European Commission

Net-Zero Industry Act

Unlocking Opportunities for Clean Tech Manufacturing in Europe







The next decades will see the greatest industrial transformation of our times – maybe of any times. And those who develop and manufacture the technology that will be the foundation of tomorrow's economy will have the greatest competitive edge.

Ursula von der Leyen

President of the European Commission

Before we look into the Net-Zero Industry Act

– what is the status quo?

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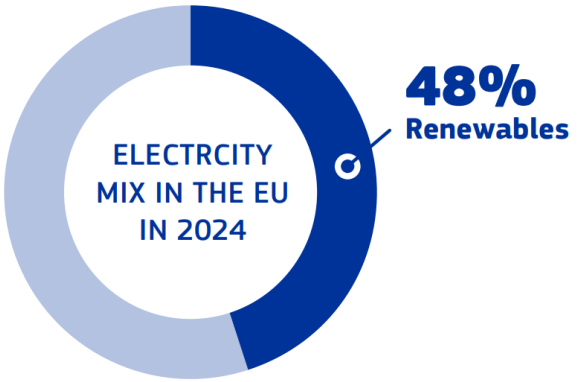
Key facts on EU's clean industry

Clean industry is a backbone for EU

CLEAN ENERGY DEPLOYMENT

The EU is increasing its use of clean energy.
Renewables supplied 48% of its electricity mix in 2024, up from 45% in 2023 and 41% in 2022.



ECONOMY & JOBS

Clean energy technologies and their manufacturing provide an important contribution to the EU economy.
Renewable energy jobs in the EU reached 1.8 million in 2023.

1.8 million
Renewable energy jobs

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Key facts on EU's clean industry

Clean technologies face mixed situations

SOLAR PHOTOVOLTAICS

- In 2024, the EU was the second-largest installer of solar PV capacity, after China.
- The EU still heavily relies on imports.

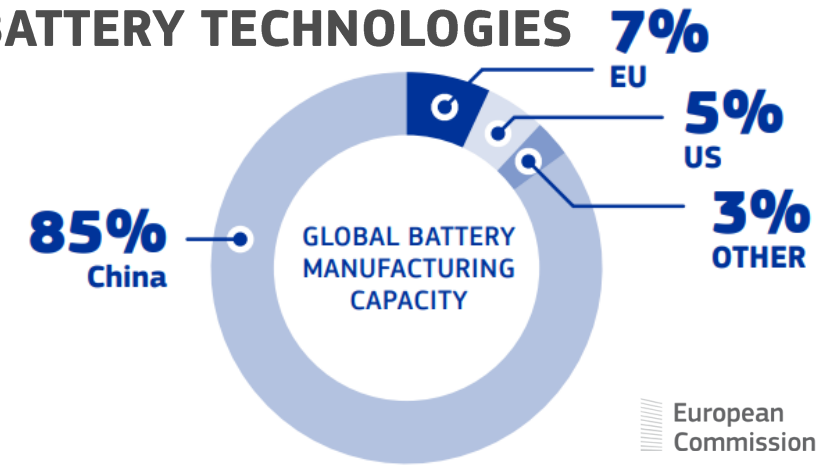
ONSHORE AND OFFSHORE WIND

- The EU remains highly competitive in wind power, but EU companies are under increasing pressure, notably by cheaper products from China.

HEAT PUMP TECHNOLOGIES

- The sector needs new momentum as sales in Europe fell by 31% in 2024, continuing the downward trend from 2023.

BATTERY TECHNOLOGIES



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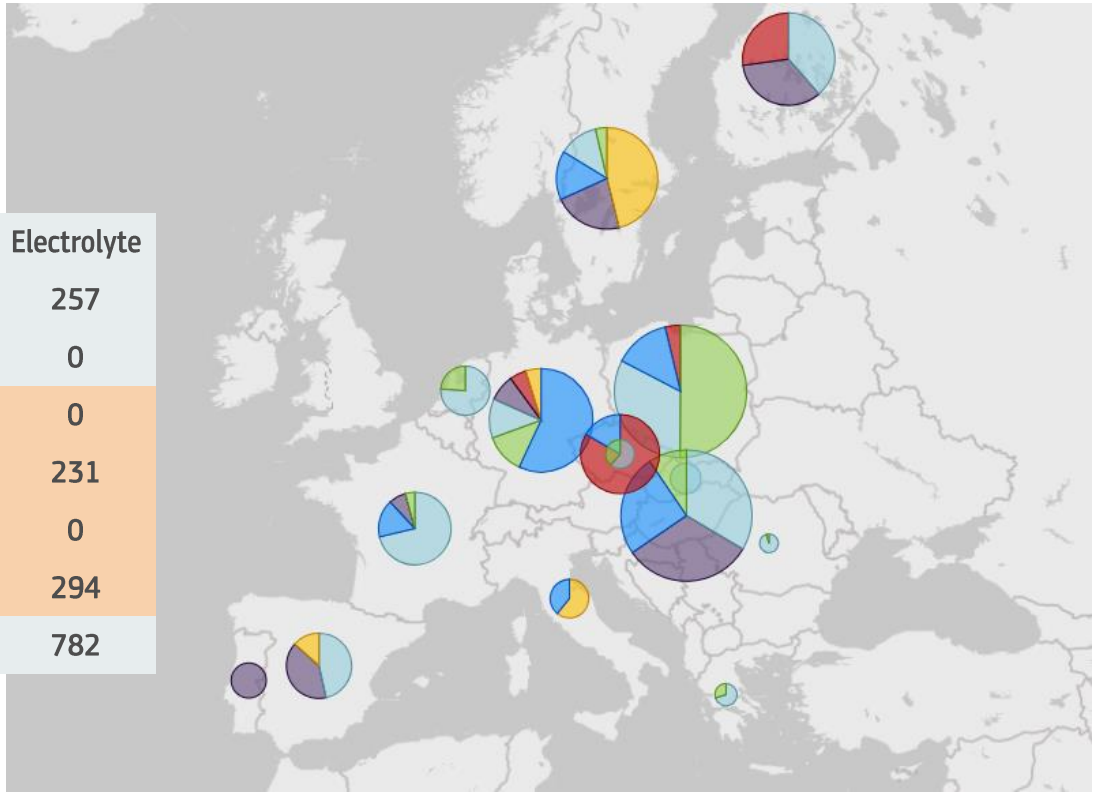
Example: Batteries project pipeline (2025)

	Cell	CAM	AAM	Separator	Electrolyte
Operational	202	88	31	159	257
On Track	536	216	272	329	0
Delayed	111	203	123	334	0
Unclear	307	355	22	0	231
Paused	110	257	0	0	0
Cancelled	30	122	0	0	294
Total	1297	1240	448	822	782



EU manufacturing capacity projected to grow significantly by 2030 but numerous cancelled/delayed projects require attention!

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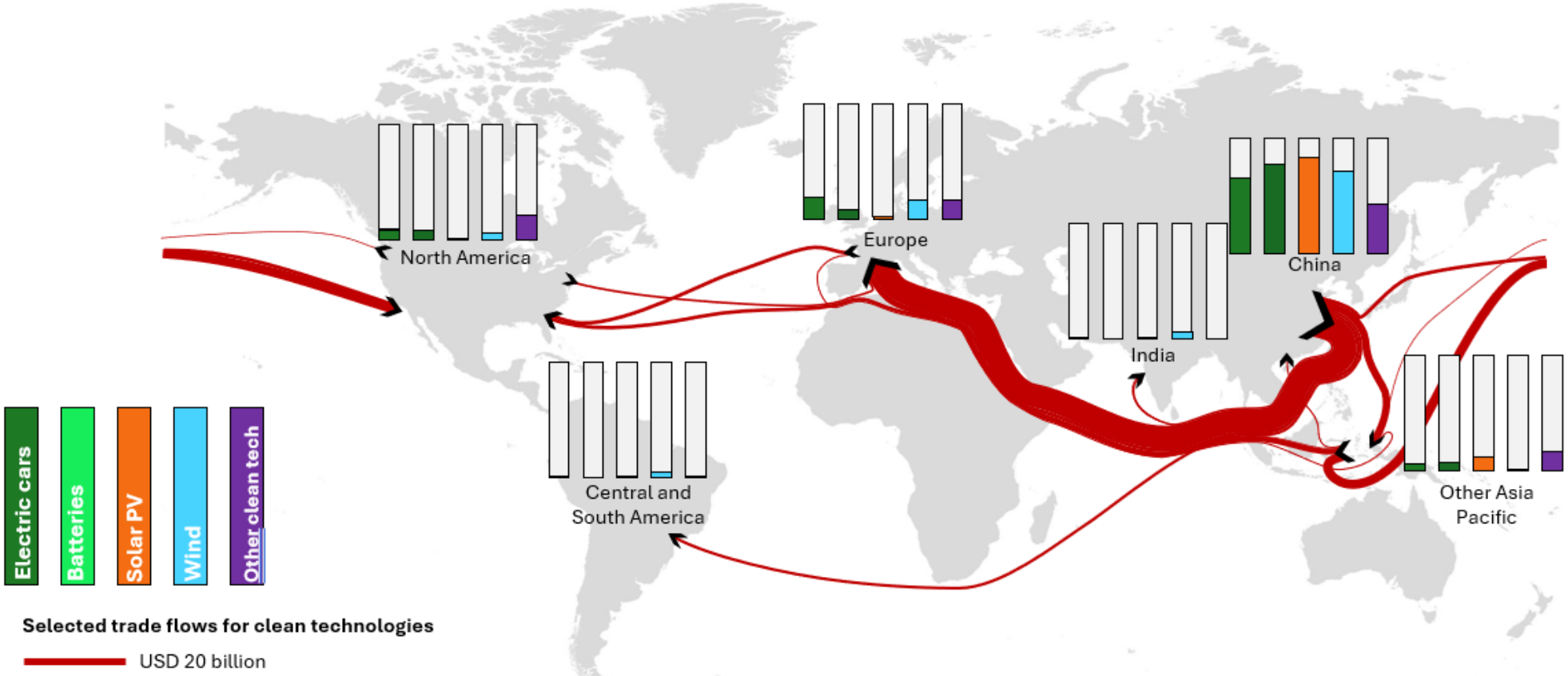
China accounts for more than 70% of all global net-zero technology manufacturing.

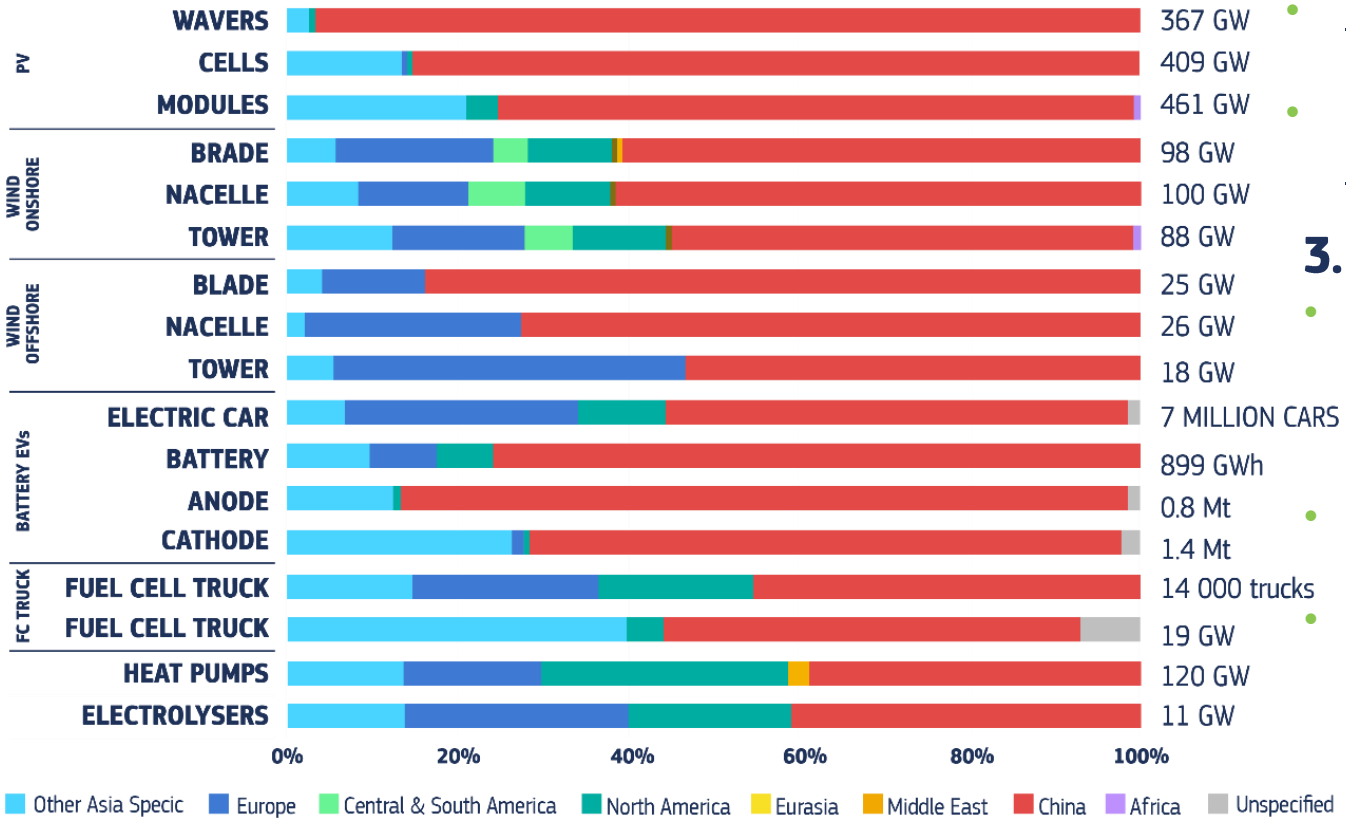


Share of global net-zero technology manufacturing output by technology, IEA 2023

Our strategic dependency remains in place

Rationale for EU Action

1. Dependencies



2. Investment Needs

- USD 1.2 trillion required in clean energy technology supply chains for global 2030 targets.
- Fit for 55 objectives require annual investments of EUR 487 billion in the energy system in next 2 years

3. Challenges

- External pressures on supply chains: volatility in int. material prices, transport costs and financing, war and pandemic, global competition (China, US IRA etc)
- Current lead times slow down production: e.g., up to 5 years for EV battery production
- Lack of skilled workforce: 180,000 skilled workers needed in the hydrogen sector and 66,000 for solar PV by 2030

Global market for key mass-manufactured net-zero technologies to triple by 2030 with an annual value of around EUR 600 billion

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Let’s take a look at the Net-Zero Industry Act

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Net-Zero Industry Act

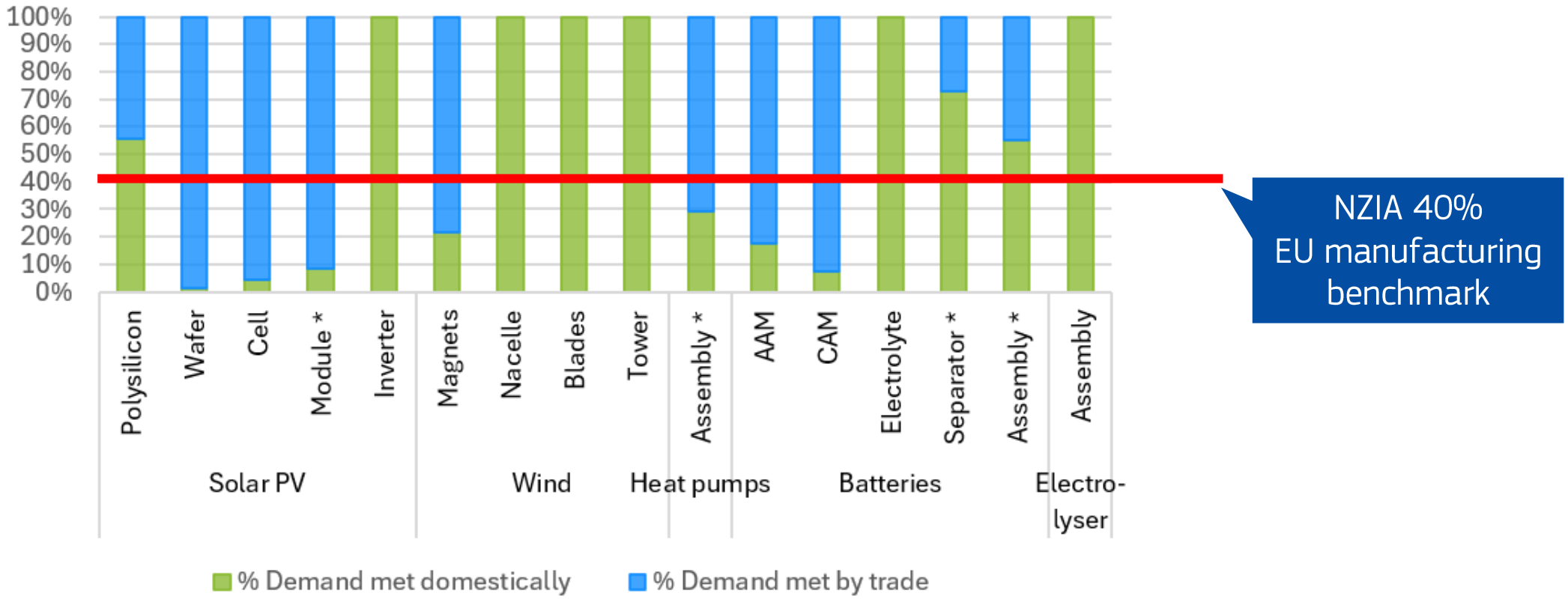
“Establishing a regulatory framework to ensure the Union’s access to a secure and sustainable supply of net-zero technologies including by scaling up the manufacturing capacity of net-zero technologies and their supply chains.

Two political benchmarks

Commission & EU countries shall support net-zero manufacturing to ensure that:

- at least **40%** of EU annual deployment needs for the corresponding technologies are produced in the EU by 2030;
- for these technologies the EU reaches **15%** of world production by 2040.

EU autonomy in net-zero technology production



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Scope: what type of projects are covered

1. **Projects for new/expansion of manufacturing facilities** across full supply chain of any of the 19 net-zero technologies covered.
2. **Projects for new/expansion/conversion of energy intensive industry facilities** under condition that they decarbonise and are relevant for net-zero supply chains.

Technologies covered:


Solar photovoltaic and solar thermal

Electrolysers and fuel cells


Onshore wind and offshore renewables


Sustainable biogas/ biomethane


Batteries and storage

Carbon capture Utilisation and storage or transport


Heat pumps and geothermal energy


Grid technologies


Nuclear technologies

As well as:

- Transformative industrial technologies for decarbonisation
- Sustainable alternative fuels technologies;
- Energy system-related energy efficiency technologies, including heat grid technologies
- Renewable fuels of non-biological origin technologies
- Other renewable energy technologies
- Biotech climate and energy solutions
- Hydropower technologies.

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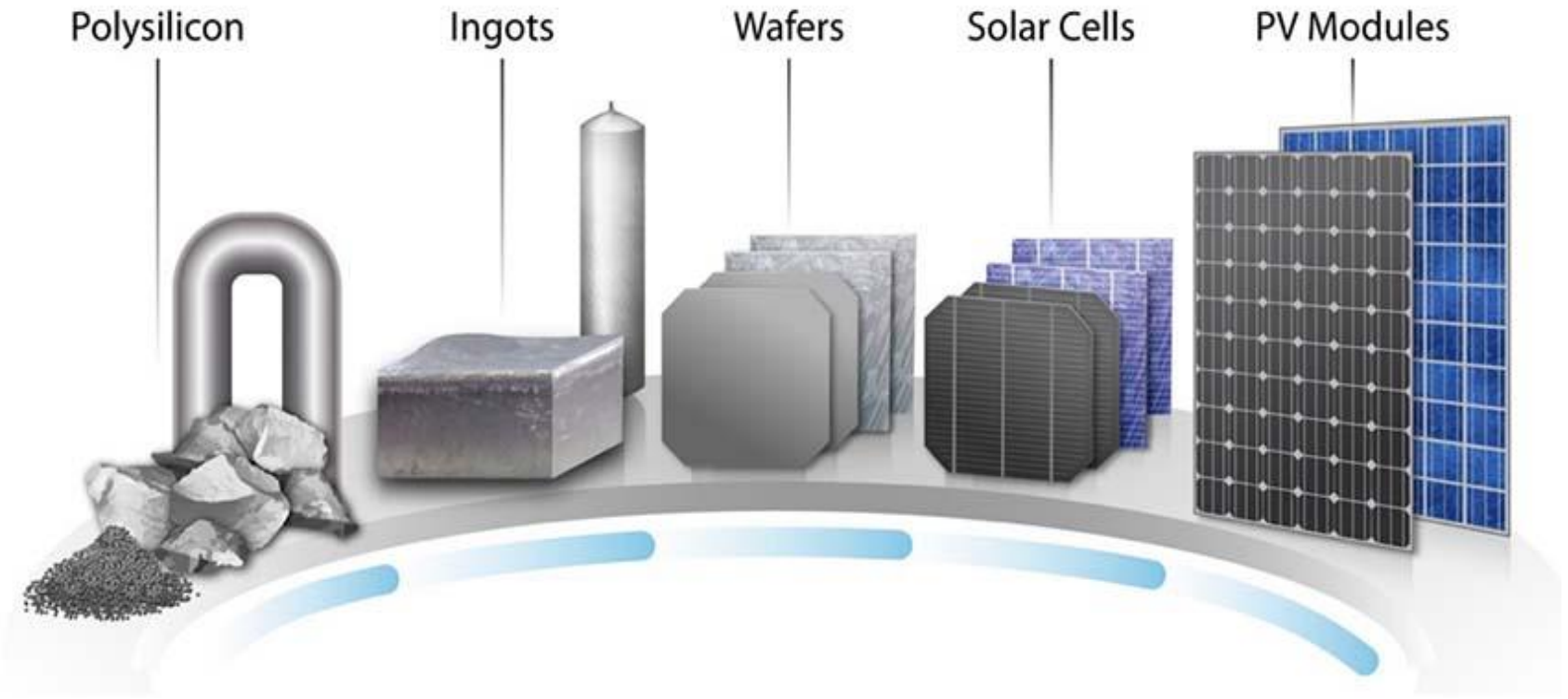
Scope: what type of projects are covered

"Final products, specific components and machinery, primarily used for the production of net-zero technologies"



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What is in the Net-Zero Industry Act?

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To stimulate investment into net-zero technologies, the Net-Zero Industry Act focuses on:

Permitting

Single Points of Contact with responsibility over entire process

Streamlined procedures and transparent information on process

Binding time-limits

Strategic Projects

Application process on COM website

Priority status at national level for all administrative processes

Net-Zero Europe Platform to advice on financing needs

Access to Markets

Mandatory non-price criteria in renewable energy auctions, public procurement & public support measures

Skills & Innovation

Skills for quality jobs through Net-Zero Industry Academies & credentials for skills transparency

Innovative companies to benefit from Regulatory Sandboxes to test new net-zero technologies

Governance

Net-Zero Europe Platform oversees implementation & monitors progress

Net-Zero Acceleration Valleys

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Permitting

Single Points of Contact with responsibility over entire process

Streamlined procedures and transparent information on process

Binding time-limits

- **Single points of contact (SPOC)** in every EU country coordinate entire permitting process and act as sole contact point for project.
- SPOC has to provide a detailed schedule to project, advises on **investment-relevant information**.
- Authorities obliged to accept documents from projects in **electronic** format, including pre-existing permits, authorisations or studies.
- **Legally binding time-limits** for entire permitting process, max. 9-12 months depending on project type.
- **Streamlined environmental impact assessments**: scoping study, bundling, consultation.

Strategic Projects

Application process on COM website

Priority status at national level for all administrative processes

Net-Zero Europe Platform to advice on financing needs

- Simple & user-friendly **application form on Commission website**
- **EU country reviews** and grants status, decision within 1 month
- **Specific benefits:**
  - **Priority status at national level** for all administrative processes, as well as for the permit-granting process
  - **Faster permitting** via shorter max time-limits of 9 - 12 months
  - **Receiving financing advice** via the NZIA Platform
  - **Urgent treatment** in dispute resolution procedures, litigation, appeals, judicial remedies, where applicable.

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Access to Markets

Mandatory non-price criteria in renewable energy auctions, public procurement & public support measures

- As of January 2026 non-price criteria become mandatory in:
- **Renewable energy auctions** - such as “resilience”, environmental sustainability, cybersecurity, and responsible business conduct, either as award or pre-qualification criteria. EU countries must apply these criteria to at least 30% or 6 GW of their auctions.
- **Public procurement** – covers the net-zero technology public procurement of contracting authorities, e.g. a regional authority, and contracting entities, e.g. a publicly owned utility. Apply “resilience”, environmental sustainability, and one additional requirement.
- **Other support schemes** – covers schemes that incentivize the purchase of net-zero final products, e.g. heat pumps.

Skills & Innovation

Skills for quality jobs through Net-Zero Industry Academies & credentials for skills transparency

Innovative companies to benefit from Regulatory Sandboxes to test new net-zero technologies

- **Net-Zero Industry Academies** offer companies workforces training programmes and credentials to upskill and reskill talent across net-zero value chains. Currently in place are the European Academies on Batteries, Solar, Hydrogen, and Raw Materials.
  - **The Batteries Academy** uses a network of +4000 local training providers to deliver its courses. Since 2022, the Academy has 60 courses on its platform and has trained over 67.000 learners.
- **Regulatory Sandboxes** allow companies to test, develop and deploy **innovative net-zero technologies** in a controlled environment that reduces regulatory barriers whilst maintaining legal compliance.

Governance

Net-Zero Europe Platform oversees implementation & monitors progress

Net-Zero Acceleration Valleys

- **Net-Zero Europe Platform:** a governance body that monitors progress, composed of Commission and EU Countries. This body will monitor progress of net-zero sectors meeting the 40% benchmark**.**

- **Net-Zero Valleys** – concept to foster industrial clustering in specific geographic areas with the aim of attracting investments, creating competitive industrial hubs for net-zero manufacturing, streamlining permitting, and enhancing collaboration between industries to drive efficiency and growth.

Next Steps: Clean Industrial Deal

This pact aims to position Europe as a world leader in clean industries - from boosting our production ‘made-in-Europe’, to beefing up regulatory and financial support to our most strategic industrial supply chains.

Stéphane Séjourné

Executive Vice-President of the European Commission

Thank you

Get in touch!

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DG GROW

[Net Zero Industry Act - Website]

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