EU-Japan Centre for Industrial Cooperation Policy Seminar

Key Developments in the Battery Sector and Opportunities for Japan-EU Cooperation—As Part of the Japan-EU Competitiveness Alliance

Wednesday 13 May 2026, 16:00–17:30 Tokyo (9:00–10:30 Brussels)

<Summary>

Opening remarks by Manuel Hubert, EU-side Managing Director, EU-Japan Centre for Industrial Cooperation:

The webinar focuses on battery strategies in Europe and Japan. Europe's battery manufacturing capacity has grown from 1 GWh in 2017 to over 200 GWh today, reflecting rapid expansion. However, demand is expected to rise even further, with the EU forecasting battery demand at 550 GWh in 2025 and 1,000 GWh by 2030. Japan has also set a target of 100 GWh of annual domestic production by 2030. Despite this growth, global manufacturing capacity already exceeds demand, largely due to significant Chinese overcapacity, making competitiveness and scale essential for Europe and Japan.

Topics include new EU battery regulations, automotive support measures, and Japan's industrial strategy. The session also highlights cooperation between European and Japanese battery organizations following a memorandum of understanding signed last year to strengthen supply chain collaboration and industrial partnerships.

Hiroki Aoki, Director, Battery Industry Division, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry:

In 2022, Japan introduced a national battery industry strategy to strengthen its role in the global energy transition and digital economy. The strategy aims to establish 150 GWh of domestic battery production capacity by 2030, secure a 20% global market share, and commercialize all-solid-state batteries. Policies are organized around seven pillars, including manufacturing expansion, international cooperation, resource security, technology development, market creation, talent development, and regulatory improvement.

Under the Economic Security Promotion Act, batteries were designated as critical materials, enabling government support for battery production, materials, components, and manufacturing equipment. Projects currently underway represent around $12.6 billion in investment and 120 GWh of production capacity. Japan is also strengthening cooperation with the EU, US, Canada, and Australia to improve supply chain resilience and regulatory coordination.

The government is prioritizing next-generation technologies such as all-solid-state batteries while supporting innovative research and commercialization. It is also promoting battery recycling, cybersecurity, and workforce development through initiatives such as the BATON network. In addition, Japan and the EU plan to deepen collaboration through recycling systems, data sharing, personnel exchanges, and business partnerships.

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Ewout Deurwaarder, Policy Officer, Sustainable Industrial Policy/Batteries and Ecodesign, Sustainable Products Unit, DG GROW, European Commission:

The EU Battery Regulation, which was adopted in 2023 and gradually entering into force, covers the entire battery lifecycle, including market placement, use, recycling, and end-of-life management. Existing requirements such as restrictions on hazardous substances, labeling, collection symbols, and recycling obligations continue, while new rules introduce safety standards for stationary battery storage systems, battery health information, and conformity assessments including CE marking. Some provisions are still being revised. The EU postponed due diligence obligations to August 2027 because verifier systems were not ready. Discussions are ongoing regarding company thresholds, reporting frequency, labeling requirements, and battery removability rules for light transport devices.

The Commission has finalized methodologies for recycling efficiency and updated battery waste classifications. Work on carbon footprint methodology for EV batteries continues, particularly regarding electricity grid emissions accounting.

The battery passport, scheduled for February 2027, is a major initiative. It will operate through a decentralized digital system with shared standards and selective access for stakeholders such as recyclers and authorities. Additional work on recycled content calculations, durability standards, and stakeholder guidance is also progressing.

Goro Naruse, Executive Officer, Battery Association for Supply Chain:

The battery industry is entering a period of major transformation and is becoming a critical foundation for both the green transition (GX) and digital transformation (DX), including the expansion of generative AI. In this environment, Japan and the EU, which share common values, are expected to strengthen long-term and future-oriented cooperation. BASC, a Japanese battery industry organization with around 250 member companies, brings together battery manufacturers, materials suppliers, equipment makers, recyclers, trading firms, financial institutions, IT companies, and automotive OEMs to build a sustainable and resilient battery ecosystem. BASC also collaborates with Japan's METI and European organizations such as EBA and RECHARGE on policy and standardization initiatives.

Batteries are increasingly important for energy security, economic security, climate policy, and data infrastructure. Growing applications in EVs, AI data centers, and robotics are driving demand for batteries with higher power, energy density, and safety. The industry is also focusing on recycling, battery passports, and international data-sharing systems, including efforts to standardize black mass classification. By combining Japan's strengths in manufacturing equipment and quality control with Europe's market demand, both regions can develop a competitive battery ecosystem through coordinated policy support and private-sector investment.

Ilka von Dalwigk, Director General, RECHARGE:

Recharge, the European battery association, represents the full rechargeable battery value chain and includes both European and Japanese companies, highlighting strong potential for collaboration. Batteries are becoming essential not only for electric vehicles, but also for stationary energy storage, AI, robotics, and defense applications.

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A major concern for Europe is its heavy dependence on China, which dominates global battery manufacturing and supply chains. This creates economic and strategic risks, especially as Chinese EV makers rapidly expand their global market share. Europe is therefore accelerating efforts to diversify supply chains, strengthen domestic battery production, and improve technological sovereignty. Although many gigafactory projects are being developed in Europe, the sector still faces challenges in scaling production, workforce development, recycling, and manufacturing competitiveness. To address these issues, the EU introduced measures such as the Battery Booster Strategy, the €1.5 billion Battery Booster Facility, and the Industrial Accelerator Act, which support local production and supply chain resilience.

There could be opportunities for Japan-EU cooperation in solid-state batteries, automation, battery passports, recycling, and advanced manufacturing technologies.

Moderator Yasuo Tanabe, Japan-side Managing Director of EU-Japan Centre for Industrial Cooperation, asked the following questions in the Q&A session:

- (To Mr. Aoki) I would like to ask about your forecast for market demand for batteries.
- (To Mr. Aoki) Regarding graphite, which is a key material, are there any initiatives to diversify supply sources?
- (To Mr. Deurwaarder) I would like to ask about the timeline for introducing carbon footprinting.
- (To Ms. von Dalwigk) Regarding the Industrial Accelerator Act policy, specifically the requirement for the proportion of EU-origin materials, can companies from FTA partner countries such as Japan obtain certification?
- (To Mr. Aoki and Mr. Naruse) Regarding the Battery Passport, I would like to ask about Japan's initiatives in this area.

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