — **Art. 12, Art. 14***

Article 3 (1)*

„(13) ‘industrial battery’ means a battery that is specifically designed for industrial uses, intended for industrial uses after having been subject to preparation for repurposing or repurposing, or any other battery that weighs more than 5 kg and that is neither an electric vehicle battery, an LMT battery, nor an SLI battery;“

*“(15) ‘stationary battery energy storage system’ means an industrial battery with internal storage that is specifically designed to **store from and deliver** electric energy **to** the **grid** or store for and deliver electric energy to endusers, regardless of where and by whom the battery is being used;“*

** Depending on the delegated legal act / implementing legal act

*EU-Batt-R

EU Batteries Regulation – Overview
Electric Vehicle Batteries

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

- **Declaration** on the **CO2 footprint** (from 18 August 2025**) — **Art. 7***
- **Recycle content:** Information obligations from 18 August 2028**, maximum content from 18th August 2031 / 2036 — **Art. 8***
- **Performance and durability:** Information obligations from 18 August 2024, mandatory performance requirements from 18 August 2027** — **Art. 10***
- **Battery management system:** From 18 August 2024, information on aging condition, lifespan, and capacity (from 18 August 2026**) — **Art. 14***
- Specific regulations for the collection of used batteries — **Art. 61***
- **Battery passport:** General and specific information – including "exploded diagrams" — **Art. 77***

Article 3 (1)*

„(14) 'electric vehicle battery' means a battery that is specifically designed to provide electric power for traction in hybrid or electric vehicles of category L as provided for in Regulation (EU) No 168/2013, that weighs more than 25 kg, or a battery that is specifically designed to provide electric power for traction in hybrid or electric vehicles of categories M, N or O as provided for in Regulation (EU) 2018/858;"

** Depending on the delegated legal act / implementing legal act

*EU-Batt-R

EU Batteries Regulation
Impact on Automotive Industry

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

- **EU-Batt-R applies** → Labelling requirements!
- Electric vehicle batteries:
  - *„this Regulation should only set **information requirements** for the performance and durability of electric vehicle batteries. On the other hand, in the area of batteries for energy storage, existing measurement methods to test battery performance and durability are not considered to be sufficiently precise and representative to enable introducing minimum requirements. The introduction of minimum requirements related to performance and durability of these batteries should be accompanied by available adequate harmonised standards or common specifications.“* **Recital 34***
  - *„In order to ensure that the Union’s rules on electrochemical performance and durability for electric vehicle batteries are consistent with the technical specifications of the informal UNECE Working Group on Electric Vehicles and the Environment and in view of technical and scientific progress, the power to adopt acts in accordance […] minimum values of those parameters for electric vehicle batteries that are incorporated in motor vehicles, it is appropriate to set minimum performance requirements through a future Euro 7 Regulation, based on the minimum performance requirements set out in United Nations (UN) Global Technical Regulation No 22 on in-vehicle battery durability for electrified vehicles[…]“* **Recital 36***

***EU-Batt-R**

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European Batteries Regulation – Focus on Specific Tasks

EU Batteries Regulation – Battery Management System
Overview

Portable Battery	LMT Battery	SLI Battery	Industrial Battery, sub-category: stationary battery energy storage system	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) No. 15*	Article 3 (1) No. 14*

Art. 3 (1) No. 25 EU-Batt-R
„'battery management system' means an electronic device that controls or manages the electric and thermal functions of a battery in order to ensure the battery's safety, performance and service life, manages and stores the data for the parameters for determining the battery's state of health and expected lifetime set out in Annex VII and communicates with the vehicle, light means of transport or appliance in which the battery is incorporated, or with a public or private charging infrastructure."

Deadline: 18 August 2024 !

Access rights: Every person who has lawfully acquired the battery (→ not limited to the first purchaser), including waste management operators.

*EU-Batt-R

EU Batteries Regulation – Battery Management System
Impact on Automotive Industry

- To be disclosed: State of Certified Energy (see UN GTR No. 22 dated 19.04.2022)
  → Watch: Procedure 2022/0365(COD): on 08 November 2023 referred to committees
  → Requirements from the EU-Batt-R apply in addition to type-approval requirements

Art. 14 (2), Annex VII EU-Batt-R

- *„Data […] should be updated at least daily […] and more frequently […] where that is required for a specific purpose.“*

Rec. 46 EU-Batt-R

Recital 42 EU-Batt-R:

„SLI batteries and electric vehicle batteries that are incorporated in motor vehicles should be removable and replaceable by independent professionals. It is appropriate to consider revising Directive 2000/53/EC to ensure that those batteries can be removed, replaced and disassembled, including as regards joining, fastening and sealing elements. For the purposes of the design, manufacturing and the repair of SLI batteries and electric vehicle batteries, manufacturers should provide the relevant vehicle on-board diagnostic information and vehicle repair and maintenance information on a non-discriminatory basis to any interested manufacturer, installer or repairer of equipment for vehicles of categories M, N and O, as provided for in Regulation (EU) 2018/858. Furthermore, the Commission should encourage the development of standards for design and assembly techniques that facilitate the maintenance, repair and repurposing of batteries and battery packs..“

Preamble. Directive on End-of-Life Vehicles. See also: 2005/64/EC on the type-approval of motor vehicles with regard to their reusability, recyclability, and recoverability?

EU Batteries Regulation – Battery Passport
Affected Battery Categories

Portable Battery	LMT Battery	SLI Battery	Industrial Battery	Electric Vehicle Battery
Article 3 (1) Nos. 9 and 10*	Article 3 (1) No. 11*	Article 3 (1) No. 12*	Article 3 (1) Nos. 13 and 15*	Article 3 (1) No. 14*

Art. 77 EU-Batt-R

capacity greater than 2 kWh

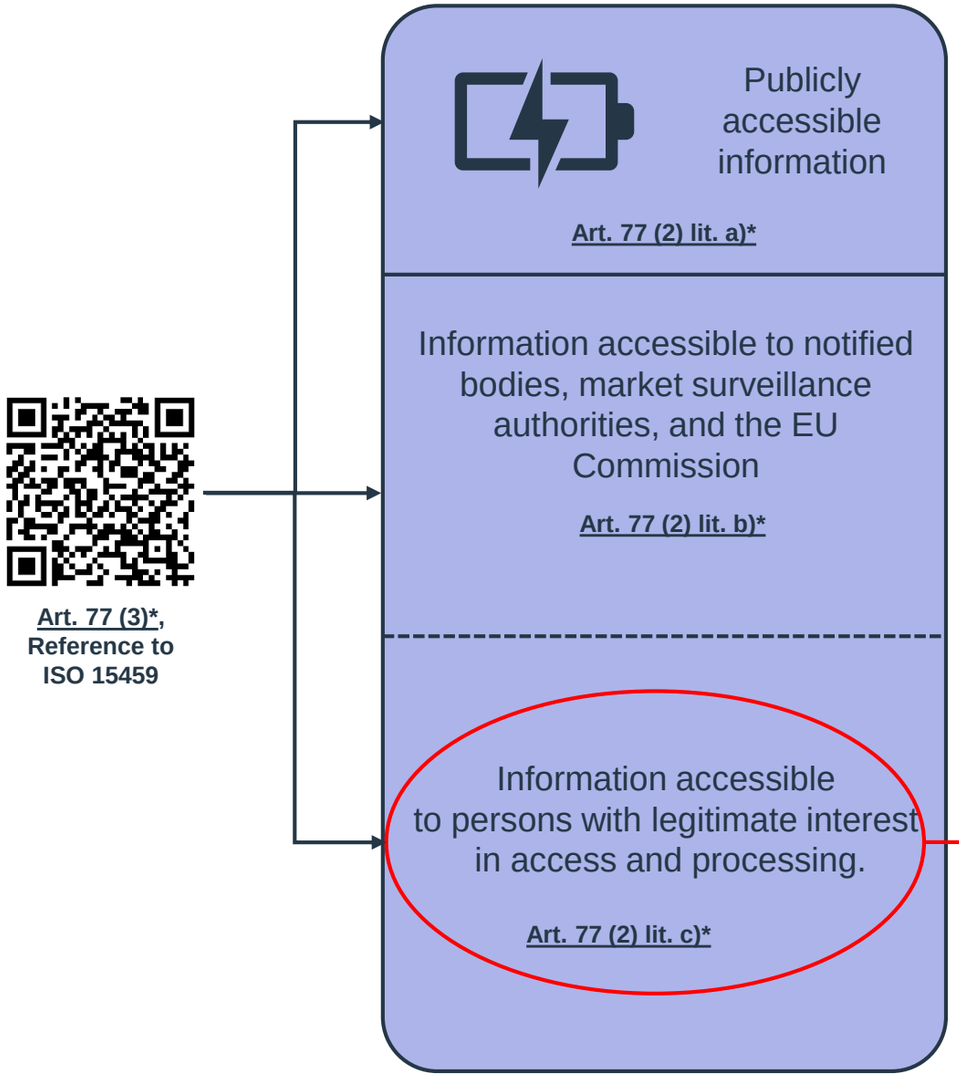
Adjustments in design - Recitals of the EU Battery Regulation

„(13) Products placed on the market as battery packs, which are batteries or groups of cells that are connected or encapsulated within an outer casing to form a complete unit ready for use by end-users or in applications that the end-user is not intended to split up or open and which conform to the definition of batteries, or battery cells that conform to the definition of batteries, […], should be ***subject to requirements applicable to batteries****.*

(14) Batteries that can be made ready for use by the end-user with commonly available tools by using a 'Do It Yourself' kit, should be considered to be batteries for the purposes of this Regulation. The economic operator placing such kits on the market should be subject to this Regulation.“

Recitals EU-Batt-R

EU Batteries Regulation – Battery Passport
Overview



Deadline: 18 February 2027

Art. 77 (1)*

Persons, **Art. 77 (2) lit. a EU-Batt-R**

„Repairers, ***remanufacturer***, ***second-life operators,*** *and* ***recyclers*** *or* ***purchaser*** *of the battery or* ***parties acting on the purchaser's behalf*** *for the purpose of making the individual battery available to independent energy aggregators or energy market participants*"

Specification, **Art. 77 (9) EU-Batt-R**

„[…] By 18 August 2026, the Commission shall adopt implementing acts specifying which persons are to be considered persons with a legitimate interest […] and to which information listed […] in those points they shall have access, and to what extent they can download, share, publish and re-use that information."

*EU-Batt-R

EU Batteries Regulation – Battery Passport
Deadline and Implementation

- **By 18 February 2027** — Art. 77 (1)*
  - Obligation applies in principle regardless of implementing acts of the EU Commission
- „***Economic operators***“, the party placing the battery on the market “ensures” that the information contained in the battery passport is accurate, complete, and up-to-date — Art. 77 (4)*
  - Affected: **Manufacturer** or **importer**
  - **Delegable:** May give written authorisation to any other “actor” to act on its behalf.
- **Verification** by **other** (economic) actors / operators? — Art. 42 (4)*
  - **Distributors**: Verify whether the battery is properly marked and whether the required documents “accompany” it
  - **Online marketplaces:** Design the marketplace so that, for example, manufacturer information (here: producer information, part of the battery passport) must be provided by the seller. — Art. 22 (9) Regulation (EU) 2023/988*; also, *Spiegel* : ZVertriebsR 2023, 71 ff.
- (Individual aspects) of **technical implementation**
  - Fully interoperable with other digital product passports (→ Ecodesign!), transferable, machine-readable, structured, and searchable — Art. 77 (5); (78)*
  - **Free access** to battery passports
  - “Cyber Safety” and „Cyber Security“

*EU-Batt-R

EU Batteries Regulation – Due Diligence Obligations
Overview

- **Due diligence obligations** – the “classic” ESG issue, known from the German LkSG (Supply Chain Due Diligence Act)
- Under the framework of the EU-Batt-R: The term “due diligence obligations applicable to batteries” → the verification of their fulfillment **is part of the conformity assessment process** → ESG as a part of Product Compliance — Art. 3 (1) No. 39*
- **Purpose**: „***identifying, preventing and addressing*** *actual and potential social and environmental risks linked to the sourcing, processing and trading of the raw materials and secondary raw materials required for battery manufacturing, including by suppliers […];*“ — Art. 3 (1) No. 42*
- **Scope**: „*obligations of an economic operator in relation to its* ***management system****,* ***risk*** *management, third-party* ***verifications*** *and* ***surveillance*** *by notified bodies and* ***disclosure*** *of* ***information*** *[…]*“

Recital 78 EU-Batt-R:

„*Only a few countries supply the raw materials used in battery manufacture and, in some cases, low standards of governance in those countries can exacerbate environmental and social problems. Both cobalt and nickel mining and refining are connected with a large range of social and environmental issues. While the social and environmental impacts for natural graphite are less severe, the mining of natural graphite can have serious health and environmental impacts since it is mainly carried out by artisanal and small scale operations, mostly in informal settings. This, together with the absence of regularly updated mine closure plans and rehabilitation, can result in the destruction of ecosystems and soils. The expected increase in the use of lithium in battery manufacturing is likely to put additional pressure on extraction and refining operations. It is therefore appropriate that lithium be included in the scope of battery due diligence obligations. The expected* ***massive increase in demand for batteries in the Union should not contribute to an increase of such environmental and social risks****..*“

*EU-Batt-R

EU Batteries Regulation – Due Diligence Obligations
Obliged Acteurs, Deadlines, Guidance

- **Obliged actors:**
  - Producers, importers, operators with their own manufacturing
  - If net turnover of EUR 40 million or more in the penultimate calendar year
  - Not applicable to reprocessors / re-users
- **Supplementary** to other due diligence obligations (conflict minerals, as well as LkSG)

Art. 47*

- **Guidelines by 18 February 2025** from the EU Commission
- **Obligations apply** from **18 August 2025**

Art. 48*

- **Recognition of systems for fulfilling due diligence obligations by** „*Governments, industry associations and groupings of interested organisations*“

Art. 53*

***EU-Batt-R**

EU Batteries Regulation – Due Diligence Obligations
Management System and Risk Management

Monitoring of the company's strategy by senior management members

- **Corporate strategy** for fulfilling due diligence obligations — Art. 49 (1)*
  - With standards consistent with internationally recognised due diligence instruments
  - **Risk management process** — Art. 50 (1)*
    - Risk assessment
    - Risk response: Internal communication, mitigation measures, monitoring
  - **Supply chain control** & **supply chain transparency**: — Art. 49 (1) lit. d), e), (2)*
    - Identification of suppliers, (independent) assessment of suppliers
    - Description of the raw material, country of origin, quantities
    - Contractual obligation of suppliers in relation to corporate strategy
  - (Procedural) **secured disclosures**

Independent audit by a notified body

→ Prepares an **audit report**

*EU-Batt-R

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Q&A

Your Experts for Product Compliance & Distribution

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Dr. Ulrich Spiegel

Rechtsanwalt (Attorney-at-Law, Germany) and CE-Officer, Munich

+49 89 21038-246
u.spiegel@taylorwessing.com

Dr. Ulrich Spiegel advises companies on distribution-related product compliance and helps to avoid product liability cases and defend against any claims.

He advises on the entire life cycle of products and assists in the efficient structuring of supply and distribution chains from a distribution and commercial law perspective, but also from a product compliance perspective.

He represents and advises his clients in and out of court in product crises and other commercial disputes. Ulrich Spiegel regularly publishes and lectures on product compliance and distribution law.

Languages: German, English

Please find Ulrich‘s news @Taylor Wessing on current developments **here**

Dr. Benedikt Rohrßen

Rechtsanwalt (Attorney-at-Law, Germany), Munich

+49 89 21038-204
b.rohrssen@taylorwessing.com

Benedikt leads the practice area Commercial Agreements & Distribution. He counsels clients on entering new markets and on the strategic (re)structuring of their distribution systems, as well as any connected competition law challenges (dual distribution, pricing specifications, territory and customer restrictions, non-competes, etc.).

In addition, he and his team advise national and international companies throughout the supply chain - from product compliance, market launch and distribution to product recall, always with the aim of avoiding product liability in the first place.

Languages: German, English, Italian, Spanish, French

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