

Dear President Von der Leyen,

Dear Vice-President Šefčovič,

Dear Commissioner Simson,

Dear Commissioner Breton,

Dear Commissioner Ivanova,

We are writing to you with a great sense of urgency regarding the crucial matter of continued investment in battery research and innovation under the Horizon Europe programme.

The programme of the European Battery Alliance has been supported by strong commitments to battery R&I by both European Union and industry under the BATT4EU Partnership under Horizon Europe. The European Union sets out to invest €925 million under the BATT4EU over the course of the Horizon Europe programme. The European industry is committed to match this amount in in-kind contributions and is already ahead of schedule, investing at least 496 million in the first 1.5 year of the Partnership. However, this industry investment alone is not enough to create a truly European ecosystem, catching-up behind Asia and America and preparing technology leadership for the next decade. To develop key battery technologies in Europe which will enable a multitude of mobile and stationary applications which will contribute to the energy transition, we need at a minimum the current R&I budget to remain intact. And this research is needed across the entire and circular value chain to increase the technology readiness level scale.

It is important that the European Union also stands to the commitments signed in our Partnership agreement, to support technology development at different TRL level, and to strengthen the message of their strategic importance to the battery community, investors and developers.

The recently announced initiative to support the battery cell manufacturing sector through the Innovation Fund is welcome, but this should not come at the price of a reduced budget for the BATT4EU partnership, as cutting back on the battery research across the entire value chain done under Pillar II undermines European industrial competitiveness in the future and the ability to meet our ambitious objectives set forth by the European Green Deal. This technology investment is key for the transition envisaged along the European Green Deal and cutting back funding and stepping back from commitments, while other parts of the world are stepping up their funding schemes, will not only hurt industrial competitiveness directly, but also damaging the carefully constructed reputation of Europe as a welcoming place for investments in a thriving battery industry.

Keeping up the promised investment under Horizon Europe in battery R&I, or even expanding it, will:

**Safeguard European competitiveness:** Since the commencement of the Horizon Europe program, European competitiveness has faced increasing challenges from global counterparts. To ensure that Europe remains competitive, now and in the future, we must provide our continent with cutting-edge technologies. EU-funded Battery R&I projects are crucial to deliver technologies for the current and future gigafactories, to foster innovation from Europe's many SMEs, while developing the highly-skilled workforce that is necessary to take the next steps in the global race. Technology is a key ingrediency to overcome a long lasting fight for subsidies.

**Expand demand and diverse solutions:** Demand forecasts for batteries have expanded significantly. Batteries are not only integral to the European automotive industry but also crucial for achieving the objectives outlined in the REPowerEU agenda, by adding flexibility and efficiency to European electricity grids. Additionally, batteries play a pivotal role in the decarbonization of various other means of transport. To cater to these diverse markets and evolving needs, we must invest in R&I to develop an array of solutions that can meet the unique demands of each sector in the short, medium and long term.

**Deliver on the targets of the Batteries Regulation and Critical Raw Materials Act:** Research and innovation are indispensable tools for ensuring a secure and sustainable supply of critical raw materials. Investing in R&I will enable us to build domestic capacities for refining raw materials, reducing our dependency on external sources

and enhancing our strategic autonomy. This is strategically sound and aligns with the goals of the European Union as set out in the Critical Raw Materials Act.

In conclusion, we urge you to champion the cause of continued investment in battery research and innovation within the European Commission. By doing so, we can fortify Europe's position as a global leader in battery technologies, stimulate economic growth, create high-quality jobs, and contribute to the green transition that is essential for our planet's well-being. We also urge the Commission to make sure that adequate manpower is available from within the civil service to support the ongoing efforts under Horizon Europe, including for linking the programme to other funding mechanisms like the Innovation Funds and the IPCEI .

We would be grateful for your action on this point to ensure the continued success of the European Battery Alliance. Your leadership in this regard would be instrumental in steering Europe towards a brighter, more sustainable future.

Thank you for your attention to this pressing matter. We eagerly await your response and are available to meet at your earliest convenience to discuss this issue in detail.

On behalf of the battery community,

Michael Lippert

BEPA President

Co-signed by:

