

(English version)

**Question for written answer E-001140/25
to the Commission
Jordan Bardella (PFE)
(18 March 2025)**

Subject: Bankruptcy of Swedish manufacturer Northvolt — the crash of the ‘Airbus of batteries’

The recent bankruptcy of Northvolt, which once carried Europe’s hopes in the electric vehicle battery sector, highlights Europe’s incoherence in the face of Asian dominance in the sector.

Despite massive investments of USD 15 billion, Northvolt failed to compete with Chinese giants such as CATL and BYD, which hold 37% and 13% respectively of the global battery market. This development only increases Europe’s dependence on Asian suppliers and undermines our strategic autonomy.

1. What lessons does the Commission draw from Northvolt’s failure to ensure the future success of European initiatives, in particular the ‘battery production recovery plan’ presented in recent weeks?
2. Given the industrial and strategic uncertainties surrounding electric batteries, does the Commission intend to encourage the reintroduction of hybrid engines and biofuels as part of the revision of the regulation banning the sale of new combustion-engine vehicles?

Submitted: 18.3.2025

**Answer given by Executive Vice-President Séjourné on behalf of the European Commission
(28 May 2025)**

The Commission is actively monitoring Northvolt’s situation to mitigate potential negative impacts on the European battery value chain.

While this bankruptcy, that is mainly due to industrial issues, presents a setback, the Commission’s determination to build a resilient, cost-competitive battery ecosystem in Europe remains.

A Strategic Dialogue on the Future of the European Automotive Industry began on 30 January 2025, and an Action Plan to enhance the sector’s global competitiveness was published on 5 March 2025 ⁽¹⁾.

This includes a ‘Battery Booster’ to support the European value chain, in particular cell production and components through direct funding and non-price criteria for components. EUR 1.8 billion will be allocated over two years from the Innovation Fund to support EU battery manufacturing.

The regulation (EU) 2019/631 ⁽²⁾ on CO₂ emission performance standards for new passenger cars and for new light commercial vehicles, as amended in 2023 by Regulation (EU) 2023/851 ⁽³⁾, provides a framework for transitioning to zero-emission vehicles, aligning with the EU’s goal to be climate-neutral by 2050 ⁽⁴⁾.

Based on Article 14a and 15 of that regulation, the Commission is preparing a report on progress towards zero-emission mobility and is reviewing the impact and effectiveness of the regulation also taking into account all the technological developments.

The Industrial Action Plan for the automotive sector ⁽⁵⁾ calls for an acceleration of the work on this review which will be based on a fact-based analysis of technological developments.

⁽¹⁾ https://ec.europa.eu/commission/presscorner/detail/en/qanda_25_636.

⁽²⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32019R0631>.

⁽³⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32023R0851>.

⁽⁴⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R1119>.

⁽⁵⁾ https://transport.ec.europa.eu/document/download/89b3143e-09b6-4ae6-a826-932b90ed0816_en?filename=Communication%20-%20Action%20Plan.pdf.