

ECGA Specialties Committee

Madrid, Spain

17th October 2023, 14:00h – 16:00h

Minutes

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1. Anti-trust rules

Mr. Loeh welcomed the participants and reminded everybody of the anti-trust rules.

2. Welcome of the new chair

Mr. Loeh thanked everyone for his election as a chair of the committee. Since the committee is new, he is eager to receive feedback on topics of importance for the participants.

3. EU policies

a. General EU strategies

i. Critical Raw Material Act and the Net-Zero Industry Act

Mr. Gillard introduced the main amendments proposed by the Parliament or the Council to the CRMA and the NZIA. He stressed that natural graphite was directly considered strategic according to the CRMA, as opposed to synthetic graphite, but that substitutes to natural graphite could also become strategic under the CRMA. He insisted that the entire battery supply chain is included in the NZIA, meaning that synthetic graphite is too. However, under the NZIA, most of the provisions, such as access to funding and laxer permitting rules, apply only to manufacturing projects with improved social and environmental practices. Participants in the committee discussed the potential benefits of having their products included in either the CRMA or the NZIA.

ii. Refuel EU, Energy taxation and the modal shift

Mr. Gillard presented the historical evolution of the Fit for 55 framework as well as the unfolding RePower/ReFuel initiatives from the Commission. He insisted on the impact of the now adopted Renewable Energy Directive, which aims at further increasing the share of renewable energy on the EU electricity grid.

b. Focus on NZ technologies

i. EU grid development

Mr. Gillard shared with the committee the findings of a consultancy commissioned by the Association for Energy Storage in Brussels. The main takeaway is that the development of grids is very much managed by the national level within the EU. As a result, great disparities exist between national grids. So far, the Commission has only proposed a recommendation to the Member States in order to harmonise their fiscal frameworks related to grid storage. Since this recommendation is not binding and taxation remains a national competence, it is unlikely that grid storage will develop both quickly and evenly throughout the EU.

ii. Wind Energy

Mr. Gillard presented to the committee the forecasts of the European Wind Association. He discussed the impact of the existing measures contained within Renewable Energy Directive on the market outlook. He insisted on the boost to offshore wind that should result from a new Wind Power Package recently announced by the Commission. Participants noted that this new development should favour carbon fibres in particular.

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iii. Solar Energy

Mr. Gillard presented to the committee the forecasts of Solar Power Europe, the European association for solar power. He discussed the impact of the existing measures contained within Renewable Energy Directive on the market outlook. He insisted on the stiff competition created by Chinese imports supported by Solar Power Europe. Participants noted that new trade defence measures against Chinese solar panels would constitute a continuation of a long-standing trade issue.

c. Short update on other sector-specific policy developments

i. Armament

Veronika Sochorova, the communication director of ECGA, prepared an infosheet about the role of carbon fibres and graphite in the armament industry. Mr. Gillard requested the feedback of ECGA members on that infosheet.

ii. Waste management

On the waste management front, the Commission has started to revise two frameworks of interest for ECGA members: the End-of-Life vehicles directive, and the Waste Electrical and Electronic Equipment (WEEE) directive. ECGA already replied to a consultation from the Commission regarding the WEEE directive. ECGA does not plan to submit a position paper regarding the ELV directive. Indeed, as explained by Mr. Gillard, this ELV directive rather impacts the clients of ECGA members than the members directly. However, it should also be noted that the new ELV directive will further incentivise the recycling of graphite in batteries, and that the creation of a digital product passport for cars will also require carbon and graphite manufacturers to supply more information to their clients.

4. Date and place of next meeting

The next meeting will take place in Brussels on 17th April 2024.