EU-Japan Centre for Industrial Cooperation Webinar

Current Status and Challenging of the European and Japanese Storage Battery Industry
- Toward cooperation between Japan and Europe –

Thursday, June 2, 2022, 16:30 ~ 18:00 Tokyo (9:30 ~ 11:00 Brussels)

The seminar was begun by the moderator Tanabe, Managing Director, EU-Japan Centre for Industrial Cooperation and then, four panelists made presentations.

– Nobutaka Takeo, Director of Battery Industry Office, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry

・ In Japan, battery industrial policy is being promoted by public-private councils. It is a well-known fact that Japan once led the world, but now it is lagging behind China and South Korea. Supply chains are important, but it is also true that we have relied on China for upstream operations, and this will change in the future. The challenge is how to secure raw materials. In the future, Japan would like to take the lead in all-solid-state batteries. The government is promoting a policy package consisting of: (1) To have a domestic production capacity of 150GWh by 2030, (2) To have Japanese companies secure a production capacity of 600GWh in the global market by the same year, (3) To have Japanese companies take leadership in next-generation technologies such as solid batteries. We have set one goal. To achieve this, we will: (1) expand production, (2) secure global alliances, (3) secure resources, (4) develop technology, (5) expand the domestic market, (6) secure human resources, and (7) promote recycling and reuse.

– James Copping, Policy Adviser, DG for Internal Market, Industry, Entrepreneurship and SMEs, European Commission

・ In the EU, the Battery Alliance was established in 2017. Although it started small, EU subsidies now amount to 2.9 billion euros and investments across industries amount to 9 billion euros. Human resource development and skill improvement are issues in the battery industry. The goals of the industry as a whole are to produce high-output, environmentally friendly products and to ensure that batteries have a successful life cycle, including recycling. We are also considering installing a battery passport. The aim is to make all information about batteries manufactured and sold within the EU visible. Actual application is expected to occur around 2026/7. There are currently 111 projects underway across the EU. The aim is for the region's battery self-sufficiency rate to reach 89% by 2030.

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– Shoichi Matsumoto, CEO, Envision AESC Group Ltd.

・ Our company was established in 2007 with investment from Nissan and NEC. Although the company structure has changed, the company has so far produced batteries for 650,000 EVs. Currently, we are producing locally in the United States, United Kingdom, China, and other countries. The challenge is technological innovation and expansion of production capacity. In terms of technology, we are working to shorten charging time, extend lifespan, reduce weight, and reduce cost. Recycling technology is also important, and the company is working on recycling both factory waste materials and the batteries themselves. Regarding expansion of production scale, the company aims to increase its production scale from the current 10GWh to 300GWh in 2030. Regarding CN goals, we aim to achieve RE100 in 2025 and CN including suppliers in 2028.

– Baptiste Buet, Director, EU Business Unit, EIT InnoEnergy (the European Battery Alliance)

・ In the EU, EBA is fully established as an industrial policy. InnoEnergy is acting as EBA's network manager. Its main tasks are promoting understanding of regulations and systems, providing market information, business matching, and financial support. Currently, there are approximately 700 member companies ranging from raw materials to recycling, including Japanese companies. For this reason, the EBA can also serve as a platform for Japan-Europe industrial cooperation. To date, the companies have invested a total of 227 billion euros. Demand for batteries is much stronger than initially expected, and is expected to reach 1,000GWh in 2030. We believe that local (European) procurement of raw materials and recycling should be strengthened. Securing employment and strengthening skills across industries is also an issue. By 2025, 4 million new jobs and 800,000 skilled technicians will be needed. For this reason, we established the EBA Academy to contribute to education.

After each presentation, the Q&A and discussion session were proceeded with the moderator Tanabe. The main topics were as follows (see recorded video for detail).

・ What are the factors behind the success of the EU alliance?
・ Is there a cap on subsidies for the battery industry in EU member states?
・ What do Japanese companies prioritize when expanding battery production factories overseas?
・ What are the problems with expanding battery production capacity in Japan?
・ Isn't international cooperation necessary for handling footprints, etc.?
・ What are the possible areas for cooperation between Japan and the EU?

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