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Answer given by Executive Vice-President Séjourné
on behalf of the European Commission
(24.3.2025)

The European Battery Alliance (EBA) has significantly contributed to the development of Europe's battery ecosystem. Since its launch in 2017, manufacturing capacity has expanded from 1 Gigawatt hours (GWh) to 202 GWh today. Despite this growth, the industry is currently facing numerous challenges, including high energy and material prices, fierce international competition, and difficulties in scaling up production. The Commission is committed to supporting the industry in overcoming these challenges.

The European Investment Bank (EIB) collaboration consists in the allocation of extra resources from the Innovation Fund¹ towards InvestEU² to support battery manufacturing (top-up of EUR 200 million). Given the limited remaining resources under InvestEU, this top-up allows the Commission to continue extending financial guarantees to the EIB to take up venture debt/quasi-equity investments. This operationalises the recommendation from the eighth High-Level Meeting of the EBA of 2024, calling for the use of 'the necessary instruments, both on the offer and demand sides, to support the scale-up of the battery industry in Europe'.

Research and innovation to increase the efficiency of battery recycling efficiency and decreasing its costs and environmental impact will continue to be covered by the European partnership under Horizon Europe BATT4EU³, running until 2027. Innovative battery recycling projects remain eligible for the Innovation Fund. In addition, in November 2024, the Joint European Forum for Important Project of Common European Interest (JEF- IPCEI)⁴, endorsed a proposed IPCEI candidate on circular advanced materials for clean technologies.

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02019R0856-20231121>

² <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02021R0523-20240301>

³ <https://bepassociation.eu/>

⁴ The JEF IPCEI is partnership between the Commission and the Member States, one of whose objectives is to identify areas of strategic EU interest for potential future IPCEIs. https://competition-policy.ec.europa.eu/state-aid/ipcei_en