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EU Batteries Regulation: 2027 deadlines and actions to take

Regulation (EU) 2023/1542 is the first piece of European circular economy legislation to govern the entire life cycle of a product. It aims to make batteries placed on the European market more durable, safe, sustainable and efficient, by introducing **mandatory requirements on design, materials and conformity assessment**.

Its scope covers all batteries placed on the EU market, regardless of where they are produced and of their characteristics: portable batteries, electric vehicle (EV) batteries, industrial batteries, starting, lighting and ignition (SLI) batteries, and batteries for light means of transport such as e-bikes, mopeds and e-scooters.



The objectives of the Regulation include the **separate collection of waste portable batteries**, which must reach at least **63% by the end of 2027** and **73% by the end of 2030**, measured as the share of batteries collected compared with those generated, according to the criteria set out in the Regulation. In addition to the collection targets, specific targets are introduced for the **recovery of raw materials through the recycling of waste batteries**. By 31 December 2027, recycling processes must achieve a recovery rate of at least **90% for cobalt, copper, lead and nickel and 50% for lithium**. By 31 December 2031, the thresholds will rise to **95% for cobalt, copper, lead and nickel and 80% for lithium, respectively**. These targets aim to encourage the recovery of strategic raw materials, reduce dependence on virgin resources and promote circularity in the battery value chain.

Since 18 August 2025, the Regulation has replaced Directive 2006/66/EC. It is being implemented gradually: the text provides for around fifteen deadlines spread between 2023 and 2036.

In the short term, there are two priority deadlines. From **18 February 2027**, electric vehicle batteries, light means of transport batteries and industrial batteries with a capacity above 2 kWh must carry a **QR code linked to a digital passport**, for which the Commission published a guidance document in August 2026. From **18 August 2027**, economic operators will also be required to adopt **due diligence policies on cobalt, natural graphite, lithium and nickel**, subject to verification by a notified body. This obligation, originally due in August 2025, was postponed by two years by Regulation (EU) 2025/1561, partly because the Commission had not yet published the official guidelines.

Some implementation aspects are still outstanding, particularly the carbon

footprint declaration and certain battery labelling obligations, whose application depends on the adoption of the delegated and implementing acts provided for by the Regulation. The actual application dates of some requirements are therefore tied to the adoption of those acts.

The postponement does not, however, reduce the complexity of compliance. Due diligence requires **multi-tier supply chain mapping**, an audited policy, a grievance mechanism and public reporting. It should also be borne in mind that, within eighteen months, three separate data streams will overlap: the digital passport (February 2027), due diligence (August 2027) and documentation on recycled content (August 2028).

Producers, importers, distributors and companies that integrate batteries into their products should therefore start now with **checking whether and how they fall within scope**, engaging suppliers and integrating these processes with their existing sustainability reporting systems.

Regulation (EU) 2023/1542 aims to ensure that, in the future, batteries have a low carbon footprint, use minimal amounts of harmful substances, require fewer raw materials from third countries and are collected, reused and recycled to a high degree within the EU.

Digital Product Passport: towards a digital identity for products

The **Digital Product Passport (DPP)** is one of the cornerstones of the Ecodesign for Sustainable Products Regulation (ESPR), which entered into force in July 2024. It is a **digital product record**, accessible via a data carrier placed on the product, its packaging or the accompanying documentation. It gathers information on the composition, origin, environmental impacts, reparability and end-of-life management of the finished product. The purpose of the DPP is to make this supply chain data available to end consumers, repair and recycling operators and enforcement authorities.

The ESPR is a **framework regulation**: binding obligations are introduced for each product group through delegated acts. **Without an applicable delegated act, there is no passport obligation**. The delegated acts themselves will define the information content and who is entitled to access it, as access rights are set product by product.

The first ESPR working plan, published in April 2025, sets out the sequence of measures: **iron and steel (Q4 2026), followed by textiles and apparel, tyres**

and aluminium, then furniture and mattresses.

It is important to note that these are **indicative adoption dates, not application dates**: a delegated act on textiles adopted in 2027 would, as a rough guide, lead to actual obligations in 2029. In addition, for intermediate products such as steel and aluminium, the Commission may initially introduce information requirements only, postponing performance requirements.

On the infrastructure side, the **EU DPP registry has been operational since July 2026, allowing customs and authorities to check that imported products carry a digital passport**. In parallel, six horizontal technical standards were published in May 2026, covering, among other things, unique identifiers, data carriers and interoperability.

The DPP is not limited to the ESPR: in addition to the Batteries Regulation, the new Construction Products Regulation also provides for its own digital passport system.

For businesses, and particularly for SMEs in the manufacturing and textile sectors, preparation takes time and requires **structured product data**, reliable supply chain information and systems capable of managing and updating it over time. Organisations that already have a sustainability report or LCA studies start from an advantageous position, given the overlap in much of the information required, including materials, emissions and recycled content. From this perspective, the DPP can be not only a regulatory requirement but also a **lever for transparency and competitive positioning**.

New Transition 5.0 Plan (Hyper-depreciation): eligible investments

The New Transition 5.0 Plan introduces hyper-depreciation (iperammortamento), which replaces the Transition 4.0 and 5.0 tax credits for investments in capital goods and applies from 1 January 2026 to 30 September 2028. It is available to all companies resident in Italy, regardless of legal form, sector and size, for investments in **production facilities located in Italy**.



The measure supports two types of investment. The first concerns **new tangible and intangible capital goods** listed in Annex IV and Annex V of the 2026 Budget Law, interconnected with the production management system or the supply network. Companies planning to purchase machinery, automation systems or digital solutions should therefore first check that the asset is included in the Annexes and that its interconnection is ensured. Particular attention should

be paid to software: software purchased under licence or developed in-house and capitalised on the balance sheet is eligible, whereas subscription-based **software** is excluded. Before signing a contract, it is therefore advisable to agree with the supplier on the most suitable form of acquisition.

The second type concerns **plants for the self-generation of renewable energy** for self-consumption, including remote self-consumption, together with storage systems. Companies interested in a photovoltaic system must choose **high-efficiency, European-made modules** and size the system to their consumption, as installed capacity cannot exceed 105% of the production facility's energy needs, calculated on average consumption in the previous year. An energy consumption analysis is therefore the recommended starting point.

Finally, it should be noted that a **sworn technical appraisal** (or a certificate of conformity issued by an accredited body) is now mandatory regardless of the asset's value, and that the notice of completion of the investment must be submitted by **15 November 2028**.

Zero-emission buildings: the European roadmap and implications for businesses

Buildings are one of the **strategic levers** the European Union is using to achieve its **decarbonisation** goals. The impact of buildings is in fact often underestimated: around 40% of European energy consumption is attributable to buildings, as is 50% of natural gas consumption (Eurostat energy balances and EEA Greenhouse Gas Inventory, 2023).

In this context, Directive (EU) 2024/1275 on the energy performance of buildings (Energy Performance of Buildings Directive, EPBD) strengthens the **European pathway towards a zero-emission building stock** by 2050, providing a framework for improving the energy efficiency of buildings and reducing the emissions associated with their use. These regulatory developments therefore affect not only the **construction sector** but also **companies that own or occupy buildings**, which need to assess the implications of the energy transition for their property portfolio.

The Directive focuses on four areas of action:



Renovation



Decarbonisation



Modernisation and digitalisation



Technical and financial assistance

To turn these objectives into concrete action, each Member State must draw up a **National Building Renovation Plan** setting out a strategy to progressively improve the energy performance of the building stock and support its decarbonisation.

The main new features include the introduction of **minimum energy performance standards** for non-residential buildings – with thresholds set at national level – and the definition of **energy consumption reduction trajectories for non-residential buildings** – compared with 2020 levels, average primary energy consumption must fall by at least 16% by 2030 and by 20-22% by 2035.

The Directive also accelerates the transition towards **zero-emission buildings** (ZEBs), which will become the standard for all new buildings from 2030 (from 2028 for those owned by public bodies). It also provides for the progressive **phase-out and replacement of fossil-fuel boilers**, with the aim of eliminating them completely by 2040, as well as the **wider deployment of photovoltaic and solar thermal systems** in buildings and of **smart systems for monitoring and managing energy consumption**.

The EPBD also integrates the social dimension into the transition through **support measures** aimed in particular at vulnerable households and those in energy poverty.

The Directive affects a wide range of economic operators, with implications that vary according to the characteristics and use of the buildings. In view of its progressive implementation, businesses can start to **assess their property portfolio and integrate energy efficiency into strategic planning**.

A first step towards defining an action plan is to map owned or leased properties, gathering information on energy performance, consumption, installed systems and any renovation work already carried out, and assessing potential opportunities.

The Directive entered into force in 2024, with a general deadline for national transposition of 29 May 2026. However, on 15 July 2026 the European Commission opened infringement procedures against all 27 Member States for incomplete transposition. The next key milestone is **31 December 2026**, the date by which EU countries must submit their National Building Renovation Plans. For

businesses, **monitoring developments in the national regulatory framework** and **opportunities to access incentives and financing instruments** will be essential to understand the applicable requirements and plan any work on their property portfolio in good time.

Industrial Emissions Directive 2.0: new environmental standards and a stronger Integrated Environmental Authorisation

On 24 April 2024, the European Parliament and the Council adopted **Directive (EU) 2024/1785**, known as the Industrial Emissions Directive 2.0 (**IED 2.0**), which amends the previous Directive 2010/75/EU and strengthens the rules on the prevention and reduction of industrial pollution. The reform aims to **reduce emissions, improve resource efficiency and foster the transformation of production processes, with new requirements for companies subject to an Integrated Environmental Authorisation (AIA)**.



The Directive extends its scope to the extraction of metal ores and large-scale battery manufacturing, and covers a larger number of intensive pig and poultry farms. For the latter, a specific, simplified regime applies, allowing Member States to use registration procedures and general binding rules instead of individual permits, in order to limit the administrative burden without reducing environmental protection.

The most significant changes concern the AIA and, in particular, the criteria for setting emission limit values based on the *Best Available Techniques* (**BAT**). Competent authorities must identify the strictest values achievable through BAT, assessing the lowest emission levels in light of the characteristics of each installation. BAT conclusions also now explicitly include emerging techniques, promoting technological innovation in reducing the environmental impact of industrial processes.

The reform also strengthens **the assessment of the overall environmental performance of installations**. Based on BAT-associated environmental performance levels (**BAT-AEPLs**), authorities must set binding environmental performance limit values for water and indicative levels for waste and other resources, in accordance with the relevant BAT conclusions. The focus thus extends from the pollution generated to resource efficiency.

At organisational level, operators concerned must adopt an environmental management system (**EMS**) that includes performance objectives and indicators, measures for managing hazardous substances and using resources

efficiently, as well as periodic audits. For certain installations, indicative industrial transformation plans towards more sustainable production models consistent with EU decarbonisation goals are also required.

Inspections and the measures following breaches of environmental permit conditions are also strengthened. The existing obligation to suspend operations without delay where non-compliance with permit conditions poses an immediate danger to human health or threatens significant and immediate adverse effects on the environment remains in place. The new rules also provide for **suspension in the event of persistent breaches with serious environmental consequences**, with particular attention to water resources. For farms covered by the specific regime, suspension is mandatory where the breach causes significant degradation of local air, water or soil conditions, or a significant danger to health.

IED 2.0 entered into force on **4 August 2024** and set **1 July 2026** as the general deadline for transposition. Key deadlines include **1 July 2027** for the implementation and first audit of EMSs, subject to exceptions, and **30 June 2030** for transformation plans relating to certain activities. In Italy, on **24 September 2026** the Council of Ministers gave final approval to the transposing legislative decree, which mainly amends the AIA rules contained in Legislative Decree 152/2006. The decree also strengthens compensation rights for damage to human health resulting from breaches of environmental requirements, in line with the new European provisions. Finally, it strengthens the technical expertise of the bodies involved in permitting procedures and the related coordination tools.

Businesses should therefore review existing permits, emission levels, resource efficiency and the adequacy of their environmental management systems. Monitoring national transposition and developments in BAT conclusions will be essential to anticipate the necessary adjustments and plan the required investments.

Forced Labour Regulation: new obligations along the supply chain

The European Union is stepping up the fight against forced labour through the "**EU Forced Labour Regulation**" (**EUFLR**), which prohibits placing and making available on the EU market, and exporting, products made wholly or partly with forced labour. The legislation draws companies' attention to the risks that may arise along supply chains and to the consequences of marketing non-compliant products.

What is meant by "forced labour"

The Regulation refers to the definition of the International Labour Organization (**ILO**), under which forced labour includes work performed under the threat of a penalty and for which the person concerned has not offered themselves voluntarily. Risk indicators identified by the ILO include, for example, withholding identity documents or wages, intimidation, restriction of freedom of movement, degrading living and working conditions, and excessive working hours.

Companies covered by the Regulation

The EUFLR applies to companies that place or make available products on the EU market, **regardless of size, sector or turnover**, and extends to all stages of the supply chain. The ban covers imported products, products already marketed within the EU and products exported from the EU. Its scope therefore makes attention to the origin of products and to the different stages of the supply chain essential.

The Regulation entered into force on 13 December 2024 and will apply in full from **14 December 2027**. Implementation involves competent authorities designated by Member States and EU tools to support risk identification.

Risk-based checks and consequences of violations

Authorities will take a risk-based approach to identify which cases to examine as a priority, considering factors such as the severity of the suspected forced labour, the quantity of products on the EU market and the share of the product suspected of having been made with forced labour. Sources supporting the assessments include the EU database of forced labour risks by country and product, and submissions from stakeholders, including non-governmental organisations and trade unions.

The procedure may involve an initial assessment, a preliminary investigation and, where appropriate, a formal investigation, leading to a decision by the authorities and the adoption of follow-up measures. Where a violation is established, the Regulation provides for measures such as withdrawal of products from the market, a ban on import or export, and disposal of the goods concerned.

Relationship with the CSDDD

The Forced Labour Regulation sits alongside the **Corporate Sustainability Due Diligence Directive (CSDDD)**, although there are significant differences in scope and obligations.

The CSDDD applies to large EU companies with more than 5,000 employees and

worldwide net turnover above EUR 1.5 billion, as well as to non-EU companies generating more than EUR 1.5 billion in net turnover in the European Union. The Directive introduces a due diligence obligation aimed at identifying, preventing and mitigating adverse impacts on human rights and the environment across the chain of activities.

The "Forced Labour Regulation", on the other hand, has a broader scope: it applies to all economic operators that place or make available products on the EU market, regardless of size and sector, including online sales. Unlike the CSDDD, **the Regulation does not introduce an explicit due diligence obligation, but establishes a ban on marketing, importing and exporting** products made, even partly, with forced labour.

How to prepare

Although it does not introduce new due diligence obligations, the Forced Labour Regulation recognises control procedures as tools to identify, prevent and mitigate forced labour risks along the supply chain.

Ahead of full application on 14 December 2027, companies are encouraged to strengthen their management systems, focusing on three aspects:

- **Risk assessment**: identify the most exposed products, suppliers and geographical areas.
- **Prevention and mitigation**: define internal responsibilities and adopt monitoring, preventive and corrective measures.
- **Monitoring**: verify the effectiveness of the measures over time and provide reporting channels.

In this way, companies can prepare for the application of the Regulation by integrating the protection of human rights into business processes and supply chain management.

The department

The Andersen team offers **integrated consulting services** to help clients understand the possibilities associated with sustainable innovation, seeking a **combination of ethics and business practice** within the current regulatory framework.

The department's **cross-cutting skills** enable business operations to be carried out in a responsible manner, thanks to assessments and measurements of the organisation, policies, expected and generated impacts, and stakeholder representation.

The result is the definition of new business models that focus on people and the environment with a view to innovation.

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