

JBCE'S POSITION ON THE AMENDMENTS TO THE BATTERIES REGULATION (EU) 2023/1542 AS REGARDS BATTERY DUE DILIGENCE OBLIGATIONS

INTRODUCTION

The Japan Business Council in Europe (JBCE) appreciates the European Commission's proposals to amend the EU Batteries Regulation (EUBR)¹ via Omnibus package IV. We hereby submit our comments on the amendments concerning battery due diligence obligations², along with suggestions to further rationalise the administrative burden in accordance with proportionality.

1. Early Release of the Draft Due Diligence Guidelines, Timely Designation of Notified Bodies and Further Postponement

JBCE welcomes the amendment to the Batteries Regulation postponing the application of the due diligence obligations by two years but is concerned about the late publication of the implementation guidelines **and the lack of timely designation of notified bodies responsible for third-party verification**. JBCE urges a further postponement of obligations to 18 August 2028 to allow adequate preparation time for economic operators.

- JBCE welcomes the amendment postponing the start date of due diligence obligations from 18 August 2025 to 18 August 2027. This reflects an appropriate recognition of the significant complexity of battery supply chains and the need to provide economic operators with adequate preparation time.

However, JBCE notes with concern the proposed delay in publishing the due diligence implementation guidelines—from 18 February 2025 to 26 July 2026. Battery supply chains are global and multi-tiered, involving many actors who are not directly subject to EUBR obligations. **Early publication of clear, harmonised guidance is essential to foster shared understanding and timely preparation across the industry.**

Reflecting the current situation in the absence of published guidelines, battery supply chain actors are receiving slightly differing requirements from multiple customers,

¹ Regulation (EU) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC

² Regulation (EU) 2025/1561 of the European Parliament and of the Council of 18 July 2025 amending Regulation (EU) 2023/1542 as regards obligations of economic operators concerning battery due diligence policies

leading to confusion and inefficiencies within the supply chain. Previous regulatory experiences (e.g. REACH microplastics restrictions) have demonstrated that insufficient time between the release of implementation guidance and legal applicability leads to major compliance challenges. To mitigate such risks, **JBCE calls for the early release of the draft due diligence guidelines and a subsequent public consultation.**

- In addition, JBCE underscores the critical importance of the timely designation and operational readiness of notified bodies responsible for third-party verification.

Given the anticipated volume of requests from economic operators seeking verification, there is a significant risk that capacity constraints at notified bodies may result in delays or the inability to process applications within the required timeframe. Inadequate verification capacity could undermine the effectiveness of the due diligence framework and place compliant companies at a disadvantage.

Moreover, the administrative maturity of notified bodies—including their readiness to manage documentation and verification procedures efficiently— will be essential to ensure a smooth and credible implementation process.

JBCE therefore strongly recommends that immediate and coordinated action be taken to designate and prepare a sufficient number of notified bodies well in advance of the legal entry into force of the obligations, and to postpone the due diligence obligation until the verification system is fully operational.

In light of the above, JBCE recommends extending the implementation timeline to allow for a two-year transition period following the publication of the due diligence implementation guidelines and the establishment of the readiness of notified bodies. In this regard, **JBCE respectfully requests that the start of the due diligence obligations be further postponed to 18 August 2028.** This would ensure that economic operators have sufficient time to develop robust compliance structures and obtain verification by a notified body where required.

2. Ensuring Regulatory Coherence and Alignment for Simplified Due Diligence Implementation under the Batteries Regulation

JBCE calls for ensuring regulatory coherence and alignment among EU due diligence frameworks. In particular, JBCE advocates for third-party verification to assess whether the due diligence system (process) of a company is in line with CSDDD due diligence obligations.

- While aiming for harmonisation and simplification of business' due diligence implementation activities, the lack of alignment between the approaches to the due diligence concept under the Corporate Sustainability Due Diligence Directive (CSDDD)³, the Forced Labour Regulation (FLR)⁴, the EU Deforestation Regulation (EUDR)⁵, and the EUBR is creating highly challenging practical implementation situations. For example, companies tend to apply the same due diligence policy and management systems internally to comply with the due diligence requirements under multiple regulations. However, since regulations may impose different legal requirements, even using a common system may result in administrative burden. For instance, while EUBR requires verification, CSDDD does not. **Therefore, JBCE calls for increased alignment of due diligence concepts and coherent processes across the CSDDD, FLR, EUDR, and EUBR to reduce administrative burden.**
- Particularly regarding the due diligence obligations under the EUBR, both downstream and midstream companies often lack full access to upstream information and face confidentiality and anti-competition concerns, while upstream actors are frequently outside the regulatory scope and are therefore not obliged to provide such information. Furthermore, the increased information sharing requests in global supply chains following EUBR and other due diligence regulations, result in counter-initiatives from supplier countries aiming to limit such information-sharing processes and make them more “efficient”. Furthermore, the battery supply chain is inherently dynamic and continuously evolving, influenced by shifting raw material demands, geopolitical developments, and socio-economic conditions. As a result, third-party verification of the battery supply chain poses significant practical challenges. It may not always be feasible to accurately verify the supply chain, particularly if it has changed between the time the economic operators conducted its due diligence and the time the notified body performs its verification. In light of this limitation, **JBCE recommends that EUBR due diligence requirements are aligned with CSDDD requirements and that the European Commission provide clarification** - through delegated or implementing acts under Article 51 – on the scope of notified bodies' verification obligations with respect to supply chain due diligence under Article 50. Specifically, **it should be clarified that third-party verification is intended to assess the due diligence system and traceability documentation as implemented by the economic operator at the time of conducting battery due diligence**— not to reverify the full n-tier supply chain as it may

³ Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence

⁴ Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024 on prohibiting products made with forced labour on the Union market

⁵ Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation

exist at the time of audit. Such clarification is essential to ensure legal certainty, proportionality, and harmonized application across the EU.

- **Companies that comply with the due diligence obligations under the CSDDD should be deemed to have fulfilled the due diligence requirements under the EUBR.**

3. Call for the Timely Recognition and Implementation of Effective Industry Schemes and Balanced Transparency

JBCE calls for the swift recognition of effective industry schemes under the EUBR as practical tools to enable companies to fulfil their obligations, an upstream-focused due diligence approach, and proportionate transparency rules that balance business responsibility with the protection of sensitive information.

- Further to Point 2, economic operators frequently face practical limitations in accessing upstream supply chain information due to legal, commercial, or jurisdictional constraints. Economic operators often have limited visibility into upstream operations and a constrained sphere of influence over raw material producers and refiners. As a result, conducting required due diligence across the raw material supply chain by EUBR is particularly complex. In this context, industry scheme plays a vital role. They enable collective action, improve access to upstream players and support harmonised approaches to due diligence.

To address this, **JBCE calls for the swift recognition of effective industry schemes as a part of the implementation framework to support coordinated compliance, improve upstream information flow, and reduce duplication.** Providing early clarity on the role and acceptance criteria of such schemes would significantly support economic operators in fulfilling their obligations and promote more effective, scalable due diligence practice across the entire battery supply chain. We kindly request the Commission to define the recognition process and criteria without delay.

- While we emphasise the importance of having recognised industry schemes in place urgently, even with them, achieving full supply chain transparency remains unrealistic due to the complexity and constantly evolving nature of battery supply chains. Furthermore, requiring the disclosure of detailed supply chain information to downstream actors would raise serious concerns regarding confidentiality and the protection of commercially sensitive information. Given these considerations, **we recommend that the EUBR due diligence requirements focus on upstream due diligence and provide companies with the flexibility to meet obligations through the future industry scheme.** Transparency obligations should be applied in a

proportionate manner that balances the goals of responsible business conduct with the need to protect commercially sensitive information.

4. Establishing a Robust Implementation Infrastructure

JBCE stresses the need for a strong implementation framework and suggests delaying or phasing in EUBR obligations to prevent excessive burdens on businesses lacking upstream information.

- In addition to the above, **JBCE respectfully encourages the European Commission to give priority to building an operational implementation framework**, in order to ensure both the effectiveness and proportionality of due diligence obligations under the EUBR. **This should include the establishment of an environment that supports building institutional infrastructure, including global capacity-building efforts.**

Imposing binding due diligence obligations before these supporting mechanisms are operational may place disproportionate burdens on midstream and downstream actors who cannot access necessary upstream information.

- Accordingly, **JBCE urges the Commission to reassess the implementation schedule.** Potential measures could include further postponement as requested in point 1, a phased implementation approach, or initially introducing the requirements on a voluntary basis.

Conclusion

JBCE reaffirms its support for the objectives of the EUBR in promoting responsible sourcing and sustainable supply chains. Achieving these objectives requires timely guidance, regulatory coherence, and realistic implementation pathways.

We thank the European Commission for the opportunity to contribute to this consultation and remain committed to constructive engagement moving forward.

ABOUT JBCE

Founded in 1999, the Japan Business Council in Europe (JBCE) is a leading European organisation representing the interests of over 110 multinational companies. Our members operate across a wide range of sectors, including information and communication technology, electronics, chemicals, automotive, machinery, wholesale trade, precision instruments, pharmaceuticals, textiles, and glass products.

For more information: <https://www.jbce.org/> / E-mail: info@jbce.org

EU Transparency Register: [68368571120-55](https://ec.europa.eu/transparency/regexp1/index.cfm?do=entity.entity_details&entity_id=68368571120-55)

Date: 30 July 2025