To the attention of

Ms Ursula von der Leyen
President of the European Commission

Mr Stéphane Séjourné
Executive Vice-President/Prosperity and Industrial Strategy

Mr Maroš Šefčovič
Commissioner for Trade and Economic Security
Interinstitutional Relations and Transparency

19 November 2026

**EU-UK battery rules of origin: maintaining a dependable investment signal**

Dear President von der Leyen,
Dear EVP Séjourné,
Dear Commissioner Šefčovič,

The new flexibilities under consideration for the 2027 EU-UK rules of origin again weaken the investment signal for Europe's battery value chain. Cathode active material producers have now invested in European production on the strength of the agreed 2027 EU-UK rules of origin. We ask the Commission to stand by that investment signal. Europe's investors in batteries cannot endure a further postponement, whether openly or through administrative arrangements.

It is important to note that the initial three-year transition was already followed by a further three-year extension agreed in 2023 and explicitly presented as a one-off measure. By the end of 2026, vehicle manufacturers will have had six years to prepare. We note the pressures they face. But their sourcing decisions must not become grounds for transferring the economic consequences to cathode active material producers facing equally severe competitive pressures.

At stake is whether companies can depend on the policy commitments behind Europe's industrial ambitions. The incentive to source European batteries and materials is not an administrative detail: it helps turn those ambitions into investment decisions. Weakening it now penalizes companies that acted on the agreed timetable and tell investors that the conditions on which they committed capital can be withdrawn when implementation becomes difficult. The EU UK TCA is the litmus test for EU policy and the future Industrial Accelerator Act.

Therefore and specifically, we oppose extending 2026 supplier declarations to allow supplies in 2027 to qualify under the earlier rules. With carry-over models estimated to account for around 80% of the 2027 EV model offering, grandfathering would risk turning an administrative flexibility

into a broad postponement. This would weaken the sourcing incentive and signal that failure to prepare for agreed requirements earns further relief, while cathode active material producers bear the consequences.

Limited implementation flexibility could be considered, but only if it preserves the incentive to source originating batteries and materials. The idea of an accounting-based arrangement must be tightly defined, separately treat battery-electric and plug-in hybrid vehicles, operate within a single legal entity and be subject to effective, coordinated EU-level auditing. It should be limited to 2027, with no automatic renewal. To address the concerns voiced about LFP sourcing, a one-for-one NCM-LFP offset could be explored for 2027 only, creating additional demand for NCM batteries pending substantial European LFP production. This must not become a route to broader exemptions.

We ask you to ensure that the Commission maintains the agreed policy direction and consults cathode active material producers before deciding on any flexibility. Europe cannot ask companies to invest on the strength of its industrial policy and then weaken the market incentives on which those investments depend. The priority must be to support compliance, not dilute the commitment.

Yours sincerely,





Marco Mensink

Director General, Cefic

James Watson

Director General, European Metals