



European Metals Statement on the EU-UK Trade & Cooperation Agreement Battery Rules of Origin

European Metals, the European non-ferrous metals association, calls on the European Commission to apply the rules of origin for batteries in the EU-UK Trade and Cooperation Agreement (TCA) from 1 January 2027 without further delays.

The TCA is a trade agreement, but also a strategic industrial policy tool shaping the future of the European battery ecosystem. It is a key driver of localisation in the Electric Vehicles (EVs) and battery supply chain, placing upstream materials at the core of compliance.

The 2023 Partnership Council decision deliberately extended the transitional battery and EVs rules to the end of 2026. This decision also expressly states that “no further postponement” should be considered, as the rules were intended to incentivise investment in EU and UK battery manufacturing capacity.

Another delay of the battery-specific rules could be detrimental to investment security in upstream battery materials, as it would be a departure from a framework that was set up to provide investment certainty. This could weaken the investment signal created by the agreed localisation trajectory, particularly for companies that have invested on the expectation that the stricter rules would apply from 2027.

Europe needs companies to scale up and invest in strategic value chains. That requires confidence that agreed localisation requirements will be maintained. The issue extends beyond vehicle manufacturers, since battery and automotive supply chains depend on upstream industrial inputs.

By reinforcing incentives to develop battery production in Europe, these rules can support greater integration of critical raw materials production and battery manufacturing within the EU-UK ecosystem, while reducing reliance on external suppliers. Critical raw materials are crucial for the development of battery value chains, as their availability, affordability and processing capacity directly determine the ability to produce key battery components.



Policy coherence with other EU pieces of legislation that create demand for European production, such as the Industrial Accelerator Act (IAA), should be maintained. While the IAA is a separate legislative file still under negotiation, weakening existing localisation commitment could therefore send an inconsistent policy signal at a time when the EU is seeking to strengthen the credibility of its “Made in Europe” approach.

Providing clear, targeted implementation guidance to manufacturers, which can address practical uncertainty and avoid tariff exposure, can be more effective than postponing the rules.

The EU-UK TCA provides a strong and effective framework for supporting integrated European EV and battery supply chains. Its success depends on clear rules, consistent implementation, and alignment with industrial policy objectives.

Contact:

Mr Carmine CARINCI, International Trade & Responsible Supply Chain Policy Manager | carinci@european-metals.eu | +32 493 19 20 08

Dr James WATSON, Director General | watson@european-metals.eu | +32 497 581 368

European Metals

European Metals is an umbrella association representing the interests of the combined non-ferrous metals industry towards EU policymakers. We bring together the companies and associations shaping Europe’s non-ferrous metals ecosystem: from upstream mining and refining to downstream use and high-quality recycling. By connecting technical expertise with policy action, we ensure that the importance of the metals sector is recognised, valued, and that our sector’s future is secured. For more information, visit our website: <https://european-metals.eu/>