

To: Stéphane Séjourné, Executive Vice-President for Prosperity and Industrial Strategy, Teresa Ribera, Executive Vice-President for a Clean, Just and Competitive Transition, Jessika Roswall, Commissioner for Environment, Water Resilience, and a Competitive Circular Economy, Valdis Dombrovskis, Commissioner for Economy and Productivity

The Circular Economy Act must introduce measures to help scale Europe's battery recycling capacity

Brussels, 29th October 2026

Dear Executive Vice-Presidents, Dear Commissioners,

Recovering materials from end-of-life batteries is a key means to secure much needed critical minerals (CRMs) resiliently and sustainably. With increased recycling, Europe can reduce imports of CRMs, in turn reducing external dependencies. However, Europe's battery recycling industry is struggling to scale, with over half of Europe's battery recycling capacity currently [at risk](#). The Circular Economy Act (CEA) can and must provide the tools to support the effective scaling of Europe's material recovery and recycling capacity.

Firstly, European battery recyclers lack the needed feedstock. Europe currently preprocesses most battery waste domestically but exports the majority of black mass - CRM rich concentrate from shredded lithium-ion batteries - for final refining abroad. [Analysis](#) shows at least 60% of Europe's black mass is leaving the EU, with this likely only the tip of the iceberg, and lots more black mass leaving the EU, hidden in different customs codes, and unable to be traced. This structural leakage undermines EU strategic autonomy, shifts high-value jobs abroad, weakens circularity and environmental protection.

Secondly, to efficiently scale its recycling industry, Europe will need to onshore the battery value chain. This includes in particular the midstream industry¹, including Cathode active materials and their precursors (pCAM). This part of the value chain is key as they will be the offtakers for EU recyclers.

Finally, faced with financial pressures and higher energy costs, European recyclers need strong political and demand signals in Europe, in order to encourage investment in EU refining capacity. This will be key to ensuring we can process and keep valuable materials in Europe.

As a result, the upcoming Circular Economy Act must urgently address Europe's black mass leakage problem by:

- Evaluating targeted export measures to restrict black mass leakage and untreated battery waste, such as assessing the possibility of export fees or tariffs, based on thorough risk and impact assessment. Such measures must go hand in hand with developing European recycling capacity.

¹ [Jumpstarting Europe's Battery Industry: A Strategy for Energy Security](#) (EIES, June 2026)

- Establishing a harmonised EU definition and technical specification for black mass. This is a precondition for the consistent application of End-of-Waste (EoW) criteria, customs codes, equivalence assessments and export controls across Member States.
- Defining strict EoW criteria for CRM streams including material-specific EoW criteria that ensure the material is genuinely market ready and functionally equivalent to primary raw materials entering the value chain.
- Creating a single Combined Nomenclature (CN) code for black mass and its immediate derivatives.

The CEA must also support the scaling of European recycling capacity, encouraging investment in EU refining capacity with:

- Local content incentives for recycled content, following the phase-in of the recycled content targets under the EU Batteries Regulation.
- Incentivise 'recycled in EU' in battery PRO schemes, introducing a bonus-malus structure under EPR schemes which rewards final refining and recovery occurred within the EU.
- A revision of the Waste Shipment Regulation (WSR), to simplify intra-EU shipments of waste streams containing CRMs. These waste streams should be exempt from the procedure of prior written notification and consent, and subject to the simplified information procedure if they are destined to pre-consented recycling facilities.
- Cap-Ex and Op-Ex support for recycling projects from EU and national funds, prioritising investment in EU refining capacity, and designed to deliver additional operational recovery and processing capacity.

Measures should be technology-neutral, proportionate and grounded in evidence. All these measures should be implemented without deteriorating European battery recycling and battery manufacturers competitiveness.

A competitive European recycling sector depends on the development of the whole battery value chain – only then will circularity in Europe truly become reality. The CEA should have a comprehensive approach and support long-term offtake agreements and collaborative investments.

The Circular Economy Act can achieve a shift in mindset, and deliver much needed tools to support Europe's battery recycling industry, securing effective material recovery capacity in Europe. The undersigned civil society organisations and industry associations stand ready to support.

We would be very keen to meet with your teams to discuss in further detail and we remain at your disposal for any further information.

Sincerely,



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