

## Deal on plans to boost Europe's Net-Zero technology production

- Aim is to make EU internal market fit for industrial decarbonisation
- The bill supports manufacturing of the key technologies needed for EU's climate and energy objective
- Faster permitting procedures and net-zero industry valleys
- New criteria for public procurement procedures, auctions for renewable energy sources

**On Tuesday, Parliament and Council negotiators reached a provisional deal on the Net-Zero industry Act to bolster EU production in technologies needed for decarbonisation.**

The "Net-Zero industry Act" sets a target for Europe to produce 40% of its annual deployment needs in net-zero technologies by 2030, based on National Energy and Climate Plans (NECPs) and to capture 15% of the global market value for these technologies.

During negotiations, MEPs secured an approach based on a single list of technologies to be supported, including inter alia all renewable technologies, nuclear, industrial decarbonisation, grid, energy storage technologies, and biotech. The law will simplify the permitting process, setting maximum timelines for projects to be authorised depending on their scope and output.

The agreement provides for the creation of "Net-Zero Acceleration Valleys" initiatives, speeding up the permitting process by delegating parts of the environmental assessment evidence collection to member states.

### Sustainability and resilience criteria

National support schemes aiming to speed up the deployment of technologies among households and consumers (e.g. solar panels, heat pumps) will have to take into account sustainability and resilience criteria, the text says. Public procurement procedures and auctions to deploy renewable energy sources should also meet such criteria, albeit under conditions to be defined by the Commission, and for a minimum of 30% of the volume auctioned per year in the member state, or alternatively for a maximum of six Gigawatt auctioned per year and per country.

A supply will be considered as not resilient when the proportion of a specific net-zero technology originating in a non-EU country accounts for more than 50% of the supply of that specific net-zero technology within the Union.

The legislation will encourage funding from national Emission Trading System (ETS) revenues and for most strategic projects through the Strategic Technologies for Europe Platform (STEP), and it is a step towards a European Sovereignty fund, MEPs say.

## Quote

“This deal is good news for European industry and sets the tune for the next term. To achieve all our economic, climate and energy ambitions we need industry in Europe. This Act is the first step to making our market fit for this purpose”, said lead MEP [Christian Ehler \(EPP, DE\)](#).

## Next steps

The informal agreement now needs the approval of both Parliament and Council in order to become law. The Industry, Research and Energy Committee will hold a vote on the file during a forthcoming meeting.

## Background

A considerable amount of clean energy technology is needed to support reaching Europe's 2030 and 2050 climate targets. Europe largely imports these technologies, and many non-EU countries have stepped up their efforts to expand their clean energy manufacturing capacity.

## Further information

[Committee on Industry, Research and Energy](#)

[Procedure file](#)

[EP research briefing](#)

[Legislative train: net-zero industry act](#)

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