



2023/0081(COD)

9.10.2023

OPINION

of the Committee on Economic and Monetary Affairs

for the Committee on Industry, Research and Energy

on the proposal for a regulation of the European Parliament and of the Council on establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem (Net Zero Industry Act) (COM(2023)0161 – C9-0062/2023 – 2023/0081(COD))

Rapporteur for opinion (*): Luděk Niedermayer

(*): Associated committee – Rule 57 of the Rules of Procedure

PA_Legam

AMENDMENT

The Committee on Economic and Monetary Affairs calls on the Committee on Industry, Research and Energy, as the committee responsible, to take the following into account:

Amendment 1

Proposal for a regulation Recital 1 a (new)

Text proposed by the Commission

Amendment

(1 a) One of the key medium-term objectives of European industrial policy is to enable European industry to implement the energy, climate, environmental and digital transitions, while preserving its competitiveness on the global market, maintaining jobs in Europe and strengthening its ability to innovate and produce in Europe, particularly with regard to clean technologies.

Amendment 2

Proposal for a regulation Recital 1 b (new)

Text proposed by the Commission

Amendment

(1 b) The climate and energy transition is an objective of European strategic interest. The Union must therefore think and act strategically to make the climate and energy transition a success for the people, for industry and for the climate. It is therefore essential that there is sufficient coherence and consistency between different European legislative proposals and legal frameworks. All Member States face significant challenges to reconcile the energy transition, the decarbonisation of industry, sufficient and affordable housing, economic development, biodiversity and climate adaptation. All these tasks are often

accompanied by goals and priorities. An area-oriented approach, with sufficient flexibility to make choices for specific priorities in particular areas and to deal with different national situations, is therefore crucial and overall more effective.

Amendment 3

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The Single Market provides the appropriate environment for enabling access at the necessary scale and pace to the technologies required to achieve the Union's climate ambition. Given the complexity and the transnational character of net-zero technologies, uncoordinated national measures *to ensure access to* those technologies *would* have a high potential of distorting competition and fragmenting the Single market. Therefore, to safeguard the functioning of the Single market it is necessary to create a common Union *legal* framework to *collectively* address this *central* challenge *by increasing the Union's resilience and security of supply in the field of net-zero technologies.*

Amendment

(2) The Single Market provides the appropriate environment for enabling access at the necessary scale and pace to the technologies required to achieve the Union's climate ambition. *In order to achieve the Union's ambitions, an active role of the State in creating preconditions and promoting the best-suited industrial policy is needed.* Given the complexity and the transnational character of net-zero technologies *and the differences in fiscal space across Member States,* uncoordinated national *approaches to* measures *promoting investments in* those technologies *could* have a high potential of distorting competition and fragmenting the Single market. Therefore, to safeguard the functioning of the Single market it is necessary to create a common Union framework to address this challenge. *Such a framework should not lead to a fragmentation of the internal market, for example, in cases where the relaxation of State aid policy would lead to only some Member States being able to use this space due to fiscal limitations in other Member States.*

Amendment 4

Proposal for a regulation
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2 a) Public funds should not be the only way of promoting investments. Different ways to mobilise and promote private investments should be used in order to achieve the EU climate ambitions. While the use of subsidies or similar means of state support can be needed to stimulate necessary investments, independence from public financing or lower reliance on such support would ultimately lead to greater competitiveness of the respective undertaking as well as net-zero industry as such.

Amendment 5

Proposal for a regulation
Recital 2 b (new)

Text proposed by the Commission

Amendment

(2 b) More extensive use of State aid should be targeted and temporary, and should be consistent with EU policy objectives such as the Green Deal and the Pillar of Social Rights. Projects of common European interest should also be aligned with the overall EU policy objectives, and should have genuine European added value, which means that they should have a positive impact on more than one Member State.

Amendment 6

Proposal for a regulation
Recital 2 c (new)

Text proposed by the Commission

Amendment

(2 c) The Critical Raw Materials Act and the Net Zero Industry Act form the first pillar of the Green Deal Industrial Plan and are interconnected in support of the fast transition to climate neutrality.

Amendment 7

Proposal for a regulation Recital 2 d (new)

Text proposed by the Commission

Amendment

(2 d) The Commission and the Member States should encourage cross-border net-zero technology manufacturing projects and Net-Zero Strategic Projects. Fostering convergence and cooperation across the EU will facilitate the achievement of the net-zero objectives in a more cost-efficient manner, promoting economies of scale and avoiding fragmentation

Amendment 8

Proposal for a regulation Recital 4

Text proposed by the Commission

Amendment

(4) To fulfil those commitments, the Union must accelerate its pace of transition to clean energy, notably by increasing energy efficiency and the share of renewable energy sources. This will contribute to achieving the EU targets of the European Pillar of Social Rights Action Plan for 2030 of an employment rate of at least 78% and participation in training of at least 60% of adults. It will also contribute to ensuring that the green transition is fair

(4) To fulfil those commitments, the Union must accelerate its pace of transition to clean energy, notably by increasing energy efficiency and the share of renewable energy sources ***while respecting the principle of technology neutrality.*** This will contribute to achieving the EU targets of the European Pillar of Social Rights Action Plan for 2030 of an employment rate of at least 78% and participation in training of at least 60% of

and equitable³⁴ .

adults. It will also contribute to ensuring that the green transition is fair and equitable³⁴ .

³⁴ Council Recommendation on ensuring a fair transition towards climate neutrality, adopted on 16 June 2022 as part of the Fit for 55 package.

³⁴ Council Recommendation on ensuring a fair transition towards climate neutrality, adopted on 16 June 2022 as part of the Fit for 55 package.

Amendment 9

Proposal for a regulation Recital 21 a (new)

Text proposed by the Commission

Amendment

(21 a) The EU should take into account the potential risk of businesses relocating. Climate regulation should offer clear investment conditions in order to let innovation thrive.

Amendment 10

Proposal for a regulation Recital 25

Text proposed by the Commission

Amendment

(25) Directives 2014/23/EU, 2014/24/EU and 2014/25/EU already allow contracting authorities and entities awarding contracts through public procurement procedures to rely, in addition to price or cost, on additional criteria for identifying the most economically advantageous tender. Such criteria concern for instance the quality of the tender including social, environmental and innovative characteristics. When awarding contracts for net-zero technology through public procurement, contracting authorities and contracting entities should duly assess the tenders' contribution to sustainability and resilience in relation to a series of

(25) Directives 2014/23/EU, 2014/24/EU and 2014/25/EU already allow contracting authorities and entities awarding contracts through public procurement procedures to rely, in addition to price or cost, on additional criteria for identifying the most economically advantageous tender. Such ***indicative*** criteria concern for instance the quality of the tender including social, environmental and innovative characteristics. When awarding contracts for net-zero technology through public procurement, contracting authorities and contracting entities should duly assess the tenders' contribution to sustainability and resilience in relation to a

criteria relating to the tender's environmental sustainability, innovation, system integration and to resilience.

series of criteria relating to the tender's environmental sustainability, innovation, system integration and to resilience.

Amendment 11

Proposal for a regulation

Recital 31

Text proposed by the Commission

(31) The application of the provisions on resilience in public procurement procedures set out in Article 19 should be without prejudice to the application of Article 25 of Directive 2014/24/EU of the European Parliament and of the Council⁴⁷, and Articles 43 and 85 of Directive 2014/25/EU of the European Parliament and of the Council⁴⁸, as according with the Commission's guidance of 2019⁴⁹. The same way, public procurement provisions should continue to apply to works, supplies and services subject to Article 19, including article 67 (4) of Directive 2014/24/EU and any implementing measures resulting from the Proposal for a Regulation establishing a framework for setting ecodesign requirements for sustainable products.

⁴⁷ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65).

⁴⁸ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243).

⁴⁹ Communication from the Commission:

Amendment

(31) The application of the provisions on resilience in public procurement procedures set out in Article 19 should be without prejudice to the application of **Regulation 2022/1031/EU of the European Parliament and the Council**, Article 25 of Directive 2014/24/EU of the European Parliament and of the Council⁴⁷, and Articles 43 and 85 of Directive 2014/25/EU of the European Parliament and of the Council⁴⁸, as according with the Commission's guidance of 2019⁴⁹. The same way, public procurement provisions should continue to apply to works, supplies and services subject to Article 19, including article 67 (4) of Directive 2014/24/EU and any implementing measures resulting from the Proposal for a Regulation establishing a framework for setting ecodesign requirements for sustainable products.

⁴⁷ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65).

⁴⁸ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243).

⁴⁹ Communication from the Commission:

Guidance on the participation of third country bidders and goods in the EU procurement market, Brussels, 24.7.2019, C(2019) 5494 final.

Guidance on the participation of third country bidders and goods in the EU procurement market, Brussels, 24.7.2019, C(2019) 5494 final.

Amendment 12

Proposal for a regulation Recital 34 a (new)

Text proposed by the Commission

Amendment

(34 a) Welcomes the Commission's recommendation of 14 July 2020 in not granting financial support to companies with links to tax havens and to protect honest taxpayers at the same time; Moreover, companies that engage in tax avoidance using third-country tax havens should be excluded from public procurement procedures and barred from receiving State aid, as these companies are competing under unfair conditions.

Amendment 13

Proposal for a regulation Recital 34 b (new)

Text proposed by the Commission

Amendment

(34 b) Although State aid can provide a fast and targeted support, the extensive use of State aid can go against the efficiency of the Single Market, and in some cases trigger a global subsidy race. Lessons should be learnt from the COVID-19 and energy crises to ensure more effective and targeted measures needed for the EU in a global race to attract new, clean industry investments and to respond to the measures taken in the US, particularly the Inflation Reduction Act.

Amendment 14

Proposal for a regulation Recital 34 c (new)

Text proposed by the Commission

Amendment

(34 c) While comparing to policies adopted by other actors, the EU has more transparent and predictable rules, goals, and regulations, which provide a good environment for investment decisions of firms needed to reach decarbonisation goals, not enough attention is paid to the business case (a justification of a proposed investment based on the expected economic benefit) consideration. While the proposed Regulation aims for promoting investments through the simplification of permitting and the possibility of more extensive State aid, this could be insufficient in case there is not enough demand or the business case does not support investment decisions. This could lead to a situation where the goals of climate neutrality via access to net-zero technologies will not be reached. A permanent monitoring of the business case for essential investments in the EU can serve as one of the key indicators, of whether the EU policy is sufficient to trigger the desired level of economic activity or investments.

Amendment 15

Proposal for a regulation Recital 34 d (new)

Text proposed by the Commission

Amendment

(34 d) As of now, the EU budget in this area is used to finance individual policies or investments in each Member State, rather than for the EU-wide policies like support for the production or demand of certain products across the EU that can be more efficient as it set the rule for the

entire EU market. This can lead to lower efficiency of measures and to an over-reliance on individual state policies or relaxation of State aid rules that can, in some cases, undermine the Single Market.

Amendment 16

Proposal for a regulation Recital 34 e (new)

Text proposed by the Commission

Amendment

(34 e) As taxation falls primarily under the competence of the Member States, an EU-equivalent to the US tax breaks or tax credits is difficult to reach. However, the European Commission should play a coordinating role by ensuring that national tax breaks and credits for investments are implemented in a similar way, which would help European industry and lead to a level playing field.

Amendment 17

Proposal for a regulation Recital 35

Text proposed by the Commission

Amendment

(35) Households and final consumers are an essential part of the Union's demand for net-zero technologies final products and public support schemes to incentivize the purchase of such product by households, in particular for vulnerable low- and lower middle-class income households and consumers, are important tools to accelerate the green transition. Under the solar rooftop initiative announced in the EU solar strategy⁵², Member States should for instance set-up national programmes to support the massive deployment of rooftop solar energy. In the REPowerEU plan, the Commission called Member States to make

(35) Households and final consumers are an essential part of the Union's demand for net-zero technologies final products and public support schemes to incentivize the purchase of such product by households, in particular for vulnerable low- and lower middle-class income households and consumers, are important tools to accelerate the green transition. Under the solar rooftop initiative announced in the EU solar strategy⁵², Member States should for instance set-up national programmes to support the massive deployment of rooftop solar energy. In the REPowerEU plan, the Commission called Member States to make

full use of supporting measures which encourage switching to heat pumps. Such support schemes set up nationally by Member States or locally by local or regional authorities should also contribute to improving the sustainability and resilience of the EU net-zero technologies. Public authorities should for instance provide higher financial compensation to beneficiaries for the purchase of net-zero technology final products that will make a higher contribution to resilience in the Union. Public authorities should ensure that their schemes are open, transparent and non-discriminatory, so that they contribute to increase demand for net-zero technology products in the Union. Public authorities should also limit the additional financial compensation for such products so as not to slow down the deployment of the net-zero technologies in the Union. To increase the efficiency of such schemes Member States should ensure that information is easily accessible both for consumers and for net-zero technology manufacturers on a free website. The use by public authorities of the sustainability and resilience contribution in schemes targeted at consumers or households should be without prejudice to State aid rules and to WTO rules on Subsidies.

⁵² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions : EU Solar Energy Strategy, COM(2022) 221 final, 18.05.2022.

Amendment 18

full use of supporting measures which encourage switching to heat pumps. Such support schemes set up nationally by Member States or locally by local or regional authorities should also contribute to improving the sustainability and resilience of the EU net-zero technologies. Public authorities should for instance provide higher financial compensation to beneficiaries for the purchase of net-zero technology final products that will make a higher contribution to resilience in the Union. ***The use of subsidies or equivalent measures should also include financial tools such as subsidies for long-term financing, credit risk limitation instruments, and other similar instruments.*** Public authorities should ensure that their schemes are open, transparent and non-discriminatory, so that they contribute to increase demand for net-zero technology products in the Union. Public authorities should also limit the additional financial compensation for such products so as not to slow down the deployment of the net-zero technologies in the Union. To increase the efficiency of such schemes Member States should ensure that information is easily accessible both for consumers and for net-zero technology manufacturers on a free website. The use by public authorities of the sustainability and resilience contribution in schemes targeted at consumers or households should be without prejudice to State aid rules and to WTO rules on Subsidies.

⁵² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions : EU Solar Energy Strategy, COM(2022) 221 final, 18.05.2022.

Proposal for a regulation
Recital 38 a (new)

Text proposed by the Commission

Amendment

(38 a) Public authorities should lead by example in the use of net-zero technology sources and energy efficiency.

Amendment 19

Proposal for a regulation
Recital 39

Text proposed by the Commission

Amendment

(39) As indicated in the Communication on the Green Deal Industrial Plan for the Net-Zero Age, published on 1 February 2023, the Union's industry's market shares are under strong pressure, due to subsidies in third countries which **undermine** a level playing field. This translates in a need for a rapid and ambitious reaction from the Union in modernising its legal framework.

(39) As indicated in the Communication on the Green Deal Industrial Plan for the Net-Zero Age, published on 1 February 2023, the Union's industry's market shares are under strong pressure, due to subsidies in third countries which **roll out support schemes aiming at anchoring and attracting clean tech industry. Such an approach undermines** a level playing field **and presents a competitive challenge for the EU to maintain and develop its own industry.** This translates in a need for a rapid and ambitious reaction from the Union in modernising its legal framework.

Amendment 20

Proposal for a regulation
Recital 40

Text proposed by the Commission

Amendment

(40) Access to finance is key for ensuring the Union's open strategic autonomy and for establishing a solid manufacturing base for net-zero technologies and their supply chains across the Union. The majority of investments necessary to reach the Green Deal objectives will come from private capital⁵³

(40) Access to **sufficient public and private** finance is key for ensuring the Union's open strategic autonomy and for establishing a solid **and competitive** manufacturing base for net-zero technologies and their supply chains across the Union. The majority of investments necessary to reach the Green Deal

attracted by the growth potential of the net-zero ecosystem. Well-functioning, deep and integrated capital markets will therefore be essential to raise and channel the funds needed for the green transition and net-zero manufacturing projects. Swift progress towards the Capital Markets Union is thus necessary for the EU to deliver on its net-zero objectives. The sustainable finance agenda (and blended finance) also plays a crucial role in scaling up investments into the net-zero technologies, while guaranteeing the competitiveness of the sector.

objectives will come from private capital⁵³ attracted by the growth potential of the net-zero ecosystem. Well-functioning, deep and integrated capital markets will therefore be essential to raise and channel the funds needed for the green transition and net-zero manufacturing projects. Swift progress towards the Capital Markets Union is thus necessary for the EU to deliver on its net-zero objectives. The sustainable finance agenda (and blended finance) also plays a crucial role in scaling up investments into the net-zero technologies, ***by giving investors and investee companies more harmonised information under relevant disclosure rules*** while guaranteeing the competitiveness of the sector. ***Swift access to sufficient private and public financing can mitigate the inherent risks of innovation, research and development needed to achieve our climate goals. Public financing should not solely take the form of grants and subsidies but remain diversified and include tax-credits and financial instruments.***

⁵³ Commission Staff Working Document Identifying Europe's recovery needs Accompanying the document Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions - Europe's moment: Repair and Prepare for the Next Generation, SWD(2020) 98 final, Identifying Europe's recovery needs, 27.05.2020.

⁵³ Commission Staff Working Document Identifying Europe's recovery needs Accompanying the document Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions - Europe's moment: Repair and Prepare for the Next Generation, SWD(2020) 98 final, Identifying Europe's recovery needs, 27.05.2020.

Amendment 21

Proposal for a regulation Recital 40 a (new)

(40 a) The majority of investments necessary to reach these objectives will come from private capital attracted by the growth potential of the net-zero ecosystem. As indicated in the Staff Working Document accompanying this Regulation, investment needs amount to around EUR 92 billion over the period 2023-2030, with a range between about EUR 52 billion to around EUR 119 billion depending on various scenarios, which would result in public funding requirements of EUR 16 – 18 billion. The Commission shall propose to the Council and Parliament no later than 31 December 2024 possible means of coordinating the various sources of public funding for net-zero projects from the EU and Member States with the aim of accelerating their deployment.

Amendment 22

Proposal for a regulation

Recital 41

Text proposed by the Commission

(41) Where private investment alone is not sufficient, the effective roll-out of net-zero manufacturing projects may require public support in the form of State aid. Such aid must have an incentive effect and be necessary, appropriate and proportionate. The existing State aid guidelines that have recently undergone an in-depth revision in line with the twin transition objectives provide ample possibilities to support investments for projects in the scope of this Regulation subject to certain conditions. Member States can have an important role in easing access to finance for net-zero technologies manufacturing projects by addressing market failures through targeted State aid

Amendment

(41) Where private investment alone is not sufficient, the effective roll-out of net-zero manufacturing projects may require public support in the form of State aid. Such aid must have an incentive effect and be necessary, appropriate and proportionate ***and the general principles outlined in the EU competition rules must be always taken into account, even where the relaxation of State aid rules is temporary, as it may have serious impact on the level-playing field. Even time limited crisis or goals driven State aid framework relaxations must reflect all principles of State aid regulation goals. The main objective of this public support should be to boost and leverage private investment***

support. The Temporary Crisis and Transition Framework (TCTF) adopted on 9 March 2023 **aims at ensuring** a level playing field within the internal market, targeted to those sectors where a third-country delocalisation risk has been identified, and proportionate in terms of aid amounts. ***It would enable Member States to put in place measures to support new investments in production facilities in defined, strategic net-zero sectors, including via tax benefits. The permitted aid amount can be modulated with higher aid intensities and aid amount ceilings if the investment is located in assisted areas, in order to contribute to the goal of convergence between Member States and regions. Appropriate conditions are required to verify the concrete risks of diversion of the investment outside the European Economic Area (EEA) and that there is no risk of relocation within the EEA. To mobilise national resources for that purpose, Member States may use a share of the ETS revenues that Member States have to allocate for climate-related purposes.***

Amendment 23

Proposal for a regulation Recital 41 a (new)

Text proposed by the Commission

and not replace it, especially considering the temporary nature of the aid. Moreover, the mobilisation of public money should serve public interests in line with the overall EU policy objectives. The existing State aid guidelines that have recently undergone an in-depth revision in line with the twin transition objectives provide ample possibilities to support investments for projects in the scope of this Regulation subject to certain conditions. Member States can have an important role in easing access to finance for net-zero technologies manufacturing projects by addressing market failures through targeted State aid support, ***provided that a fragmentation of the internal Market is avoided.*** The Temporary Crisis and Transition Framework (TCTF) adopted on 9 March 2023 ***should not jeopardise*** a level playing field within the internal market, targeted to those sectors where a third-country delocalisation risk has been identified, and proportionate in terms of aid amounts.

Amendment

(41 a) With the aim to drive private sector investment into the net-zero transition, Member States should also identify efficient tax policies and eventually reform the tax framework, so that it would contribute to EU climate goals. It is, therefore, necessary for the Member States to resume negotiations of the Commission's proposals of 14 July 2021 revising the Energy Tax Directive after the presentation of an overall impact assessment and the proposal of 11 May 2022 addressing the debt-equity bias, as

they can contribute to the necessary new investments. It would enable Member States to put in place measures to support new investments in production facilities in defined, strategic net-zero sectors, including via tax benefits. The permitted aid amount can be modulated with higher aid intensities and aid amount ceilings if the investment is located in assisted areas, in order to contribute to the goal of convergence between Member States and regions. Appropriate conditions are required to verify the concrete risks of diversion of the investment outside the European Economic Area (EEA) and that there is no risk of relocation within the EEA. To mobilise national resources for that purpose, Member States may use a share of the ETS revenues that Member States have to allocate for climate-related purposes. The Commission closely monitors and evaluates the impact and consequences of this temporary framework, particularly regarding the proper functioning of the internal market. In order to ensure consistency between different existing tools to boost investments in net-zero technologies, the European Commission should ensure that strategic net-zero technologies, as defined in the NZIA and which are not covered by the TCTF, are not subject to the risk of relocation outside of the EU.

Amendment 24

Proposal for a regulation Recital 42

Text proposed by the Commission

(42) Several Union funding programmes, such as the Recovery and Resilience Facility, InvestEU, cohesion policy programmes or the Innovation Fund are also available to fund investments in net-zero technology manufacturing

Amendment

(42) Several Union funding programmes, such as the Recovery and Resilience Facility, InvestEU, cohesion policy programmes or the Innovation Fund are also available to fund investments in net-zero technology manufacturing projects. ***The current EU budget has***

projects.

however insufficient possibilities for supporting the objectives of the Net-Zero Industry Act and for ensuring a level-playing field between Member States. The revision of the 2021-2027 multiannual financial framework (MFF) should therefore provide for a European budget being able to reflect on the unpredictable borrowing costs and new challenges for the EU.

Amendment 25

Proposal for a regulation Recital 43 a (new)

Text proposed by the Commission

Amendment

(43 a) With the increase of EU ETS prices, revenues from the EU ETS for Member States have increased substantially. To promote the decarbonisation of the Union industry, Member States should significantly increase their allocation of national revenues stemming from the EU ETS to support the decarbonisation of industry and may use national revenues stemming from ETS to pursue the objectives of this Regulation provided that it is used for climate-related as defined in Article 10(3) of Directive 2003/87.

Amendment 26

Proposal for a regulation Recital 45 a (new)

Text proposed by the Commission

Amendment

(45 a) Member States are encouraged to pursue growth enhancing reforms for the Net Zero Industry Act to have the biggest possible effect in terms of value added and economic growth.

Amendment 27

Proposal for a regulation Recital 48

Text proposed by the Commission

(48) To overcome the limitations of the current fragmented public and private investments efforts, facilitate integration and return on investment, the Commission, and Member States should better coordinate and create synergies between the **existing** funding programmes at Union and national level as well as ensure better coordination and collaboration with industry and key private sector stakeholders. The Net-Zero Europe Platform has a key role to play to build a comprehensive view of available and relevant funding opportunities and to discuss the individual financing needs of net-zero strategic projects.

Amendment

(48) To overcome the limitations of the current fragmented public and private investments efforts, facilitate integration and return on investment, the Commission, and Member States should better coordinate and create synergies between the funding programmes at Union and national level as well as ensure better coordination and collaboration with industry and key private sector stakeholders. The Net-Zero Europe Platform has a key role to play to build a comprehensive view of available and relevant funding opportunities and to discuss the individual financing needs of net-zero strategic projects.

Amendment 28

Proposal for a regulation Recital 52

Text proposed by the Commission

(52) In order to reduce complexity and increase efficiency and transparency, project promoters of net-zero technologies manufacturing projects should be able to interact with a single national authority responsible for coordinating the entire permit granting process and issuing a comprehensive decision within the applicable time limit. To that end, Member States should designate a single national competent authority. Depending on a Member State's internal organisation, it should be possible for the tasks of the national competent **authorities** to be delegated to a different authority, subject to the same conditions. To ensure the effective implementation of their

Amendment

(52) In order to reduce complexity and increase efficiency and transparency, project promoters of net-zero technologies manufacturing projects should be able to interact with a single national **or regional competent** authority responsible for coordinating the entire permit granting process and issuing a comprehensive decision within the applicable time limit. To that end, Member States should designate a single national competent authority **or one authority per competent region, in accordance with the constitutional structures of the Member States as guaranteed by Article 4(2) TEU**. Depending on a Member State's internal organisation, it should be possible for the

responsibilities, Member States should provide their national competent authority, or any authority acting on their behalf, with sufficient personnel and resources.

tasks of the national *or regional* competent *authorities* to be delegated to a different authority, subject to the same conditions. To ensure the effective implementation of their responsibilities, Member States should provide their national competent authority, or any authority acting on their behalf, with sufficient personnel and resources.

Amendment 29

Proposal for a regulation

Recital 54

Text proposed by the Commission

(54) In order to allow businesses and project promoters, including for cross-border projects, to directly enjoy the benefits of the internal market without incurring an unnecessary additional administrative burden, Regulation (EU) 2018/1724 of the European Parliament and the Council⁶⁴ provides for general rules for the online provision of procedures relevant for the functioning of the internal market. The information that needs to be submitted to national competent authorities as part of the permit-granting processes covered by this Regulation are to be covered in Annex I of Regulation (EU) 2018/1724 following its amendment by this Regulation, and the related procedures are included in its Annex II so as to ensure that project promoters can benefit from fully online procedures and the Once-Only Technical System. National competent authorities acting as one stop shop pursuant to this Regulation are included in the list of assistance and problem-solving services in Annex III of Regulation (EU) 2018/1724.

⁶⁴ Regulation (EU) 2018/1724 of the European Parliament and of the Council of 2 October 2018 establishing a single digital gateway to provide access to information,

Amendment

(54) In order to allow businesses and project promoters, including for cross-border projects, to directly enjoy the benefits of the internal market without incurring an unnecessary additional administrative burden, Regulation (EU) 2018/1724 of the European Parliament and the Council⁶⁴ provides for general rules for the online provision of procedures relevant for the functioning of the internal market. The information that needs to be submitted to national competent authorities as part of the permit-granting processes covered by this Regulation are to be covered in Annex I of Regulation (EU) 2018/1724 following its amendment by this Regulation, and the related procedures are included in its Annex II so as to ensure that project promoters can benefit from fully online procedures and the Once-Only Technical System. National *or regional* competent authorities acting as one stop shop pursuant to this Regulation are included in the list of assistance and problem-solving services in Annex III of Regulation (EU) 2018/1724.

⁶⁴ Regulation (EU) 2018/1724 of the European Parliament and of the Council of 2 October 2018 establishing a single digital gateway to provide access to information,

to procedures and to assistance and problem-solving services and amending Regulation (EU) No 1024/2012 (OJ L 295, 21.11.2018, p. 1).

to procedures and to assistance and problem-solving services and amending Regulation (EU) No 1024/2012 (OJ L 295, 21.11.2018, p. 1).

Amendment 30

Proposal for a regulation Recital 63 a (new)

Text proposed by the Commission

Amendment

(63 a) The European Union chose deliberately for a predictable and stable legal framework with clear goals that offers legal certainty and opportunities to invest. Enhancing competitiveness and finalising the Capital Markets Union are important to have economic growth, without which the green transition will not succeed.

Amendment 31

Proposal for a regulation Recital 69 a (new)

Text proposed by the Commission

Amendment

(69 a) The Commission could present an assessment to create a European Advisory Board on Review and Regulatory Burden (EABRRB) in order to advise on how to minimise the regulatory burden on businesses, citizens and professionals.

Amendment 32

Proposal for a regulation Article 14 – paragraph 1

Text proposed by the Commission

Amendment

1. The Commission and the Member States shall undertake activities to

1. The Commission and the Member States shall undertake activities to

accelerate and crowd-in private investments in net-zero strategic projects. Such activities may, without prejudice to Article 107 and Article 108 of the TFEU, include providing and coordinating support to net-zero strategic projects facing difficulties in accessing finance.

accelerate and crowd-in **public and** private investments in net-zero strategic projects. Such activities may, without prejudice to Article 107 and Article 108 of the TFEU, include providing and coordinating support to net-zero strategic projects facing difficulties in accessing finance. **Member States should have sufficient funding to deliver the net-zero projects.**

Amendment 33

Proposal for a regulation Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. The activities referred to in paragraph 1 shall be fully in line with EU objectives.

Amendment 34

Proposal for a regulation Article 14 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1 b. The support mentioned in paragraph 1 may encompass guarantees to decrease borrowing costs and reduce risk at an early stage of project development, including other measures aimed at de-risking agreements.

Amendment 35

Proposal for a regulation Article 14 – paragraph 2 – introductory part

Text proposed by the Commission

Amendment

2. Member States **may** provide administrative support to net-zero strategic projects to facilitate their rapid and

2. **The Commission and the Member States shall** provide administrative **and operational** support to net-zero strategic

effective implementation, including by providing:

projects to facilitate their rapid and effective implementation, including by providing:

Amendment 36

Proposal for a regulation Article 14 – paragraph 2 – point b

Text proposed by the Commission

(b) assistance to project promoters to further increase *the* public acceptance of the project.

Amendment

(b) assistance to project promoters to further increase *timely* public *and other relevant stakeholders' participation* acceptance of the project;

Amendment 37

Proposal for a regulation Article 14 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(b a) assistance to ensure compliance with existing competition rules;

Amendment 38

Proposal for a regulation Article 14 – paragraph 2 – point b b (new)

Text proposed by the Commission

Amendment

(b b) assistance to support all the relevant steps of an application process to receive financial support, either national or from EU funds;

Amendment 39

Proposal for a regulation Article 14 – paragraph 2 – point b c (new)

Text proposed by the Commission

Amendment

(b c) assistance to project promoters along the permit-granting process, in particular for small and medium-sized enterprises;

Amendment 40

Proposal for a regulation

Article 14 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. The Commission and the Member States shall ensure this support is provided to the project promoter within six months following the submission of the request of the net-zero strategic project.

Amendment 41

Proposal for a regulation

Article 14 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2 b. Member States shall allocate appropriate resources and incorporate measures to pursue the objectives of this Regulation, also within their national Recovery and Resilience Plans, specifically under their respective REPowerEU chapters.

Amendment 42

Proposal for a regulation

Article 14 – paragraph 2 c (new)

Text proposed by the Commission

Amendment

2 c. The European Commission may

mobilise, without prejudice of the support provided to the InvestEU related projects, the InvestEU Advisory Hub to provide technical assistance to net-zero projects in order to reinforce their viability.

Amendment 43

Proposal for a regulation Article 15 – paragraph 1

Text proposed by the Commission

1. The Net-Zero Europe Platform as established in Article 28 shall discuss ***financial needs*** and bottlenecks of net-zero strategic projects, potential best practices, in particular to ***develop*** EU cross-border supply chains, notably based on regular exchanges with the relevant industrial alliances.

Amendment

1. The Net-Zero Europe Platform as established in Article 28 shall discuss ***and may advise on business cases and access to financing*** and bottlenecks of net-zero strategic projects, ***communicate*** potential best practices, in particular to ***promote the development of the necessary*** EU cross-border supply chains, notably based on regular exchanges with the relevant industrial alliances. ***A summary of generalised findings shall be prepared on a regular basis by the Platform and made available to provide information to possible promoters and to the general public.***

Amendment 44

Proposal for a regulation Article 15 – paragraph 2 – point b

Text proposed by the Commission

(b) support through resources from the European Investment Bank Group or other international financial institutions including the European Bank for Reconstruction and Development;

Amendment

(b) support through resources from the European Investment Bank Group or other international financial ***public*** institutions including the European Bank for Reconstruction and Development;

Amendment 45

Proposal for a regulation
Article 15 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. *The above elements are to be considered and used in a way that promotes the use of private investments, and where private investments are insufficient, securing an appropriate form of public support, ensuring that it does not lead to distortion of the single market.*

Amendment 46

Proposal for a regulation
Article 15 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2 b. *Public support should not be limited to the use of grants or equivalent tools, but shall also include financial tools such as subsidies for long-term financing, credit risk limitation instruments, and other similar instruments.*

Amendment 47

Proposal for a regulation
Article 15 – paragraph 2 c (new)

Text proposed by the Commission

Amendment

2 c. *With regard to point c) and d) of paragraph 2 above, the Commission shall provide guidance on the best and most efficient way to use the programmes listed in order to reach the objectives set out in this Regulation. 6 months after the entry into force of this Regulation, the Commission shall collect and evaluate data on the projects covered by the scope of this Article and provide guidance.*

Amendment 48

Proposal for a regulation Article 15 – paragraph 2 d (new)

Text proposed by the Commission

Amendment

2 d. Member States may allocate national revenues stemming from Emission Trading Scheme allowances annually to pursue the objectives of this Regulation.

Amendment 49

Proposal for a regulation Article 19 – paragraph 1

Text proposed by the Commission

Amendment

1. Contracting authorities or contracting entities shall base the award of contracts for net-zero technology listed in the Annex in a public procurement procedure on the most economically advantageous tender, which shall include the best price-quality ratio, comprising at least the sustainability and resilience contribution of the tender, in compliance with Directives 2014/23/EU, 2014/24/EU, or 2014/25/EU and applicable sectoral legislation, as well as with the Union's international commitments, including the GPA and other international agreements by which the Union is bound.

1. Contracting authorities or contracting entities shall base the award of contracts for net-zero technology listed in the Annex in a public procurement procedure on the most economically advantageous tender, which shall include the best price-quality ratio, comprising at least the sustainability and resilience contribution of the tender, in compliance with **Regulation 2022/1031/EU**, Directives 2014/23/EU, 2014/24/EU, or 2014/25/EU and applicable sectoral legislation, as well as with the Union's international commitments, including the GPA and other international agreements by which the Union is bound.

Amendment 50

Proposal for a regulation Article 19 – paragraph 3

Text proposed by the Commission

Amendment

3. Contracting authorities and contracting entities shall give the tender's

3. Contracting authorities and contracting entities shall give the tender's

sustainability and resilience contribution a weight between **15% and 30%** of the award criteria, without prejudice of the application of Article 41 (3) of Directive 2014/23/EU, Article 67 (5) of Directive 2014/24/EU or Article 82 (5) of Directive 2014/25/EU for giving a higher weighting to the criteria referred to in paragraph 2, points (a) and (b).

sustainability and resilience contribution a weight between **20% and 45%** of the award criteria, without prejudice of the application of Article 41 (3) of Directive 2014/23/EU, Article 67 (5) of Directive 2014/24/EU or Article 82 (5) of Directive 2014/25/EU for giving a higher weighting to the criteria referred to in paragraph 2, points (a) and (b).

Amendment 51

Proposal for a regulation Article 19 – paragraph 4

Text proposed by the Commission

4. The contracting authority or the contracting entity shall not be obliged to apply the considerations relating to the sustainability and resilience contribution of net-zero technologies where their application would oblige that authority or entity to acquire equipment having disproportionate costs, or technical characteristics different from those of existing equipment, resulting in incompatibility, technical difficulties in operation and maintenance. Cost differences above **10%** may be presumed by contracting authorities and contracting entities to be disproportionate. This provision shall be without prejudice of the possibility to exclude abnormally low tenders under Article 69 of Directive 2014/24/EU and Article 84 of Directive 2014/25/EU, and without prejudice to other contract award criteria according to the EU legislation, including social aspects according to Articles 30 (3) and 36 (1), second intent of Directive 2014/23/EU, Articles 18 (2) and 67 (2) of Directive 2014/24/EU and Articles 36 (2) and 82 (2) of Directive 2014/24/EU.

Amendment

4. The contracting authority or the contracting entity shall not be obliged to apply the considerations relating to the sustainability and resilience contribution of net-zero technologies where their application would oblige that authority or entity to acquire equipment having disproportionate costs, or technical characteristics different from those of existing equipment, resulting in incompatibility, technical difficulties in operation and maintenance. Cost differences above **30%** may be presumed by contracting authorities and contracting entities to be disproportionate. This provision shall be without prejudice of the possibility to exclude abnormally low tenders under Article 69 of Directive 2014/24/EU and Article 84 of Directive 2014/25/EU, and without prejudice to other contract award criteria according to the EU legislation, including social aspects according to Articles 30 (3) and 36 (1), second intent of Directive 2014/23/EU, Articles 18 (2) and 67 (2) of Directive 2014/24/EU and Articles 36 (2) and 82 (2) of Directive 2014/24/EU.

Amendment 52

Proposal for a regulation Article 20 – paragraph 2

Text proposed by the Commission

2. The sustainability and resilience contribution shall be given a weight between **15% and 30%** of the award criteria, without prejudice of the possibility to give a higher weighting to the criteria in Article 19(2), points (a) and (b), where applicable under Union legislation, and of any limit for non-price criteria set under State aid rules.

Amendment

2. The sustainability and resilience contribution shall be given a weight between **20% and 45%** of the award criteria, without prejudice of the possibility to give a higher weighting to the criteria in Article 19(2), points (a) and (b), where applicable under Union legislation, and of any limit for non-price criteria set under State aid rules. ***When selecting, designing and implementing the concrete non-price criteria as part of the sustainability and resilience contribution, technology-specific characteristics need to be taken into account and effectively addressed.***

Amendment 53

Proposal for a regulation Article 20 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. Non-financial criteria must be used in a transparent, coherent and predictable way.

Amendment 54

Proposal for a regulation Article 20 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2 b. When cost differences are below 30%, the contracting authority or the contracting entity may award the contract to the tender exhibiting the highest sustainability contribution.

Amendment 55

Proposal for a regulation Article 20 – paragraph 3

Text proposed by the Commission

3. The Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law shall not be obliged to apply the considerations relating to the sustainability and resilience contribution of net-zero technologies where their application would oblige those entities to acquire equipment having disproportionate costs, or technical characteristics different from those of existing equipment, resulting in incompatibility, technical difficulties in operation and maintenance. Cost differences above **10%** may be presumed by contracting authorities and contracting entities to be disproportionate.

Amendment

3. The Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law shall not be obliged to apply the considerations relating to the sustainability and resilience contribution of net-zero technologies where their application would oblige those entities to acquire equipment having disproportionate costs, or technical characteristics different from those of existing equipment, resulting in incompatibility, technical difficulties in operation and maintenance. Cost differences above **30%** may be presumed by contracting authorities and contracting entities to be disproportionate.

Amendment 56

Proposal for a regulation Article 20 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. No later than six months after the entry into force of this Regulation, the Commission, after consultation with the Member State, shall provide a clear guidance on the concrete implementation on Article 19 in conjunction with Article 20 of the Regulation.

Amendment 57

Proposal for a regulation Article 21 – paragraph 1

Text proposed by the Commission

1. Without prejudice to Articles 107 and 108 of the Treaty and Article 4 of Directive 2018/2001⁷³ and in line with the Union's international commitments, when deciding to set up schemes benefitting households or consumers which incentivise the purchase of net-zero technology final products listed in the Annex, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, shall design them in such a way as to promote the purchase by beneficiaries of net-zero technology final products with a high sustainability and resilience contribution as referred in Article 19(2), by providing additional proportionate financial compensation.

⁷³ Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources

Amendment

1. Without prejudice to Articles 107 and 108 of the Treaty and Article 4 of Directive 2018/2001⁷³ and in line with the Union's international commitments, when deciding to set up schemes benefitting households or consumers which incentivise the purchase of net-zero technology final products listed in the Annex, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, shall design them in such a way as to promote the purchase by beneficiaries of net-zero technology final products with a high sustainability and resilience contribution as referred in Article 19(2), by providing additional proportionate financial compensation. ***The application to benefit from such schemes and compensations shall be simple, comprehensible and shall not impose a disproportionate administrative burden on the potential recipients. Non-financial criteria must be used by Member States in a transparent and predictable way.***

⁷³ Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources

Amendment 58

**Proposal for a regulation
Article 21 – paragraph 3**

Text proposed by the Commission

3. When designing and implementing a scheme falling under paragraph 1, the authority shall base itself on an open, non-discriminatory and transparent process to assess the resilience and sustainability

Amendment

3. When designing and implementing a scheme falling under paragraph 1, the authority shall base itself on an open, non-discriminatory and transparent process to assess the resilience and sustainability

contribution of available products on the market. Any net-zero technology final product shall be entitled to apply to join the scheme at any time. The authority shall specify a pass mark for products to be eligible to the additional financial compensation under the support scheme.

contribution of available products on the market. ***Such schemes shall be used in a predictable way, to provide a stable environment for the parties involved.*** Any net-zero technology final product shall be entitled to apply to join the scheme at any time. The authority shall specify a pass mark for products to be eligible to the additional financial compensation under the support scheme.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Establishing a framework of measures for strengthening Europe’s net-zero technology products manufacturing ecosystem (Net Zero Industry Act)
References	COM(2023)0161 – C9-0062/2023 – 2023/0081(COD)
Committee responsible Date announced in plenary	ITRE 8.5.2023
Opinion by Date announced in plenary	ECON 8.5.2023
Associated committees - date announced in plenary	15.6.2023
Rapporteur for the opinion Date appointed	Luděk Niedermayer 20.4.2023
Date adopted	20.9.2023
Result of final vote	+: 28 –: 9 0: 17
Members present for the final vote	Rasmus Andresen, Anna-Michelle Asimakopoulou, Gunnar Beck, Isabel Benjumea Benjumea, Stefan Berger, Engin Eroglu, Jonás Fernández, Frances Fitzgerald, José Manuel García-Margallo y Marfil, Claude Gruffat, José Gusmão, Michiel Hoogeveen, Stasys Jakeliūnas, France Jamet, Othmar Karas, Ondřej Kovařík, Georgios Kyrtos, Aurore Lalucq, Philippe Lamberts, Aušra Maldeikienė, Costas Mavrides, Siegfried Mureşan, Caroline Nagtegaal, Denis Nesci, Luděk Niedermayer, Piernicola Pedicini, Lídia Pereira, Eva Maria Poptcheva, Evelyn Regner, Antonio Maria Rinaldi, Alfred Sant, Pedro Silva Pereira, Paul Tang, Irene Tinagli, Ernest Urtasun, Inese Vaidere, Johan Van Overtveldt, Stéphanie Yon-Courtin, Marco Zanni, Roberts Zīle
Substitutes present for the final vote	Damien Carême, Esther de Lange, Niels Fuglsang, Valérie Hayer, Martin Hlaváček, Andzelika Anna Mozdżanowska, René Repasi
Substitutes under Rule 209(7) present for the final vote	João Albuquerque, Nicolás González Casares, Christophe Grudler, Roman Haider, Niclas Herbst, Dietmar Köster, Sabine Verheyen

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

28	+
Renew	Engin Eroglu, Christophe Grudler, Valérie Hayer, Georgios Kyrtzos, Caroline Nagtegaal, Eva Maria Poptcheva, Stéphanie Yon-Courtin
S&D	João Albuquerque, Jonás Fernández, Niels Fuglsang, Nicolás González Casares, Dietmar Köster, Aurore Lalucq, Costas Mavrides, Evelyn Regner, René Repasi, Alfred Sant, Pedro Silva Pereira, Paul Tang, Irene Tinagli
The Left	José Gusmão
Verts/ALE	Rasmus Andresen, Damien Carême, Claude Gruffat, Stasys Jakeliūnas, Philippe Lamberts, Piernicola Pedicini, Ernest Urtasun

9	-
ECR	Michiel Hoogeveen, Anđelika Anna Mozdżanowska, Denis Nesci, Johan Van Overtveldt, Roberts Zīle
ID	Gunnar Beck, Roman Haider, Antonio Maria Rinaldi, Marco Zanni

17	0
ID	France Jamet
PPE	Anna-Michelle Asimakopoulou, Isabel Benjumea Benjumea, Stefan Berger, Frances Fitzgerald, José Manuel García-Margallo y Marfil, Niclas Herbst, Othmar Karas, Esther de Lange, Aušra Maldeikienė, Siegfried Mureşan, Luděk Niedermayer, Lídia Pereira, Inese Vaidere, Sabine Verheyen
Renew	Martin Hlaváček, Ondřej Kovařík

Key to symbols:

+ : in favour

- : against

0 : abstention