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From:	General Secretariat of the Council
To:	Delegations
Subject:	Regulation for Industrial Accelerator Act: - General comments and questions by : AT, BE, CZ, DE, DK, EE, ES, FI, FR, HU, IE, LT, MT, NL, PL, SE, SI

Federal Ministry
Economy, Energy
and Tourism
Republic of Austria

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Statement by the AT Delegation –
1. Round of open questions to the Commission on the details of the Industrial Acclerator Act

Chapter I and II

Single Access Points/ Permitting procedures:

- **SAP**: Article 4 provides for a **"communicative" SAP** that primarily serves as an **intermediary**, forwarding applications and communication to the competent authorities. This raises questions as to **whether such an additional layer genuinely simplifies the process** or risks making it more complex. To what extent does the introduction of a "communicative" SAP actually simplify the interaction between project promoters and authorities, and **does it cover only the initial submission of documents or the entire permitting process**? Furthermore, does the proposal **require a single SAP per Member State, or can multiple** authorities act as SAPs (e.g. at regional or district level) as long as there is one clear contact point per area?
- **Tacit approvals** are quite hidden in the final draft Regulation [by referring in Art. 6(2) and 27(4) to Proposal of Regulation on speeding-up environmental assessments]. To which permitting procedures should tacit approvals apply? And should it apply only to permits in strategic sectors? Is it correct that environment assessments are excluded from tacit approvals? When reading the provisions, for us this exemption is not clear? How does the exclusion for environment assessments arise in the text? And are MS that do not have a system of tacit approvals exempted (like laid down in Annex Point II)? For us this whole reference (to Reg. of speeding-up environmental assessments) is quite critical in terms of legal clarity - as also that Reg. is still a proposal.
- Do we understand correctly that there are **only approval time limits** concerning **energy-intensive industry decarbonization projects** (Art 6 - which refers to the NZIA provisions)? What specific time reductions for permitting procedures for all other industrial manufacturing projects does the EC expect?

Relation to NZIA: The purpose of the following questions is to allow us to understand the provisions of Chapter II IIA and its relation to the NZIA.

- **Regarding Art. 3 para 1 and Art. 3 para 3 and the relation of Art. 4 f vs. Art. 6:**
  Question: What is the relation between the term *„industrial manufacturing project"* (Art. 3 para 1) and the term *„energy-intensive industry decarbonisation projects"* (Art. 3 para 3)? Can there be projects which fall under both definitions? If so, which provisions apply to such projects? Art. 4, 5 and 6?
- **Art. 5 para 4**:
  Question: we are wondering whether there is a drafting mistake in Art. 5 para 4 and the provision should read "*The provisions of Art. 4 and the provisions of this Article shall not apply…*"?
  Explanation:
  - It would appear that projects that qualify as „net-zero technology manufacturing projects" according to Art. 3 para 16 NZIA would normally also qualify as *„industrial manufacturing projects"* according to Art. 3 para 1 IIA.
  - According to Art. 5 para 4, Art. 5 "*shall not apply*" under certain conditions ("*where rules to streamline…*"). We would understand that this means, inter alia, that Art. 5 shall not apply for

„net-zero technology manufacturing projects" according to Art. 3 para 16 NZIA (and neither for "*net-zero strategic projects*" according to Art. 3 para 18 NZIA).

- There is, however, no corresponding provision stating that, under the same conditions ("*where rules to streamline…*"), Art. **4** should not apply either.
- Given all this, it appears that Art. 4 IIA (but not Art. 5) applies to some or most "*net-zero technology manufacturing projects*" in addition to the provisions of Art. 6 ff NZIA and we are wondering if that is the intention.

- "***Energy-intensive industry decarbonisation projects***":
  Question: What is the relation between the terms *„energy-intensive industry decarbonisation projects"* (Art. 3 para 3 IAA) and *„energy-intensive industry decarbonisation projects"* (Art. 3 para 17 NZIA). Is the latter a subset of the former?
- **Art. 6 para 1**:
  Question: we are wondering why only Chapter II, Section II, but not Chapter II, Section III NZIA should apply to "all *energy-intensive industry decarbonisation projects"* as defined in Art. 3 para 3. We are wondering because Chapter II, Section III NZIA clearly applies to "*energy-intensive industry decarbonisation projects"* as defined in Art. 3 para 17 NZIA, since these projects qualify as "net-zero technology manufacturing projects" as defined in Art. 3 para 16 NZIA (see the last words in Art. 3 para 16 NZIA!!!). Therefore, we understand that the NZIA-rules on strategic projects (ie, Chapter II, Section III) continue to apply for *„energy-intensive industry decarbonisation projects"* as defined by Art. 3 para 17 NZIA, but not to *„energy-intensive industry decarbonisation projects"* as defined by Art. 3 para 3 IAA (unless they are at the same time *„energy-intensive industry decarbonisation projects"* as defined by Art. 3 para 17 NZIA). We fail to understand the reason for treating "all *energy-intensive industry decarbonisation projects"* according to Art. 3 para 3 differently from "*energy-intensive industry decarbonisation projects"* according to Art. 3 para 17 NZIA. Also, treating them differently appears to be somewhat in contradiction to the last sentence of recital 14, according to which "*all energy-intensive decarbonisation projects" should […] be subject to the same permitting process*".
- **Art. 6 para 2 IAA and Art. 9 Abs. 14 NZIA (new): question on wording**
  What is the reason for the slight differences **between Art. 6 para 2 IAA and Art. 9 para 14 NZIA (new)**? (Reference to Art. 14 vs. Art. 14 para 1; reference to Annexes vs. no reference to Annexes);
- **Art. 6 para 2 IAA and Art. 9 Abs. 14 NZIA (new): relation between these provisions**
  It appears that
  - Art. 6 para 2 IAA applies to *„all energy-intensive industry decarbonisation projects"* (as defined by Art. 3 para 3), whereas
  - Art. 9 para 14 NZIA (new) applies to *„net-zero technology manufacturing projects"* (Art. 3 para 16 NZIA), which - by definition (see the last words in Art. 3 para 16 NZIA!) - **include** *„energy-intensive industry decarbonisation projects"* (as defined in Art. 3 para 17 NZIA).

  Question: Is our understanding correct? Does it make sense? What rules (Art. 6 para 2 IIA or Art. 9 para 14 NZIA (new)) apply to projects which fall under both definitions (Art. 3 para 3 IIA and Art. 3 para 17 NZIA)?

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Chapter III:

Made in EU

- Many key aspects of the IAA are to be laid down in **delegated acts** at a later stage**.** How will the EC ensure that the Member States are sufficiently involved in defining these aspects? The huge number of delegated acts are in our view also critical in terms of legal certainty as well as planning and investment certainty.
- How does the EC assess the **WTO legal compatibility of 'Made in EU' approaches** in the field of public procurement and public funding?
- **Inclusion of further strategic sectors**: what are the criteria for an inclusion of further sectors (Art 29)?

Procurement procedures

- Regarding the relationship between the IAA and the forthcoming revision of the PP Directives, the explanatory memorandum to the IAA states that the IAA establishes the framework for "what" Made in EU procurement entails, whereas the forthcoming revision of the PP Directives will clarify "how" such procurement is to be carried out. AT notes that certain provisions of the IAA – in particular verification requirements – however, contain **elements that are to be characterised as "how to buy" rules**. In this context, could COM please clarify:
- Why are the PP related provisions of the IAA not integrated into the ongoing **revision of the EU PP Directives**?
- How does the COM distinguish in practice between "what to buy" and "how to buy", given that this distinction does not always appear clear-cut?
- From a practical perspective, contracting authorities and contracting entities are already confronted with a growing number of PP provisions in sector-specific legislative acts (currently around 80, both existing and under negotiation), making it increasingly difficult to maintain a comprehensive overview and ensure consistent application. How does COM intend to address this fragmentation and avoid further complexity for contracting authorities and contracting entities?
- Art. 8(1) introduces the principle that content originating in third countries with which the Union has concluded an agreement establishing a free trade area or a customs union, or that are parties to the GPA shall be deemed to be of Union origin. However, Art. 8(2) empowers COM to adopt Delegated Acts to **exclude** such **third countries** from the scope of para 1. Could COM clarify:
    - How are these measures considered **compatible** with the EU's obligations **under the GPA** (in particular Art. III GPA)?
    - Art 8 (1): Which countries would this cover specifically? Does this also apply to the Western Balkan countries and Turkey?
    - Whether COM considers that "cross retaliation" or any other measures under Article 8(2), point (a), are admissible under the GPA and could be adopted without prior recourse to WTO dispute settlement mechanisms?
    - On which legal basis "economic security" considerations (e.g. dependencies; security of supply; c.f. Art. 8(2), point (b)) would justify such measures, given that GPA exceptions under Art. III(1) are limited to "essential security interests relating to the procurement of arms, ammunition or war materials, or to procurement indispensable for national security or for national defence purposes"? Which criteria would COM use to evaluate the possible application of Art. 8(2), point (b)?

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    - Art 8 (2): What specific criteria does the EC use to decide whether to exclude third countries?
- Could COM clarify the **scope and limits of the empowerment to adopt Delegated Acts** under Article 10(2)? What are the concrete implications of Article 10(2) for contracting authorities and contracting entities in PP procedures? Where and how are the expected impacts of this empowerment assessed in the Impact Assessment?

- Could COM clarify how contracting authorities and contracting entities are expected to determine whether contracts, works contracts or works concessions "include the procurement of products from energy intensive industries" within the meaning of Annex II? In particular:
    - What is the precise meaning of "any product the performance of which depends mainly on steel / concrete and mortar / aluminium"?
    - Does this notion require that such materials constitute the main subject-matter of the contract, or is it sufficient that they are used as components or sub-components?
    - By way of illustration: Would a contract for the purchase of a machine tool (e.g. a lathe), which is made of a composite of steel and aluminium, fall within the scope, even if neither steel nor aluminium constitute the subject-matter of the contract? Would minor components be sufficient to trigger the application of these requirements?
    - Are there quantitative thresholds or objective criteria (e.g. percentage of value, weight, or function) to determine when a product "depends mainly" on a given material?
- Art. 11 (1) requires contracting authorities and contracting entities to exclude tenders submitted by economic operators owned or controlled by an entity established in third countries which have not concluded an international agreement with the Union guaranteeing access to PP procedures. How can contracting authorities and contracting entities easily determine the beneficiary ownership of economic operators from third countries? The tool "Access2markets" only displays the information which bidders from which countries have access to specific EU PP procedures but no tool exists concerning the determination of beneficial ownership of companies in a global context.
- Art. 11(3)(b) refers to a "similar former public procurement procedure" as part of an exception. Could COM clarify what is meant by "similar" in this context? In particular, does this require that the CPV codes are identical, or would a broader understanding of similarity apply and how would this "broader" concept be defined?
- Art. 11(4) allows contracting authorities and contracting entities to rely on self-declaration by economic operators, while Art. 32 introduces penalties. In case a self-declaration later proves to be incorrect, under what conditions would contracting authorities and contracting entities be exposed to liability or penalties under Art. 32? In case (substantiated) doubt is cast on a self-declaration in a remedies procedure/in a running PP procedure, what are the contracting authorities and contracting entities required to do?
- Art. 16(1) refers to "demand-side measures". Could COM clarify whether this term includes measures related to public procurement?
- Several key elements of the proposal (including scope, thresholds and detailed requirements) appear to be subject to Delegated Acts (e.g. Articles 8, 10, 16). Could COM clarify which elements it considers to be "essential elements" of the legislative framework that cannot be delegated under Article 290 TFEU?

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- Regarding the proposed amendment of Art. 25(1) of Regulation (EU) 2024/1735 (NZIA), Recital 67 explains that the scope should be limited to those **net-zero technologies** for which public procurement of a relevant scale is expected. Against this background, could COM clarify why **hydropower technologies** (as referred to in Art. 4(1), point (k) NZIA) are excluded from the revised scope? In AT's view, hydropower technologies are widely procured through public procurement procedures, in particular in the context of infrastructure and energy projects. And what is the rationale behind the **inclusion of solar PV** (contrary to the recommendation in the Draghi Report)?
- Regarding the proposed amendment of the NZIA, what is the rationale for introducing Union origin requirements in addition to the existing "resilience" criteria under Art. 25(7) NZIA? How does the Commission distinguish between these two concepts in practice, and what additional value is expected from Union origin requirements?
- Can COM explain the interplay of the various resilience/Made in EU requirements established in the IAA and NZIA and provide real world examples (for example for the purchase of BEVs) how the new system would work and which requirements are to be met?
- What is the rationale for using fixed thresholds for disproportionate costs, notably 25 % and 30 %, as grounds for exemption, and did the Commission consider whether sector- or technology-specific thresholds would provide a more appropriate basis given the different cost structures across products and value chains, as well as their implications for the EU's industrial competitiveness?
- How should the concept of **self-declarations (Art 11 (4)** by companies be handled in administrative practice? And how should the **certificate of compliance** in the meaning of Art 15 work in practice? And why should the principle of self-declarations – and thus a presumption of trust – **apply to all sectors except the automotive sector**?

Labelling/classification systems for low carbon products (Art 10)

- Art 10 (2): Do we understand correctly that the Commission may **extent the scope** for low carbon criteria (in public procurements etc) **to "industrial products"** in the meaning of Annex I Dir. 2003/87? Or is there another purpose for the voluntary classification system for those products?
- CO_2 labels are missing from the final proposal, but are due to be included by the end of the year. What is the reasoning behind this?
- What are the Commission's plans concerning the revision of the **Ecodesign Regulation** (ESPR)?

Chapter IV - FDI (Articles 17–24):

- **Which measures** under the IAA are - at least partly - **measures announced** under the **Joint Communication** of 3 December 2025 on **strengthening Economic Security**?
- How will the **measures** under the IAA be **coordinated** with **other measures** announced in the abovementioned **Joint Communication**, e.g. the Economic Security Information Hub?
- Have the **results of the risk assessments** already carried out in the framework of the Economic Security Strategy been **taken into account** in **designing the IAA**? In which way? How will these as well as results of future risk assessments be taken into account in the **implementation of the IAA**?
- What will be the **relationship** between the new **investment screening provisions under the IAA** and the provisions under the **new FDI Screening Regulation**?
- Will it be **possible** that the **existing FDI screening authorities** of the MS **also** take over the role of the **investment authorities under the IAA**?

- How will be the **interplay** of **several screening procedures** concerning the **same transaction**, e.g. under the new FDI screning Regulation, the investment provisions of the IAA, the DFS Regulation and the Merger Control Regulation against the background of **simplification**, **reducing bureaucracy** and the **one stop shop** principle?
- In the **Joint Communication on strengthening Economic Security** the **only measure** announced in connection with **investment screening** are **additional guidelines** to ensure a coherent implementation of the new FDI Screening Screening Regulation)? **Why** does the EC consider **additional legal provisions - partly not compatible** with those under the FDI Screening Regulation - **necessary**? Why is it obligatory to screen **greenfield investments** under the IAA, but not under the FDI Screening Regulation?
- How does EC perceive foreign investors potentially having to hand in their transaction to several authorities with potentially diverging views in their respective final decision on one and the same transaction may be **conducive to overall EU investment climate?**
- **Investors and investments** covered by **economic partnership** and **free trade agreements** with the EU with relevant commitments concerning investments are **excluded** from the application of the investment chapter of the IAA - does this **also apply to WTO Members** as far as relevant commitments under the WTO Agreement (e.g. the TRIMS) are concerned? If not - how is the **WTO-compatibility** of these provisions guaranteed?

Chapter V: (Industrial Manufacturing Acceleration Areas):

- **Art. 27:**
  What if a MS does not have the concept of "**aggregated baseline permits**"? Does Art. 27 require MS to establish such a concept? If so: the operative part of the IIA gives no indication as to what permits are "**installation-specific**" and which permits are not. What if, in a MS all permits are installation-specific? Does the IIA oblige MS to make some of them (which ones?) "non-installation-specific"?

Impact Assessment:

- How robust is the IA's key assumption that Policy Option 2 offers the best overall balance between **effectiveness, efficiency and proportionality**, even though the IA itself acknowledges that significant impacts on downstream sectors and supply chains could not be quantified?
- How are the macroeconomic benefits of Policy Option 2 **distributed geographically** and across sectors among Member States? From Austria's perspective, it would be relevant to know whether smaller, highly export-oriented industrial locations with a broad SME structure benefit to the same extent as large Member States with integrated raw materials and vehicle value chains.
- How does the EC assess the risk that an **IAA heavily tailored to individual sectors** is too narrowly defined in terms of industrial policy, thereby failing to take sufficient account of other strategic areas of strength in the Member States? This is particularly relevant from an Austrian perspective, as the AT Industrial Strategy 2035 explicitly defines life sciences and biotech and all innovative mobility technologies as strategic.
- How can we ensure that sectoral prioritisation in the IAA does not lead to **crowding-out effects** on investment in other technology fields of strategic importance to Europe, such as life sciences, pharmaceuticals, biotech, advanced materials or other mobility technologies like charging infrastructure or rails, which are central to Austria's industrial policy?

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- What risks does the European Commission identify for **innovative sectors with complex supply chains**, where key components are sourced from outside the EU, even though the majority of the final value is created within the EU?
- How does the Commission ensure that differences in national implementation regarding procurement, support schemes, permits and priority areas do not actually exacerbate the very **fragmentation of the single market** that the IAA is intended to prevent? The IA explicitly cites fragmentation risks as a justification for joint action at EU level.
- The IA **identifies high energy prices** as a key barrier to competition and points out that gas prices – now exacerbated by current developments in the Middle East – remain significantly higher in the EU than in other markets, and that electricity prices are expected to remain high until 2030. Why is this problem not reflected more directly in the design of the IAA's instruments?
- How does the EC intend to prevent a situation **where lead market measures create demand**, yet production cannot take place in Europe from a business perspective due to a lack of competitive energy prices?
- What link does the EC see between the IAA and measures on **affordable energy, grid infrastructure, storage and hydrogen**? The IA cites restricted access to energy and grids as a barrier to investment.
- How does the EC justify the selection of the **relevant energy-intensive industries**, and how open is the IAA to other energy-intensive value chains that are of strategic importance to individual Member States?
- How does the Commission intend to prevent investment decisions from shifting in **favour of individual large clusters** at the expense of dispersed, regionally based industrial sites?
- How does the Commission intend to ensure that 'Made in the EU' criteria do not come at the expense of **innovation or cost-efficiency?**
- How does the EC intend to avoid **duplication with the ETS, CBAM, the Ecodesign Regulation and sectoral product regulations**? The impact assessment itself refers to the need for coherence and legal certainty.
- How does the EC assess the risk of **rising public procurement costs** for infrastructure, building construction and vehicle fleets, particularly in times of fiscal strain?
- What role does the EC envisage for strategic public procurement in innovative sectors beyond traditional EIIs, such as medical **technology, life sciences or critical pharmaceutical intermediates**?
- How does the IAA relate to existing and future **EU state aid frameworks?**
- The IA views lengthy and **fragmented approval procedures** as a key barrier to investment. What specific reductions in processing times compared to the status quo does the EC realistically expect, and on what data is this based?
- How does the EC address the risk that **differing responsibilities between the federal government**, the Länder and local authorities may hinder a uniform acceleration of the process?
- What evidence underpins the assumption that **designated acceleration zones** have the greatest leverage for attracting additional investment compared to other instruments?
- What **criteria should Member States apply when selecting zones**: existing industry, available energy, raw materials, logistics, skilled labour, innovation ecosystems or potential for environmental conflict?
- How should coherence with spatial planning, environmental law, infrastructure planning and regional development be ensured?
- Why are life sciences, biotech and pharmaceuticals not treated more systematically as strategic resilience sectors in the IA, even though biotechnologies are themselves cited as critical technologies within the EU's economic security framework?

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Belgium's preliminary questions on the Industrial Accelerator Act – 19 March 2026

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Chapter II – Enabling conditions for industrial production and decarbonisation

Art 3(1):

- What does 'industrial site' mean? Is it a land plot? Is it an industrial plant (including machines)?

- Does this proposal establish a permit obligation for each project at a site where an economic activity NACE C is located, or does this proposal only specify the applicable permit granting procedure for projects at such site that are subject to a permit obligation under other EU legislation (eg IED or EIA directive) or national legislation?

Art 3(3) Definition of 'energy-intensive industry decarbonisation projects':

- Article 17(1)(a) of Directive 2003/96 is a criterion that is too complex to determine whether an investment in a specific commercial facility of an energy-intensive business listed in Annex I constitutes a decarbonisation project. Why has Article 17(1)(a) of Directive 2003/96/EC been chosen as the criterion (leaving aside the fact that it is already mentioned in the NZIA)? Why is the energy-intensive nature of a specific undertaking not determined by a simpler criterion, such as whether or not it exceeds an annal energy consumption expressed in megawatts? Why is not every investment aimed at reducing CO2 considered a decarbonisation project?

Article 3(23) defines a "pure electric vehicle". Why did the Commission choose to introduce this definition over using the definition of "zero-emission vehicle" that was proposed as part of the proposal to review the CO2 emission standards for cars & vans? Throughout the IAA proposal we now have parts that refer to "pure electric vehicles" and other parts that refer to "zero-emission vehicles" which is confusing and inconsistent.

Art 3.4 Permit granting procedure (PGP):

- The IAA PGP includes chemical permits. Which EU legislation on chemical permits is involved?

- The IAA PGP covers grid connection permits as defined in Article 1 of [the Proposal for a Directive amending Directives (EU) 2018/2001, (EU) 2019/944, (EU) 2024/1788 as regards acceleration of permit-granting procedures ('Permitting Directive'). The 'Permitting Directive' in itself establishes an authorisation procedure for grid connections (article 2 of the

Permitting directive, among others replacing art 8 of the Electricity Directive). Does this entail that the permit for grid connection for an industrial manufacturing project in scope of the IAA must be issued via the PGP under the IAA (article 5) and not via the PGP under the Permitting Directive (art 8a of the Electricity Directive)?

- The IAA PGP also covers the environmental assessments whereas the IAA proposal does not cover the environmental assessment procedures. Which EU legislation is applicable to projects within scope of the IAA regarding the environmental assessment procedures?

Article 4 – Single Access Point:

- The Commission states that Member States are free to use existing structures (e.g. those under NZIA), while emphasizing the importance of well-coordinated permitting decisions and the need, even in decentralized countries, for a clear single point of contact. Why, then, does the text specify so explicitly that this contact point must be at national level and responsible for dispatching to the competent authorities, instead of simply aligning with or reusing the wording from NZIA?

- The heading of Article 4 and Article 4.3 use the plural form ('single access points'), whereas Article 4.1 uses the singular form ('a single access point'). What is the rationale and objective behind this distinction?

- Art. 4.3: please clarify: existing Union digital infrastructure, catalogues and building blocks established by Union law.

- why does the IAA proposal introduce a new concept – the single access point – that differs from the concept of the single point of contact as included in NZIA, CRMA, …, although both concepts seem to serve the same purpose? Do both concepts serve the same purpose and what are the differences and similarities?

- Is the single access point under article 4 IAA a single point of contact according to the proposal for a regulation on speeding-up environmental assessments (art 3 (2))?

Art. 5 Permit-granting procedures:

- The PGP IAA scheme (Article 5.1-5.3) is not applicable if a permitting procedure has been established in sector-specific legislation for a specific manufacturing sector under NACE C (art 5.4). Does this entail that specific permitting procedure EU legislation will be developed at the level of the subdivisions within NACE Code C? Such approach would be a continuation of

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the multiplication of different and activity specific permit granting procedure legislations and increase complexity and implementation costs.

- Is the competent authority mentioned in article 5.2 a SPOC for the entire permit granting procedure as mentioned in art 3.2 of the proposal for speeding up environmental assessments?

Art 6.1

- The IAA expands the enabling conditions for decarbonisation of Net zero industry manufacturing projects under the NZIA to decarbonisation of energy intensive industries included in annex I (art 3.3 and 6.1 IAA). Why are enabling conditions not expanded to decarbonisation projects in general?

Art. 4, 5 and 6 Enabling conditions:

- The proposed enabling conditions for industrial manufacturing projects under IAA (art 4, 5 and 6) differ from the adopted enabling conditions for net zero industries manufacturing projects under chapter II of NZIA. What is the justification for this different treatment?

Chapter III – Strengthening the Union's strategic industrial value chains

- When drafting, has the Commission contacted industry with regards to the practical feasibility of the approach to Rules of Origin as conceived in Chapter III and Annex III?

- Could the Commission clarify why Art. 8 1. and Art. 9.1 refer to a "free trade area or a customs union", whereas Art. 17 (3) (a) refers to "economic partnership and free trade agreements [...]". Should this be understood to mean that for the purposes of Art. 8, partnership agreements do not constitute an exception?

- Article 8(1) — on "equivalent to EU origin": Will it be sufficiently clear to contracting authorities and businesses which countries are considered "equivalent to EU origin"? How will the Commission support stakeholders in this regard? Is it easy for contracting authorities and businesses to work with the concept of "Union origin" when, through the operation of Article 8(1), the scope is in fact much broader (EU and "friends" origin)?

- Cumulative application — If the products concerned are subject both to EU origin requirements (or equivalent) and to low-carbon requirements, as is the case for aluminium, does this mean that at least 25% of the volume to be used must comply with *both* conditions?

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- Would it be possible or desirable for the Commission to apply both exclusion under Art. 8(2) of the proposed IAA as well as measures under the International Procurement Instrument? How does the Commission look at the compatibility of these two?

- Could the Commission provide a list of agreements in which it deems that the Union has "relevant obligations" for the purposes of Art. 8. 2.?

- Article 8(2)(b) provides that the Commission may, through a delegated act, exclude a third country where such exclusion is justified to avoid dependencies that may threaten the security of supply. At the same time, Article 11(3)(a) allows contracting authorities not to apply the Union content requirements where the product can only be supplied by one specific economic operator. ➔ Does this imply that, in situations of severe dependency, contracting authorities may effectively rely on this provision as an exception to the Union origin/content requirement?

- **How does the European Commission view the interplay between Article 8(2) (the possibility for the European Commission to exclude a country, in whole or in part, from the application of Article 8(1) by means of a delegated act) and Article XX of the GPA?**
  After all, the latter article provides a mechanism for dispute resolution**. More specifically, how does the European Commission view the temporal interplay if Article 8(2) were to be applied in a concrete case?** Is it the Commission's intention to first complete — or at least initiate — the procedure under Article XX when it is preparing a measure pursuant to, for example, Article 8(2)(a) IAA? Or, on the contrary, would the Commission first develop any potential measure under Article 8(2)(a), with prior consultation of experts under Article 30(4) IAA, followed — if necessary — by the initiation of a procedure under Article XX? Or does this depend on the specific circumstances — i.e. a case-by-case approach?
  On the basis of which factors would such a decision be taken? And what happens if, during the preparation of a measure under Article 8(2)(a), a GPA country indicates that its interests are directly or indirectly harmed and initiates a procedure under Article XX?

- Voluntary Classification System: The Industrial Accelerator Act foresees the establishment of a voluntary classification system to assess whether industrial products meet low-carbon requirements, with this system expected to be based on ETS data. However, it is currently unclear how this linkage to the ETS will be operationalised in practice, as the precise modalities are to be defined through a forthcoming Delegated Act. In this context, we would welcome further clarification on the envisaged content of the Delegated Act.

- Article 11(1): Are all the situations the Commission intends to address under this provision actually covered from a legal standpoint? For example, what if a tenderer is controlled by, or owned by, a natural person from a third country or residing there?

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- Article 11(4): What is meant by a document "equivalent" to a self-declaration?

- Could the links with the existing legislation be clarified to ensure consistent implementation across the EU: The IAA does not create a standalone regime: it is based on delegated acts or methodologies that already refer to the CPR (Construction Products Regulation), the ESPR, the ETS and the CBAM. For example, Article 10 stipulates that a product is considered 'low-carbon' if it complies with requirements set out in delegated acts under the CPR or the ESPR, and the methodology must take into account ETS benchmarks and CBAM data. Could you provide an official mapping of the interrelationships and hierarchy of standards between the IAA, NZIA, CRMA, CPR, ESPR, ETS and CBAM, in order to avoid divergent application across Member States and uncertainty for public purchasers and businesses. Especially given that the text is already based on complex cross-references.

- Does the Commission plan to make available, before the obligations come into force, a harmonised set of evidence, model clauses, standard certificates and calculation methodologies to prevent the IAA from creating, in practice, a new layer of administrative complexity for contracting authorities, businesses and, in particular, SMEs?

- The explanatory memorandum states that the proposals of the Automotive Package should be adapted to refer to the horizontal approach adopted in the IAA proposal, rather than to delegated acts. To clarify: will this horizontal approach replace all the currently mentioned delegated acts in the proposal on the revision of the CO2 emission standards for cars & vans?

- The explanatory memorandum states that "the forthcoming delegated act on steel products under the Ecodesign requirements for Sustainable Products Regulation will provide the necessary elements to implement the lead market provisions for steel taking into account the differing decarbonisation characteristics of primary and secondary steel producers and rewarding circularity." When can we expect this delegated act on steel products to be ready? In addition, how will the "made-in-EU" component be determined to fulfill the requirements for receiving low-carbon steel credits under the proposal on the revision of the CO2 emission standards for cars & vans? Is it correct that it also will depend on article 7 that refers to the Union Customs Code?

- Article 15 on the certification of a vehicle's compliance with Union origin requirements refers to the requirements laid down in Annex III. Does this article refer to all parts of Annex III? We notably note different requirements in Part 1 and 2 on the one hand and Part 3 on the other hand.

- Why is there such a big difference in the number of specific Union requirements for corporate cars & vans (Part 2 of Annex III) and the Union requirements for super credits for

small zero-emission vehicles (Part 3 of Annex III)? The former requiring a lot more than the latter.

Chapter IV – Foreign Investment Contribution

- With regards to Art. 17(1) and (3)(b) as well as Art. 18(2): The wording in Art. 17(3) and Art. 18(2) ["... made directly by foreign investors ..."] seem to imply that Union subsidiaries of third country investors are exempt. Does this not contradict the definition in Art. 3(31-34)?

- With regards to Art. 17(2): What is the added value of or rationale for adding the word "emerging" to "strategic sectors"?

- With regards to Art. 17 (2): can the Commission clarify how, for the four strategic sectors outlined in Art. 17 (2) (a) to (d), it will calculate the "global manufacturing capacity" for the purposes of establishing whether a country holds +40% in these sectors (for example, as regards (d), will it assess separately market shares for extraction, processing and recycling of CRMs, or will these three production steps be taken together).

- With regards to Art. 17 (3) (a): can the Commission clarify under which economic partnership and free trade agreements currently in force or provisionally applied it considers to have made "relevant commitments" for the purposes of this article?

- With regards to Art. 18(2)(a): Does the Commission mean "Union target or asset" part of the proposed investment? If so, does the Commission consider the wording sufficiently clear?

- With regards to Art. 18(2)(b): How will the Commission define "effective participation of Union partners in management, technology transfer, and capacity building"? Will this be included in the implementing act mentioned in paragraph 5?

- With regards to Art. 18(2)(d): Does the Commission consider it necessary to clarify that the R&D spending should be relevant to the strategic sectors mentioned in Art. 17(2) to avoid various spending to be nominally classified as R&D spending (or for that matter irrelevant R&D spending) as a way of circumventing the purpose of the proposed Regulation? Will this be included in the implementing act mentioned in paragraph 5?

- With regard to Art. 18(2)(e) we would welcome further clarification on the scope and interpretation of the mandatory 'workforce' requirement, as it is currently unclear which elements this term is intended to cover in practice.

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- With regard to Art. 18 (2) (f): Could the Commission clarify if and how it considers this provision to be consistent with the Union's obligations under the TRIMS Agreement?

- With regards to Art. 18(4): Is this paragraph supposed to establish an *ex officio* procedure for Member States and thus only be applied only to non-notified investments? Please elaborate on the functioning of this paragraph.

- We do not quite understand how Art. 18(4) relates to Art. 18(2). Does this mean that in some cases one may impose all 4 of the conditions and in other cases fewer than 4, or is this an ex officio procedure described here?

- With regards to Art. 20(1): Does the Commission consider a specification of the deadline in calendar days in line with for example the FDI screening regulation to best practice in terms of legal certainty?

- With regards to Art. 19: could the Commission clarify why it has chosen 30% as a threshold for an investor to be considered to have control?

- With regards to Art. 20(3): Does the phrase "the Investment Authority shall issue a reasoned decision approving or declining the foreign direct investment" refer to issuing the decision also to the investor or only to the Commission? Paragraph 4 seems to imply the latter. After all, would the additional two-month assessment period otherwise not boil down to a mere legal formality and administrative delay?

- With regards to Art. 21(1)(b): Will Member States be able to determine unilaterally whether there would potentially be "significant impact on its territory"? Will this also be the case in paragraph 2.b or will the Commission determine this?

- With regards to Art. 21(1)(c-e): How, if at all, will the Commission further define or issue guidance on defining the relevant indicators? ("(c) potential of disrupting security of supply chain ... (d) detrimental environmental effect ... (e) high value compared to other investments")

Chapter V – Industrial Manufacturing Acceleration Areas

Article 25

- Each Member State must designate at least one acceleration area for a cluster of projects in one or more strategic sectors. Why should every Member State be obliged to reserve space

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for activities listed in annex I which entails interference by the EU with the prerogative of Member States to decide its industrial policy aims and objectives?

- Given that the areas to be designated are unavailable for any use other than the manufacturing industry listed in Annex I, does the designation requirement imply that Member States will compete with one another to attract the same investments under annex I?

- Did the Commission do any particular analysis on whether the IAA could create internal distortions between Member States, particularly through 'acceleration zones' that are excessively attractive in certain countries and the effect this could have in terms of tax, land or regulatory competition?

- What if the territory in a Member State has already completely been designated for the different purposes (housing, industry, leisure, nature,…)? Does the obligation to designate at least one acceleration area imply that existing industrial areas where relevant activities are already clustered must be re-designated via the procedure set out in Articles 25(3) to 24(5)?

- Did the Commission conduct a review of the Net Zero Valleys that were introduced in the NZIA which we could learn from for these IMAAs?

Article 27

- Article 27.1 against backdrop of other EU legislation establishing a permit obligation: which permits are within scope of the 'aggregated baseline permit' and which permits are within scope of the 'installation-specific' permit (i.e. additional permit, as referred to in Article 27.3)?

- The 'aggregated baseline permit' in its capacity of a permit: does the competent authority need to take a decision on the applicability of the 'aggregated baseline permit' to the project?

- Article 27.1 against the backdrop of the IAA PGP as mentioned in artikel 4 and 5: does the IAA PGP (article 5) only apply to the 'additional permit'?

EE comments

Proposal for a Regulation establishing a framework of measures for the acceleration of industrial capacity and decarbonisation in strategic sectors and amending Regulations (EU) 2018/1724, (EU) 2024/1735 and (EU) 2024/3110

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Preliminary written comments – Estonia

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Estonia has a general scrutiny reservation for the whole proposal. Comments and questions expressed below are of a preliminary nature and may be subject to change as the examination of the proposal progresses.

General comments

We are concerned about the regulatory complexity in the proposal and stress the need to avoid imposing undue administrative or compliance burdens on companies and public authorities. We also question the number and scope of the delegated acts within the proposal.

Estonia finds that preferential treatment of products and services should remain compatible with the principles of the Single Market and contribute to strengthening resilient and reliable supply chains. The use of origin criteria must not create significant additional administrative burden and be evidence-based and carefully targeted. We highlight the role of our international partners and stress the need to remain open for trade and investment and defend the multilateral rules-based trading system.

The listing and designation of strategic sectors is not clear from proposal. Within the text there are separate lists of strategic sectors for public procurement, for energy intensive industries, for industrial acceleration areas (presumably overlapping with energy intensive industries, but not clearly stated) as well as sectors for FDI requirements. The differences in sectors in one provision and under similar context makes it difficult to follow and to distinguish sectors between each other. A list clearly outlining the differences as well as use cases would be useful.

Chapter I

Article 2: What is the reasoning/methodology behind the industrialisation objective? It is stated in recital 3 that the share of manufacturing in total GDP has declined from 17.4% to 14.3% between 2000 and 2024 (i.e. in 24 years). Is it therefore realistic to expect an increase to 20% in 9 years? What are the consequences if the objective is not reached?

Chapter II

Estonia agrees with the overall aim of streamlining and digitalising permitting procedures. However, this should be achieved in a manner that takes into account national specificities and does not create a disproportionate administrative burden.

In general, we are concerned that provisions on accelerating permitting are spread across many different legislative acts and proposals. How will the Commission ensure that such provisions will complement and not contradict each other, thus leading to significant administrative burden and confusions for companies?

PUBLIC

Article 4:

Estonia does not support the obligation to set up a single access point at national level; this should be voluntary for Member States. Can the Commission provide evidence that the creation of single points of contact under existing legislation (e.g. NZIA) has actually resulted in simplification and streamlining of permit-granting procedures?

Estonia does not support the obligation for the single access points to use European Business Wallets (EWBs). The negotiations on the proposal to establish EWBs have only recently begun, therefore we cannot anticipate the final form and technical specifications of EWBs. Focus should be on the use of existing solutions. Economic activity licenses and notifications are one of the use cases of the Single Digital Gateway. Therefore, the necessary data should be exchanged through this system instead of creating a new redundant system. EWBs as currently proposed create an additional technical layer on top of existing solutions that will increase complexity and administrative burden. We ask the Commission to explain in detail how and why the mandatory use of EWBs in the context of the single access points is preferred and justified over existing solutions? How will this contribute to streamlining?

Article 5

The requirement to establish a single permit-granting procedure ignores the fact that in some Member States there already are well-functioning procedures in place with separate information systems for separate permits.

What is the relationship between the single access points in Article 4 and the competent authority that Member States have to designate under Article 5(2)? Can they be the same entity? Is the competent authority in paragraph 2 only intended to coordinate the permit-granting procedure or also actually make a decision? Does the comprehensive decision referred to in paragraph 2 mean a single decision for the entire process? How is the process intended to work in practice?

Chapter III

Article 7

The proposed Union origin system seems to add complexities and additional administrative burden to businesses that need to operate within this framework. Can the Commission provide a detailed explanation on how determining the origin of products and components in accordance with Regulation 952/2013 will work in practice? What kind of data companies will have to provide? Does the Commission plan to issue any guidance to public authorities and businesses on this?

Article 8

Could the Commission provide a preliminary indicative list of (major) third trade partner countries that by default are considered as equivalent with regard to Union origin or are excluded? The EU has several levels of trade agreements, such as Economic Partnership Agreements, Association Agreements, etc with around 80 countries (EU Trade agreements). Are all these included under Article 8? Moreover, recital 16 states that the "*Commission will regularly assess whether the conditions for excluding a third country from the scope of the provisions deeming content originating in third countries to be equivalent to Union origin, are in place, and will take appropriate action*." What does "regularly" mean in this context, and how are Member States involved and informed?

Articles 11-12

Regarding Article 11 paragraph 3(c), what is the estimated cost difference exceeding 25% based on? In the impact assessment there is little evidence as to why 25% is the optimal percentage. Same question applies to Article 12(3)(b) where the difference is 30%.

Chapter IV

Article 17

Is the list of investors and investments covered by economic partnership and free trade agreements referred to in paragraph 3(a) largely similar to partner countries within the meaning of Article 8 or are there any major or notable differences? Could the Commission provide an indicative list of major trading partners/investment source countries that by default fall under the definition/or are excluded?

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Article 18

Can the Commission explain the methodology and reasoning for the specific thresholds in the conditions outlined in paragraph 2? For example, in paragraph 2(e) what is the assessment of the percentage (50%) of Union workforce based on? How does it factor in the possibility that in some cases the required amount of Union workforce is not available on the labour market or is not feasible to recruit within the necessary location or timeframe?

Chapter V

Why is the designation of acceleration areas deemed compulsory, instead of leaving it up to Member States, similarly to net-zero Acceleration Valleys under NZIA? How is the interplay between acceleration areas in IAA and net-zero Acceleration Valleys in NZIA foreseen? Can the Commission provide evidence that net-zero Acceleration Valleys have actually achieved their objectives?

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FI comments

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Chapter I

- Proposal seeks to ensure that the Union has adequate manufacturing capacity by 2035 (article 2). However, the tools that are proposed (for example public procurement and public interventions, articles 11-12§) seem to be in force permanently. What is the underlying idea in proposing permanent instruments?

Chapter II

- The proposed Articles 4 (Single Access Point) and 5 (Permit Granting Procedure) have an extremely broad scope (Manufacturing, NACE Code C), covering a wide range of activities that differ significantly in nature, scale, and regulatory requirements. The types of permits required may vary greatly from case to case, and each permit application typically demands a different level of project detail. As a result, applications may naturally fall at different points in time depending on the stage of project planning. We are willing to provide more information on this if needed. We would welcome the Commission's assessment of the potential risks associated with merging all permit applications into a single procedure, rather than allowing the operators to submit different applications at the times they consider appropriate based on the project's planning stage.

- In light of the numerous legislative proposals introduced by the Commission, as well as the existing legislation aimed at accelerating permitting procedures across various sectors with varying rules, we would welcome the Commission's view on the increasing complexity and fragmentation of the Union's permitting framework. We would also be interested in how the Commission intends to tackle these challenges in order to ensure coherence, simplicity, and legal clarity for both operators and competent authorities?

Chapter III

- It is widely recognized that applying the proposed EU origin criterion may risk leading to adverse consequences: in sectors where there is little or no competition in Europe (only a single company, or only one major operator active), competition is likely to diminish further and costs to increase. We would therefore welcome clarification on what analysis underpins the proposal — in particular, what impact assessment has been carried out regarding the effects of the proposed EU origin criterion on competition in the?

- As regards article 8, it is important that the EU would comply with its international commitments. This seems to be the case in Article 8.1. which defines that content originating in third countries with which the Union has concluded an agreement establishing a free trade area or a customs union, or that are parties to the Agreement on Government Procurement, shall be deemed to be of Union origin. For the sake of clarity, could the Commission, please, provide us with a list of trading partners which fulfil the conditions set in Article 8.1.?

- According to the draft the Commission could exclude a third country from the scope of Union origin based on several criteria. Which exceptions under the agreements do you refer to in Article 8.2.(c)? Does this include general or security exceptions mentioned in preambula (16)?

- Article 9.1. applies to other forms of public intervention which include public support schemes. It is defined that content originating in EU's FTA and customs union partner countries shall be deemed to be of Union origin. For the sake of clarity, could the Commission, please, provide us with a list of countries which fulfil the conditions set in Article 9.1.?

- The draft provides that the Commission could exclude a third country from the scope of Union origin based on several criteria. Which exceptions under the agreements does Article 9.2.(c) refer to? Does it include general or security exceptions mentioned in preambula (16)?

- Regarding article 10, does the Commission have a view on the adequacy of the accreditation resources planned to be used in assessing emissions and all other relevant data used for the calculation of the greenhouse gases of the low carbon products?

- Article 11 sets out rules on public procurement. The exemptions from the union content requirement in Article 11(3) are, in principle, positive, but their practical application may be challenging. We would appreciate illustration of the proposed procedure with a concrete example that takes into account the aspecs of the public procurement process. For example, how one can assess whether there is only a single producer available, or how to determine a 25% cost increase (article 11 3a & - 11 3c) considering that a tenderer owned or controlled by an entity from third countries shall be excluded from the procurement procedure (article 11)

- As regards the link between the derogations referred to in Article 11(3)(c) and Part I of Annex II: Where unreasonable costs exceed 25%, contracting authorities may fail to comply with the requirements set out in Annex II. How are such disproportionate costs calculated in connection with the acquisition of buildings and infrastructure? Does this apply, for example, to the costs of the entire construction or only to the costs of concrete, aluminium and steel used in the construction?

- According to Article 12.1. Member States shall design public support schemes in a way that strengthens the Union's strategic industrial value chains, including through the Union origin requirements. A recent WTO panel report in a case concerning certain subsidies under the Inflation Reduction Act of the United States (DS623) concluded among others that subsidies were inconsistent with Article III:4 of the GATT 1994 because the eligibility for subsidy amounts are conditional on the use of US-origin goods. Furthermore, it was concluded that subsidies were inconsistent with Articles 3.1(b) and 3.2 of the SCM Agreement because they are contingent upon the use of domestic over imported goods. Our interpretation is that the requirement of Union origin content in Article 12.1. appears to be contrary to the GATT 1994 and the WTO SCM Agreement. How does the Commission assess Article 12.1. in the light of the WTO case in question?

- In article 15 manufacturers shall provide accompanying document certifying the (made-in-EU) compliance of a vehicle when issuing a CoC/eCoC. During Coucil's WP proceedings regarding the proposals on Co2 standard regulation for cars and vans the Commission has indicated that the 'made-in-EU' status would be part of the CoC/eCoC. This would be beneficial f.ex. from enforcements point of view. Article 15 and its provision 'an accompanying document' to CoC/eCoC does not seem to be alinged with the provision in proposals on Co2 standard regulation for cars and vans. Could the Commission provide more detailed description on how the 'made-in-EU' information would be certified in the process of issuing a CoC/eCoC and also enforced later on?

- In article 17(2)(b) it is stated that one of the emerging strategic sectors is "pure electric vehicles, off-vehicle charging hybrid electric vehicles and fuel-cell electric vehicles, including components related to electrification and digitalisation;" The proposal defines in Article 3(28) "'vehicle component' means any part of a vehicle, including processed material"; Is vehicle software or software's production and testing (more like a service) ect. included in this emerging strategic sector or only physical parts?

Chapter IV

- Are the conditions of FDI's applied retroactively to investments already made before IAA?

- The proposed FDI conditioning measures are based on the assumption that the EU has sufficient attractiveness to attract foreign investment despite strict conditionality. We see risks here of a slowdown in much-needed FDI inflows. Commission views on this?

- Does the Commission see risks of retaliatory measures by third countries?

- The IAA introduces a burdensome and lengthy licensing procedure for foreign investments. This increases unnecessary bureaucracy at a time when we should instead aim to reduce the regulatory burden. Isn't there a contradiction here?

- As regards to FDI conditioning, the Commission refers to "established international practices." In the IAA impact assessment (Annex 13) examples of such practices include measures used by China (similar to those proposed in the IAA), as well as those by Canada and the United States. The later ones, however, relate to conditionalities attached to incentives designed to attract investment (financing, taxation). It would be interesting to hear why the Commission chose to propose restrictive conditioning measures instead of incentive measures to attract investments that generate local added value?

- Existing EU FTA agreements are excluded from the FDI-chapter's scope, meaning that the investment protection provisions included in FTAs are covered through this exclusion. By contrast, investment protection agreements (IPAs) negotiated by the EU as standalone agreements (Singapore, Vietnam, Indonesia) are not excluded from the scope. To date, none of the EU's investment protection agreements are in force, but would there be a possibility for treaty conflicts if/when these agreements would enter into force? (Incl. taking into consideration that IAA allows Member States to apply conditions/restrictions also to investments made by subsidiaries of third-country investors already operating within the EU)

Chapter V

- What is the actual difference between the NZIA net-zero valleys and the IAA acceleration areas?

- Do the IAA's acceleration areas overlap with the rapid development areas of RED?

- Is it appropriate to make the establishment of an accelerator area compulsory in each Member State? Could it be voluntary?

Annexes

- In Annex III it is stated that "Where public procurement procedures concern public service contracts referred to in subparagraph 2, vehicles already registered in the Union shall be deemed to comply with the requirements set out in this Annex until 31 December 2035." What does "already registered" mean exactly? Does this mean that after 31 December 2035 all vehicles must comply and before that no one will have to comply? What is the reasoning behind this text? Do we understand correctly that the last paragraph in Annex III does not mean that from 2036 also old vehicles will have to comply with the requirements of the Annex?

- In Annex III Part III Small electric vehicles of subcategory M1E, as (to-be) defined in Regulation (EU) 2018/858, would have more relaxed Union origin requirements compared to those defined for public procurement and support for corporate vehicles. What is the reasoning behind such relaxed requirements for M1E-subcategory vehicles?

- How would requirements of a new or used 'made-in-EU vehicle' be incorporated into the new Vehicle Label that is proposed in the proposal on Co2 standard regulation for cars and vans? Annex III does not make a reference to the Vehicle Label requirements at all.

- In Annex III Part III there is a requirement based on 'ex-works price of vehicle components'? However, a definition for this term seems to be missing from the proposal. How should 'ex-works price of vehicle component(s)' be defined? How could national vehicle market surveillance authorities or type approval authorities enforce such requirements? Or who and how would enforce that this requirement is met?

- Has the Commission considered that provisions from Annex III would be included in proposals on Co2 standard regulation for cars and vans (Part III) and proposal on clean corporate vehicles (Part II) proposals and removed from the IAA proposal?

- Why Article 14(1) uses term 'small zero-emission vehicles' and Annex III Part III uses 'small electric vehicles'?

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FR comments

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NOTE DES AUTORITES FRANÇAISES

Objet : Questions écrites à la Commission européenne à la suite de la présentation de l'Industrial Accelerator Act au groupe Compétitivité croissance du 16 mars.

Les autorités françaises prient la Commission de bien vouloir trouver ci-après les questions qu'elles souhaitent lui poser concernant l'*Industrial Accelerator Act – Proposal for a Regulation on establishing a framework of measures for accelerating industrial capacity and decarbonisation in strategic sectors*

General questions:

- Scope: could new sectors not currently mentioned in the IAA text be added by delegated act?
- In earlier unofficial drafts of the IAA proposal, particular attention was given to potential measures addressing critical raw materials, in particular the possibility of introducing stockpiling obligations for economic operators established in third countries placing raw materials or related products on the European market, especially in situations involving export restrictions or identified risks of supply disruptions. Additionally, options such as safeguard measures restricting exports of metal-rich waste, subject to market conditions, were also considered.
    - Does the Commission envisage integrating these provisions within other upcoming legislative initiatives?
    - More specifically, what approach is being considered regarding potential restrictions on aluminum scrap exports?

CHAPTER II -ENABLING CONDITIONS FOR INDUSTRIAL PRODUCTION AND DECARBONISATION

Article 4 – Single access points

- Is the single point of contact exclusively digital? Has an impact assessment been conducted to evaluate the budgetary impacts on Member States?
- Would defining a single point of contact at the national level not be counterproductive with regard to the objective of accelerating procedures?
- Why does the regulation not allow for the definition of different contact points depending on the specific procedures for different types of projects?
- Does this measure not contradict the principle of subsidiarity?
- Does the European Commission intend to give Member States flexibility in defining the single access points?
- How does this provision align with the single points of contact introduced by the Net-Zero Industry Act (NZIA) and the Critical Raw Materials Act (CRM Act)?

Article 5 – Permit granting procedure and Article 6 – Energy-intensive industry decarbonisation projects

- Article 5 asks Member States to establish a single permit-granting procedure based on a single application covering all permits required for industrial manufacturing projects: does this proposal not pose a problem with regard to the administrative structures of the Member States, particularly considering that urban

planning/planning permissions – which fall outside the competence of the European Union – are processed by local authorities?

- On October 22, 2025, France submitted a note from the French authorities (NAF) to the European Commission regarding the simplification of authorization and permitting procedures under environmental legislation. In this document, the French authorities emphasized that *"European initiatives on permitting must not result in establishing an overly rigid framework at the European level. The specifics of timelines and procedures should be left to the Member States to account for the distribution of competences between the State and local authorities, in compliance with the principle of subsidiarity."* Furthermore, the NAF urged *"the Commission not to introduce provisions in upcoming omnibus legislation that would set instruction deadlines at the European level."* The proposed regulation (both articles 5 and 6) clearly contradicts this position.
    - Has the European Commission conducted a review of experience to assess the effectiveness of the provisions introducing deadlines (NZIA, CRM Act, REDIII…)?
    - Can the European Commission justify the compliance of its proposal with the principle of subsidiarity?
    - Should not all provisions related to permitting be consolidated into a single text (i.e., "environment omnibus") to avoid sub-cases, as France recently advocated in a non-paper?

CHAPTER III - STRENGTHENING THE UNION'S STRATEGIC INDUSTRIAL VALUE CHAINS

Article 7 – Union origin

- What are the considerations that led to the choice not to base the determination of a product's origin exclusively on the primary rules of origin under the Customs Code, which are generally considered well suited to ensuring that the country of origin reflects where the key industrial manufacturing stages take place?

Article 8 - Content equivalent to Union origin in public procurement; and Article 9 - Content equivalent to Union origin in other forms of public intervention

- Could you specify, based on your analysis, even if preliminary, the list of countries corresponding to those referred to in Article 8(1) and Article 9(1)?
- Could the Commission clarify several points of uncertainty arising from the current drafting of Articles 8 and 9 of the IAA proposal, in particular: (i) the precise meaning and scope of the "relevant obligations" and "national treatment" referred to in paragraph 1; (ii) the interpretation of the expression "all or part of a third country"; and (iii) the methodology the Commission intends to apply to assess risks of Union dependencies and to determine the use of applicable exemptions?
- The text provides that content originating in certain third countries shall be deemed to be of Union Origin, particularly with regard to aid schemes and public procurement. In the Annex III, we understand that this clause would apply only to the origin of the components and not to the vehicle's assembly location which must take place « within the Union ».
    - Could the Commission confirm this interpretation?
    - Given that none of these third countries are subject to EU customs regulations, which rule of origin will apply to determine the provenance of the components made in these countries? How will the Commission ensure an equal treatment and equivalent certification standards between entities based within and outside the EU in this context?

Article 10 – Low-carbon products

- The impact assessment considered, under Policy Option 1 (PO1), that green labels for energy-intensive industry products would be used as mandatory compliance instruments in public procurement and public support schemes. However, the IAA adopts Policy Option 2 (PO2), which provides for "voluntary classification systems », complementary to mandatory low-carbon product incorporation requirements in public procurement and public support schemes.
    - Could you clarify the intended interplay between voluntary labels and the definition of "low-carbon products" under Policy Option 2 (PO2) adopted in the IAA?
    - Could you specify how voluntary labels will articulate with the definition of "low-carbon products," particularly for those products covered by the mandatory incorporation obligations set out in Annex II?

Article 11 – Public procurement

- With respect to the Union origin requirements referred to in Article 11, content originating in third countries with which the Union has concluded an agreement establishing a free trade area or a customs union, or that are parties to the Agreement on Government Procurement, where relevant obligations of the Union exist under that agreement, shall be deemed to be of Union origin.
- The Commission shall adopt delegated acts in accordance with Article 30 to exclude, in whole or in part, a third country from the scope of paragraph 1 based on any of the following criteria:
    - that third country has failed to provide national treatment related to Union products or entities under the agreements referred to in paragraph 1 in relation to any of the sectors listed in Annex I
    - such exclusion is justified to avoid dependencies or any other developments that may threaten the security of supply in the Union of the products in question;
    - such exclusion is justified under any other exception under the applicable agreement.

- Therefore:
    - Can the Commission clarify the articulation of the Regulation with the upcoming revised public procurement legal framework?
    - In particular, can the Commission explain why it has chosen not to specify that article 11 shall cease to apply upon repeal of Directive 2014/24/EU?
    - Can the Commission clarify why article 11 only applies to economic operators owned or controlled by an entity established in third countries not covered by an international agreement concluded with the EU, and not also to good and services from said countries?
    - Can the Commission also explain why the article does not refer to public procurement procedures in strategic sectors listed in Annex I?

Article 12 - Other forms of public intervention

- *[§ 1, subparagraph 2]* Can the Commission clarify how the thresholds of 45 % and 100 % of the total national budget allocated to public support schemes are to be accounted for?
- *[§ 2]* Can the Commission specify what qualifies as an open, non-discriminatory and transparent process?
- *[§ 3]* Regarding the data that can be used to justify derogations to this article in cases where there is a risk of significant delays due to the unavailability of the required components/final product or of disproportionate costs, what is considered to be 'verifiable'?

PUBLIC

CHAPITRE IV - FOREIGN INVESTMENT CONTRIBUTION

PUBLIC

Article 17 - Scope

- How did the Commission define the sectorial scope of this mechanism, given that the covered sectors do not appear to be in the same situation and have few common characteristics?
- How does the Commission intend to determine and verify the 40% threshold of global production capacity held by the investor's third country? Which data sources will be used, and how will the Commission ensure that this assessment is updated and passed on to Member States and their competent national authority in a timely manner in order to prevent any circumvention of the mechanism and to remain as responsive as possible, particularly in view of the rapid evolution of global industrial capacities in the sectors concerned?
- How is the €100 million threshold calculated? In particular, what if a foreign investor makes a foreign direct investment by spreading it over a period of time to ultimately reach €100 million, for example after three years? For instance, in the FSR, foreign subsidies are considered over the 3 last consecutive years to prevent circumvention by splitting the foreign subsidy.

Article 23 - Monitoring by the Commission

- How does the Commission intend to assess the notion of "global production capacity held by a third country" where the investor is a multinational entity, or where complex investment structures exist (intermediate subsidiaries, investment funds, joint ventures, etc.)?

Article 19 - Prior notification of planned foreign direct investments

- On what basis will the Commission assess compliance with the minimum threshold of 30% EU-manufactured components, and how will this threshold be monitored over time after the investment has been authorised (*ex post* control)?
- Does the Commission foresee conducting a sectoral impact assessment (for the sectors covered by the mechanism) in order to evaluate the relevance of the 30% threshold for EU components and its effects on local industrial spillovers?
- Is and how the European Commission will take into account the issue of third-country company's controlling influence over a company in determining the threshold for control (a minimum of 30%) acquired through foreign investment?
- How does the Commission envisage the interaction between this new IAA screening mechanism and merger control, in cases where the investment confers control within the meaning of the EU Merger Regulation? Will two separate prior notifications be required, as is the case for the interface with the FSR?
- Finally, how does the Commission intend to coordinate this mechanism with existing national FDI screening frameworks in Member States, in order to avoid overlaps or divergences in assessment and prevent fragmentation within the Single Market?

Article 24 - Delegation of powers

- The Commission is empowered to adopt delegated acts to supplement the list of emerging strategic sectors. Why does nuclear fission technologies not appear in this list? What are the reasons to include only fuel cycle technologies?

PUBLIC

CHAPTER V - INDUSTRIAL MANUFACTURING ACCELERATION AREAS

General questions :

- If the possibility to design dedicated areas where pre-planning and development measures could be anticipated is welcome, the current text suggests coordination and cooperation measures which could be taken without EU regulation.

Article 25 - Designating national industrial manufacturing acceleration areas

- How would industrial manufacturing acceleration areas articulate with other zonal initiatives such as the EU ports strategy, RefuelEU aviation or the Sustainable Transport Investment Plan? Would both be articulated?
- How does this proposal relate to the changes planned in parallel discussions in other Council bodies, namely the Grids package?
- Could the Commission clarify art 27.2. "*Before issuing the aggregated baseline permit referred to in paragraph 1, Member States shall carry out all necessary assessments, including relevant environmental assessments, planning procedures and evaluations applicable at the level of the acceleration area. Member States shall take into account the assessment carried out pursuant to Article 25(5).*"?
- Could the Commission confirm that the provisions aim to exempt project of environmental assessment if the plan/program that includes the projects has been subjected to environmental assessment?
- In case some impacts of projects could not be identified at the planning stage, how could they be addressed with regard to the proposal?

Article 27 - Permit-granting procedures in acceleration areas

- The article specifies that « Member States shall carry out all necessary assessments, including relevant environmental assessments, planning procedures and evaluations applicable at the level of the acceleration area ». Does the Commission imply that these assessments shall be carried out and financed by the Member State as a pre-planning measure? And if yes, how would this connect to State aid regime?
- Could the Commission precise if any substantial modification or new environmental effect can generate a new assessment and a new authorisation?
- Can the Commission clarify the scope of application of the strict protection regime for species and explain how a derogation from this regime may be granted under Article 16 of the Habitats Directive and Article 9 of the Birds Directive? Must such a derogation be granted for the entire area or for each individual project?
- To what extent is this provision equivalent to the renewable energy acceleration areas introduced by Directive (EU) 2023/2413 (RED III)? Should it be understood, through a combined reading of paragraphs 2 and 3, that projects are exempt from environmental assessment if they comply with the avoidance and mitigation measures provided for in the plan/program?
- Does Article 25 allow for individual permits to be granted before the aggregated permit is established?
- « This aggregated baseline permit shall cover the permits and administrative authorisations required for the industrial manufacturing projects located within the acceleration area, excluding those permits that are installation specific »: does this include planning/urban planning permissions? To what extent is this compatible with the administrative organization of the Member States and with the principle of subsidiarity?

CHAPTER VI - FINAL PROVISIONS

PUBLIC

Article 34 - Amendments to Regulation (EU) 2024/1735

[§5 - Amendment of Article 26]

- Regarding the superposition of « Made in Europe » requirements on existing resilience obligations, wouldn't it be more appropriate to replace those obligations, for the purposes of simplification?
- Regarding the list and number of components originating in the EU, why is there a discrepancy between the Impact Assessment and the criteria eventually proposed?

[§5 - Amendment of Article 26]

- The Commission's proposal raises the share of auction volumes concerned to 40%, or to 8 GW per year. What elements justify this threshold (rather than, for example, increasing it to 50%)?
- The Commission's proposal raises the waiver from 15% to 20%. Does the Commission intend to provide a clear methodology for this calculation to enable the activation of this waiver without it being used disproportionately?
- The exclusion of high-risk suppliers is relevant, but depends on the definition of "high-risk suppliers" which will be determined under the CSA revision. Why has this definition not been included directly in the IAA text?

[§8 – Addition of Annex II]

Part I – Public procurement

- The IAA proposal only applies to new build projects, which significantly weakens the impact of Made in EU requirements to EU resilience. What are the reasons leading to this restricted perimeter?
- The impact assessment report mentions that "Made in EU requirements should not be introduced before 2030". What are the reasons that prevent the application of this criteria earlier?
- Among the nuclear main specific components, the perimeter of safety systems is not clearly defined, which may hinder the implementation of "Made in EU" criteria. What is the set list of components corresponding to safety systems? Under what methodology will the union origin of this main specific component be verified?
- What reasons motivates that requirements should not apply to research, development and innovation projects including first industrial deployment of nuclear power plants?

Part II – Auctions

- Why does the Commission's proposal not allow to target certain components whose dependency is well established (such as permanent magnets, with a 97% dependency), in order to support the different projects in Europe, whereas the NZIA allowed these components to be specifically targeted?
- How did the Commission ensure consistency in determining the number of components required per technology and how will it take into account production capacities of industrial value chains in Europe? For example, in wind energy – a sector with significant existing manufacturing capacity – the requirements are low (1 component out of 9), whereas for emerging sectors they can be significantly higher.

- *[(a) Batteries and storage systems]*

- Under NZIA, cells, modules and packs are all considered main specific components for batteries. To assess the compliance of the criteria on the number of MiEU components (e.g., for EV batteries from n+3: 5 components originating in the EU including cells, CAM and BMS), the modules and the packs shall not be accounted. Could the Commission confirm and clarify that the modules and the pack shall also originate in the Union when it is required that cells originate in the Union?
- How will the main specific component « *Current collectors (including thin copper, aluminium, nickel and carbon foils)* » (defined by the Annex to Implementing Regulation 2025/1178) be characterised as originating in the Union? Will both cathode and anode foils have to originate in the Union, or only one of both?

- *[(b) Solar PV technologies] :*
  - Why did the Commission didn't choose directly the component, such as in PV industry for cells and why did the Commission choose to specifically target the PV cells as a component that shall originate in the Union but not the solar panel module?
  - Given that industrial projects have already been announced or launched across the EU, why did the Commission not set an N+1 target, as it did for the other technologies?

- *[(d) Onshore and offshore wind technologies] :*
  - Why are the requirements for offshore and onshore wind not the same (one main specific component), while at the same time it was not the case in the NZIA + not the same amount of main specific components? Why the Commission didn't spit the two technologies, like in NZIA?
  - For offshore, NZIA requires that minimum 5 out of 9 components are not coming from China, and the supply chain outside China is mainly in Europe. Why did the Commission choose to have a target for « Made in Europe » requirements which seems to be very low comparing to the market situation (1 component out of 9) ?

ANNEX II - Union origin requirements for net-zero technologies

- The impact assessment (p. 54 and footnote 215) indicates that the pilot market for steel proposed under the IAA is expected to unlock €15.5 billion investments in low-carbon steel by 2050. The amount is defined by the sum of announced "low-carbon" projects. These projects would correspond to an EU decarbonized steel production capacity of 41 million tonnes per annum (Mtpa).
  - Could the Commission provide further clarification on the methodology used to determine the incorporation mandate rates (e.g. 5% and 25%)? In particular, how do the resulting demand volumes compare with projected decarbonised production levels across the different Energy-Intensive Industries (EIIs)?
  - Could the Commission elaborate on how the demand secured through the pilot market is expected to align with the projected production capacity? More specifically, how has the relationship between incorporation rates, resulting demand, and the estimated €15.5 billion in investments been assessed?
  - In this context, could the Commission clarify whether a benchmarking exercise has been carried out between the expected pilot market volumes and the projected decarbonised steel production capacity, and how this informs the overall investment outlook?
- The impact assessment states that, compared to the baseline scenario—where export-led overcapacity in third countries may contribute to downward price pressures (notably in steel) and impact EU industrial activity—the introduction of "Made in EU" low-carbon requirements could support security, redirect demand towards domestic producers, and strengthen the resilience and transition of sectors such as steel and aluminium.
  - In this context, could the Commission further clarify the rationale for removing Union origin requirements for steel, particularly in light of the recently proposed trade measure?

- More specifically, how does the Commission assess the interaction between lead market demand and the quotas envisaged under the trade measure (e.g. around 13 Mt for flat products and 4 Mt for long products)?
- Could the Commission provide further insight into whether the demand volumes expected to be generated by lead markets are sufficient to support both the planned import volumes and the projected development of EU low-carbon production capacity?

- Public procurement in flat steel products and aluminium, as well as fertilizers and other chemicals, are much smaller than for cement and long steel products.
  - What is the rationale behind ruling out private mandates, especially regarding EII products for which public procurement only account for a small share of demand ?

- *[Other forms of public intervention]* The text applies low-carbon and Union origin requirements on specific raw materials, which also apply to the automotive sector.
  - How does the Commission take into account the fact that some of these requirements (such as green steel) are already incentivized by the CO2 Regulation on cars and vans?
  - In the absence of a precise definition of these requirements, how does the Commission assess the availability and additional cost implications of such requirements for these raw materials?

ANNEX III - Union origin requirements for vehicles

- The IAA sets out, for a small electric vehicle to qualify as "Made in the EU", an optional approach: (i) a 70% European value content rate in the global value of the car or (ii) a battery that meets "Made in the EU" criteria.
  - How did the Commission come to the conclusion of a substantially different definition, compared with the general definition provided by the IAA?
  - Can the Commission develop its assessment of the impact of this approach, especially which option does seem to be more likely chosen by the industry?
  - What would be the consequences if manufacturers were to prioritize one of the two criteria for the part of the value chain (subcontractors or battery value chain) that will be overlooked?

PUBLIC

II - SWD(2026)71 - IMPACT ASSESSMENT REPORT ACCOMPANYING THE COM(2026)100 PROPOSAL FOR REGULATION

PUBLIC

Policy options impacts

- *[p. 46]* The impact on economic trade does not clarify if interplays with CBAM have been accounted for. The impact assessment claims impacts are minimal, it reads: "*LEAD_EII 1 is expected to shift trade flows only modestly, increasing trade with producers of low-carbon materials while reducing demand for high-carbon alternatives. Low-carbon steel and low-carbon aluminium or, to a lesser extent, cement produced in non-EU countries would likely be redirected to the EU, to meet such requirements in public procurement and support schemes. While cement trade at the borders of the EU increased since the 2008 crisis, volumes traded remain marginal with the EU cement industry remaining a net exporter.*"
    - Has the combined effect of the Carbon Border Adjustment Mechanism (CBAM) entering into force and the associated risk of resource shuffling been taken into account in this assessment?

- *[LEAD_EII 1 – introduction of low-carbon requirements for EIIs materials used in construction and automotive in public procurement and public support schemes - p.32, p.36, p.132]* Regarding the introduction of low-carbon requirements for EIIs materials used in construction and automotive in public procurement and public support schemes by LEAD_EII 1, the text refers to Annex 4 of the impact assessment as well as to the JRC preparatory study for iron and steel for the ESPR, but these references themselves point to other studies and do not specify the definition of "low carbon" employed. Footnotes 163 (p.36) and 280 (p. 132, annex 4) provide estimates on downstream price increases, yet these estimates focus on the Chinese industry and do not clarify the calculation methodology. Whether considering the impact on downstream prices or the volume of secured domestic low-carbon demand (« label classes A-C » footnote 215, p.54), the effectiveness of pilot markets depends on the definition of "low carbon." The value-added estimation is based on a general equilibrium model, with price shocks of 0.225% and 0.4499% applied to the automotive and construction sectors, respectively (footnote 143, p. 32). These shocks implicitely convery a definition for “low carbon”.
    - Could you clarify which definitions of "low carbon" are temporarily used for: (i) the three EII products in the impact assessment, (ii) specifically for the calculation of value added in the pilot markets (p. 32), and (iii) for the calculations of downstream price increases (for steel, aluminium, and cement p.36)?

- *[PO2 LEAD_EII assessments - p.53]* The impact assessment appears to evaluate the effects of the "Made in EU" and "low carbon" criteria separately. However, the combined effects of these two criteria differ from the sum of their individual impacts. For example, the additional costs for downstream sectors do not account for the availability of decarbonised European production capacity. What justifies the assumption : *"assuming current supply/demand ratio is maintained, a high share of the steel and aluminium currently used in European vehicles and construction is already sourced from European production"* (p.55). Could the "low-carbon" requirement, as well as other economic factors (eg. Foreign overcapacity) not reshape trade ? Similarly, the report claims : *"A high share of the steel and aluminium currently used in European vehicles and construction is already sourced from European production"* (p.55). Note the absence of the term *"low carbon"* at the end of this statement.
    - What is the rationale behind the claim *"Made in EU requirements, however, are unlikely to create further economic benefits for the EII sectors."* ? More precisely, why does the impact assessment not evaluate the combined effects of the "Made in EU" and "low carbon" criteria?

Annex 16 : Net-Zero Technologies

PV

The Commission highlights the lack of capacity, particularly for cells.

- Why didn't the Commission add an intermediate requirement (N+1) which would allow time for new capacity to be created?
- Why didn't the Commission follow the proposal of the impact assessment cumulating inverters and two main specific components?

Batteries

- Could the Commission confirm and clarify that the modules and the pack shall also originate in the Union when it is required that cells originate in the Union? Under NZIA, cells, modules and packs are all considered main specific components for batteries. To assess the compliance of the criteria on the number of MiEU components (e.g. for EV batteries from n+3 : 5 components originating in the EU including cells, CAM and BMS), the modules and the packs shall not be accounted.
- How will the main specific component « Current collectors (including thin copper, aluminium, nickel and carbon foils) » (defined by the Annex to Implementing Regulation 2025/1178) be characterised as originating in the Union? Will both cathode and anode foils have to originate in the Union, or only one of both?

Wind technologies

- *[p.298-299]* The Commission states that the vast majority of wind turbine components are produced in Europe (at least nacelles and tower, for which production capacity will be sufficient to meet EU demand until 2030), with the exception of permanent magnets, for which a more gradual approach must be adopted.
    - Why is the "Made in Europe" requirement limited to a single component?
    - Why the requirement is significantly lower than the one in the NZIA for offshore wind (5 components out of 9)?

- [p.298-299] With regard to offshore wind, the majority of projects deployed in the EU to date have relied on foundations manufactured within Europe, supported by a well-established industrial base across several Member States (including Belgium, Spain, Denmark and the Netherlands)
    - In this context, could the Commission provide further clarification on the evidence underpinning its assessment of potential dependencies in this segment?
    - Furthermore, could the Commission elaborate on the interpretation of the graph presented in the impact assessment, which appears to combine annual deployment figures (in GW) for both onshore and offshore wind technologies? More specifically, could additional clarification be provided on how foundation-related considerations—primarily relevant to offshore wind—are reflected in this analysis?
- *[p.298-299]* In the figure W, what breakdown between the two technologies has the Commission assumed? What are the 2030 deployment targets for each of the two technologies and does it take into account the slowdown and delay in the awarding of tenders in Europe for offshore wind?
- *[p.298-299]* What is the Commission's position on the establishment of Chinese players in Europe (MingYang and Daijin in particular), which may significantly increase the capacity to supply the demand?

Electricity grid technologies

- *[p.299]* The impact assessment addresses the risks of dependency and cybersecurity relating to grid technologies, yet this sector is ultimately absent from the Commission's regulatory proposal. What is the Commission's strategy for addressing the risks identified in its impact assessment?

PUBLIC

Hungary's initial questions on the IAA proposal

We would like to raise several questions on the origin requirements and the implementation of the Industrial Accelerator Act, as these elements will have a profound impact on the functioning and competitiveness of automotive and battery value chains across the EU.

- The introduction of the 70 % EU content requirement and the stepwise increase in mandatory EU battery components represents a structural shift for many manufacturing ecosystems. It would be important to understand how the Commission intends to ensure that these obligations do not place disproportionate pressure on regions where e-powertrain and key battery component capacities are still emerging. This is particularly relevant in ecosystems undergoing rapid electrification, where supply chains are still transitioning from internal-combustion components to electric platforms. In such contexts, predictability and proportionality are essential. How would industry consultations be continued in the development of sector-specific criteria?
- The transition of supply chains toward European sources is a complex, multi-year process – in many cases requiring five to ten years of planning, investment, and technological adaptation. What are your views on the feasibility of the deadlines set out in the proposal?
- It is essential that the new requirements for third country investments do not trigger trade countermeasures or deter potential third country investors. How can we ensure that the currently proposed broad requirements will not be like that? Linked to this, manufacturers with ongoing industrial investments need clarity on transitional arrangements. Many projects were launched before the full localisation of the battery value chain — including CAM, BMS, anode and cathode production — could be secured within the Union. We would therefore welcome more detail on what flexibility mechanisms the Commission envisages to ensure that these investments can remain viable during the transition period.
- At the same time, while EU-based cell manufacturing is expanding, upstream refining of critical raw materials largely remains outside the Union. This structural gap risks creating distortions in origin calculations and compliance pathways. It would be helpful to understand how the Commission plans to address these inconsistencies, particularly in the early years of implementation, when upstream localisation will still be limited.
- Regarding support schemes, the decision to limit eligibility to corporate fleets raises practical concerns. It is essential to ensure that vehicles produced within the Union are not excluded from support solely due to methodological aspects of origin determination. Any unintended exclusion could reduce market availability, distort competition, and undermine the objective of strengthening European value chains.
- We would also appreciate clear guidance on supply-chain auditing and origin verification. In many industrial ecosystems, Tier 2 and Tier 3 suppliers face disproportionately high administrative and compliance costs. Without targeted support and streamlined procedures, there is a risk that smaller suppliers will struggle to integrate into the new framework, which could weaken the resilience of entire value chains.
- More broadly, coordination with existing legislation will be crucial. The IAA interacts with the Batteries Regulation, the ESPR and the NZIA, all of which contain their own verification and reporting obligations. We would welcome clarity on how the Commission intends to avoid overlapping requirements and cumulative administrative burdens for manufacturers.

- Predictability is equally important for the super-credit mechanism. Manufacturers with diverse product portfolios — including those producing both high-volume and niche electric models — need assurance that the mechanism will remain accessible and stable over time.
- With EV and battery production expanding rapidly across the Union, certification, conformity assessment and audit capacity may become bottlenecks. It would be useful to understand how the Commission intends to monitor and address these risks, so that compliance procedures do not delay market entry or investment decisions.
- What financial instruments would the IAA provide to achieve these goals, and how would it ensure that all member states have equal access to them?
- Why do CO□ reduction measures focus exclusively on the steel industry?
- Could the Commission elaborate on how the proposed actions are expected to contribute to lowering energy prices, including through which mechanisms or market effects this impact is envisaged? Could the Commission explain why the draft does not stipulate an EU origin requirement for steel products, and what considerations led to this approach?
- Regarding the envisaged requirements on workforce composition expected in the FDIs, could the Commission clarify why the draft legislation does not appear to reflect the common situation in which new investments initially rely on a higher share of foreign workers, with localisation occurring only after a transitional period?
- Has the Commission considered the views expressed by industry organisations regarding the introduction of mandatory intellectual property requirements within the FDI framework?
- In relation to the proposed FDI provisions, has the Commission considered introducing a binding decision deadline, potentially coupled with tacit approval in the absence of a timely decision, and could it clarify whether decisions falling under the Commission's competence would be subject to any form of legal remedy?

PUBLIC

Written Comments from IE to the PRES on the Industrial Accelerator Act

PUBLIC

Ireland welcomes the publication of the Industrial Accelerator Act and its focus on ensuring a competitive, resilient and sustainable manufacturing sector within the Union. Ireland also welcomes the opportunity to provide written comments to the European Commission and seeks clarifications on the issues described below.

As a general comment, the Act – while more streamlined than earlier drafts – the file remains overly complex, very challenging to implement, and the impacts of the which are still difficult to anticipate. In an era of simplification, the regulatory impacts of the Act should be much more easily articulated and understood by industry. Providing certainty and clarity to investors is crucial for ensuring Europe remains a friendly environment to operate and invest in. Delays created by regulatory ambiguity should be avoided so that Europe is welcoming to investment in new manufacturing capacity, new technologies and innovative processes among industry – delaying a wide range of detail and design of the measures to be dealt with in delegated acts prolongs this uncertainty. The administrative burden for Member States and businesses should be minimized wherever possible. Cost competitiveness for end customers is also of critical concern, and should be prioritized in the design of the provisions in the IAA.

<u>Further queries and comments:</u>

1. Can the Commission please provide a detailed list of the respective sectors that are subject to each provision and article of the published Act?
2. Can the Commission provide, to the greatest extent possible, a list of the countries covered by the different provisions and articles, including the impact of the amendments to the Net Zero Industry Act on eligibility to participate in public procurement and support schemes?
3. Is there a timeline for the completion of the referenced regulations, directives and can these please be set out graphically or in a gantt chart?
4. Is there an agreed hierarchy between the IAA and sectoral files? For example does the IAA automatically defer to the Environmental Omnibus, steel labelling under the Ecodesign for Sustainable Products Regulation, or the ETS review? How will alignment and sequencing across these instruments be achieved where multiple Working Parties and parliamentary committees are responsible for the development different files?
5. The proposed provisions pre-empt the outcome of the revision of the existing public procurement directives; this will increase legal uncertainty for buyers and may result in higher costs. Will the IAA take regard of the outcomes of the public procurement directive revision prior to approval and/or how will the two legislative initiatives be aligned?

6. Ireland has concerns over Article 12 on 'Other forms of public intervention' believing the article it be unduly prescriptive. Member States provide supports to businesses and households under State Aid rules, but these are necessarily demand-driven; it is not possible to set percentage targets for uptake of local content supported through these schemes as this will be determined by consumer choices. How can the Commission simplify these provisions?

7. More detail is needed about the mechanism for excluding third countries by delegated act. What will be the trigger for the consideration and preparation of a delegated act? Where and how will the threshold for determining (for example in Article 8.2.b for)"dependencies or any other developments that may threaten the security of supply"be established or how will this be decided? If it is the Commission making this decision how will Member States be informed of this?

8. Given the bespoke arrangement in place for Northern Ireland as a member of the Single Market for Goods, Ireland requires clarification about the status of Northern Irish economic operators and how they are treated for the purposes of the IAA. Are they, in effect, treated as EU27 firms or as UK firms, which have Union equivalence?

9. Is there a firm timeline or deadline for when the definition of low carbon will be provided through CPR and ESPR? Having such a definition will be necessary to provide clarity for IAA negotiation.

10. Cement accounts for 15% of the volume of concrete but cement accounts for about 80-90% of the embodied carbon of concrete. Therefore, to be effective that requirement above should either be stated as cement or should be a much higher percentage. Alternatively, it should be more specific and refer to Ordinary Portland Cement (OPC) mortar.

11. Under Chapter II of the IAA, two separate approaches to industrial manufacturing projects appear to be proposed; those who will engage with a single access point under Article 4 of the IAA, and energy-intensive industry decarbonisation projects (specified in Article 6) will engage with the single point of contact process as set up under NZIA. Clarification is required on these points as to whether different processes will apply to different industry types and how this will operate at concurrently national level. Can this be simplified?

12. Similarly, the justification for both Industrial Acceleration Areas and Net Zero Valleys to exist in parallel is very unclear. While the Valleys are voluntary, Member States would be obliged to designate an Acceleration Area under the IAA. A justification for the co-existence of the two structures and the divergence in approach across the two would be welcomed. Ireland strongly objects to duplicating regional designations – this causes confusion, and not clarity for investors.

13. The timeline (12 months) associated with identifying and designating national industrial manufacturing acceleration areas appears unworkable, particularly given

the environmental and climate-risk considerations involved. The application of tacit approval (Article 27.4) in these areas would not allow for sufficient due diligence.

14. While the legal basis of the IAA and the Investment Screening Regulation may be different, there are practical and pragmatic questions to answer as to how the two systems might operate in tandem if provisions of both regulations were to apply to the same investment. The recitals to the IAA note the complementarity nature of the IAA with the existing Foreign Direct Investment framework but offers no suggestion as to how this complementarity would operate in practice. Can some guidance be offered on how these two regulations will interact and which would potentially take precedence?

15. With regard to Article 18.2(c), a mandatory or quasi-mandatory licensing of intellectual property rights for foreign investors and sharing know-how as a condition of investment approval may create a disproportionate interference with property rights as protected under Article 17(2) of the EU Charter of Fundamental Rights, particularly in the absence of a case-by-case assessment. The requirement to share confidential know-how does not appear to align with the Trade Secrets Directive, which is based on the protection of confidential business information. Can the Commission clarify how these will be aligned?

16. The proposed automatic consigning of newly developed IP to the Union, and prescriptive rules on joint ownership in collaborative scenarios (Article 18.2(b)) may conflict with national laws governing initial ownership and freedom of contract and divergent Member State rules on co-ownership and exploitation. In high-technology sectors such as battery chemistry, EV systems or solar technologies where cross-border R&D collaboration, background IP integration and complex licensing structures are standard and as such, the proposed ownership and licensing conditions may prove commercially impracticable and could ultimately have a chilling effect on innovation-driven investment.

PUBLIC

LT Comments

Lithuania is pleased to share its initial views on the IAA proposal and appreciates the opportunity to contribute to the discussion of this important initiative.

Lithuania welcomes the proposal for a regulation aimed at strengthening the European Union's industrial competitiveness, economic resilience, and strategic autonomy, while accelerating industrial decarbonisation and reducing strategic dependencies on third countries. The initiative should be considered important in reinforcing the EU's industrial base, promoting investments in clean technologies, and ensuring secure and resilient supply chains.

Lithuania positively evaluates the proposed measures to simplify and accelerate permitting procedures for industrial projects, as these could significantly contribute to attracting investments and fostering industrial development across the Union. The provisions on industrial clusters and the creation of industrial acceleration zones are also viewed favourably; however, it is important to ensure sufficient flexibility for Member States in identifying and developing such zones. We consider it useful to assess how Member States are implementing permitting requirements established in EU legislation, such as NZIA and CRMA, taking into account that these requirements are applied within national legal systems.

At this stage, Lithuania could preliminarily support the provisions of the proposal regarding the application of the European preference principle in public procurement, as set out in Article 11 of the proposed regulation. This principle is intended to be applied selectively in civil strategic sectors, includes possibilities for justified exemptions, and ensures consistency with fundamental EU principles and international trade obligations. At the same time, Lithuania emphasises that, before applying the European preference to specific products or sectors, it is necessary to assess whether the intended objectives could be achieved by other means, such as diversifying supply chains, as well as to evaluate the potential impact on public procurement prices, administrative burden, and the EU's trade relations with third countries. It should also be noted that applying European preference criteria may increase project costs and create additional administrative burden for contracting authorities, including local and regional authorities; therefore, clear and proportionate mechanisms for assessing the justification of such criteria are essential.

Lithuania notes that certain provisions of the regulation, particularly those related to the application of European preference in public procurement and the definition of strategic sectors, may have uneven impacts across Member States. It is particularly important to ensure that the implementation of the regulation does not increase the costs of infrastructure projects in Member States with a limited energy-intensive industrial base and that a level playing field within the internal market is maintained.

Lithuania also underlines that the list of strategic sectors defined in the regulation should remain sufficiently flexible to allow the application of measures to other sectors relevant to the EU's economic security when needed. This is important to ensure that the industrial structures and specialisations of different Member States are adequately reflected and that the opportunities provided by the regulation are accessible to a broader range of strategic technologies and innovative sectors.

In implementing the regulation, it is also important to ensure regional balance and equal opportunities for all Member States. Particular attention should be paid to ensuring that smaller Member States with a more limited industrial base can fully benefit from the opportunities provided by the regulation and are not left behind in the process of industrial transformation.

Lithuania further emphasises that achieving the objectives set out in the regulation will require adequate financial support at EU level. Industrial decarbonisation, the deployment of new technologies, and the strengthening of supply chains require significant investment; therefore, it is important that regulatory measures are complemented by appropriate financial instruments accessible to all Member States and contributing to balanced industrial development and resilience across the Union.

In addition, Lithuania draws attention to the requirements set out in the regulation concerning the origin of vehicles and their components. While these provisions may contribute to strengthening European industry and the resilience of strategic supply chains, it is important to assess their potential impact on vehicle prices, supply chain flexibility, and global competitiveness. It is also necessary to ensure that these requirements do not limit supplier choice or disproportionately increase administrative burdens for economic operators and the public sector.

When forming Lithuania's final position on the provisions of the proposal related to foreign investment conditions and other industrial policy measures, it would be appropriate to further assess the potential economic impact.

PUBLIC

NL comments

PUBLIC

General questions:

- How does a generic industry target of 20% contribute to targeted and strategic industry policy?
- How does a generic industry target stimulate cost efficient industry policy?
- Part of the decline of industrial contribution is due to an economic shift to a more service oriented economy; how is this general economic tendency accounted for in setting a generic target?
- Are there any consequences to not reaching the target? How do the targets relate to the climate goals for 2030 and 2040?
- Will member states be required to translate this target into a national target of sorts?

Permitting:

- The Commission aims to harmonize permitting procedures, but PO2 (PERM 2) does not constitute acceleration of permitting procedures. Why did the Commission not choose for an option that not only strives to harmonize permitting procedures, but also presents concrete exemptions to speed up permitting?
- Where in the proposal's articles is the obligation that the portal has to be digital? Article 4 speaks only of a single point of access.
- The Commission has assessed policy option PERM 3 which has the same advantages as PERM 2 but adds benefits that can actually accelerate permitting and also have extra climate benefits. Therefore, contributing to three main targets of the proposal. Also, in the impact assessment the Commission acknowledges that option PERM 2 would not accelerate permitting. Could the Commission elaborate more thoroughly why option PERM 3 is not the preferred option?
- The impact assessment is also incomplete in some regards. What is the environmental impact of PERM 2 and PERM 3?
- Could the Commission elaborate more on how the IAA can speed up permitting procedures, especially when regarding article 6 of the habitats directive?
- Annex 7 of the impact assessment elaborates on how the grids package and IAA are related: 'the European Grids Package addresses issues related to access to grid infrastructure for industrial decarbonization projects'. Does this mean that the measures in the grids package can also be used when it comes to permitting for installation and conversion projects in the EII?

Made in EU:

- Article 11 describes exemptions for contracting authorities from using origin criteria; how is being assessed whether this was justified? How does the commission make sure that the rules are assessed in the same manner across the EU to maintain a level playing field? Especially when taking into account point 26 of the explanatory memorandum on self-declaration; when the opinions on using these instruments are this divergent, would it in light of level playing field be beneficial to monitor the use of the criteria more strictly?
- Did the Commission take into account to broaden the scope (also via other legal instruments) to private economic instruments as well, like private procurement?
- What will the delegated acts stemming from article 8 (2) entail? What will be assessed? When will the problem be substantial enough to use origin criteria? Would it be beneficial to

limit the time the instrument is used and will it contain an analysis why other instruments were not suitable to address the problem at hand?

Lead Markets:

- How does the Commission make sure a single applicable definition and methodology to measure low carbon is used?
- What would be the benefit for companies to apply for a voluntary label?
- The proposal presents already two different legal bases for what counts as low carbon. In light of legal certainty, how are these differences justified?
- How does the possibility of broadening scope for voluntary labels create legal certainty and long term perspective to do investments in clean production processes?
- Art 16 speaks only of sustainable carbon sources: will low carbon chemical products be addressed, in light of the effectiveness of the scope and the mandate of the CCA?
- Impact assessment: could the Commission assess the environmental impact of obligatory labels on products?

Acceleration Areas:

- How do the areas relate to the areas presented in the NZIA and the RED?
- Do articles 114 and 207 TFEU present the Commission with the right legal basis to oblige member states to name an acceleration area? Would article 192 TFEU be a better legal basis? Therefore: was PO AREA 1 not the more suitable policy option?
- Why is an obligation to designate accelerator areas necessary? What is the specific target of that obligation? Not every member state has industrial clusters or is actively seeking to designate one, while the member states that do lay emphasis on clustering industrial activities are probably inclined to designate one either way. Regarding the legal basis and the competence of the EU: would it not be better to give the possibility to member states to designate an acceleration area and give obligations and concrete advantages once the accelerator area is designated?
- What are concrete advantages or consequences when member states name an acceleration area? Are there for example consequences when the enabling conditions are not being optimized or materialized?
- How does the EU take care of a level playing field between the accelerator areas in the EU; since many of the enabling conditions come from member states, differences between the accelerator areas can arise. Furthermore: what are the consequences for the competitiveness of industrial clusters that need to transition but cannot be named accelerator areas due to the strict framework?
- What tools will the Commission use when the development and transition in accelerator areas lacks behind? Or is it the responsibility of the Member state to stimulate the transition? What is than the added value of designating areas?
- Point 58 speaks of 'public authorities covering the permits'; how does this relate to article 5 of the proposal (single entity)?
- How is cluster cooperation in multiple member states stimulated when the designation of clusters has to be done in a geographic scope within a member state?
- What is the impact of PO's AREA 1 & 2 on 1) competition; 2) SMEs; 3) administrative costs?

PUBLIC

FDI

- How does the Commission justify its authority to screen foreign investments under the IAA, and how does this interact with the powers of Member States, particularly regarding national security and economic protection?
- How does the 40% threshold apply to joint ventures where foreign investors hold up to 49% ownership? What impact does this have on their legal status within the EU under the IAA?
- How does the EU preference principle, which prioritizes investments that strengthen the EU's industrial capacity, align with the Commission's approach to FDI screening under the IAA?
- Why has the Commission introduced screening with a view to economic security, in parallel to the FDI-screening Regulation and its proposal for revision thereof, instead of solely focusing on economic considerations? What does this mean for the EU's appeal to foreign investors?
- How will the Commission reduce the administrative burden on national authorities involved in FDI screening, and how will this impact the efficiency of current national systems?
- How does the IAA ensure that the EU meets its international obligations, such as those under GATS, and how do these obligations affect the FDI screening process?
- Why does the Commission have the power to independently initiate FDI assessments and block foreign transactions? How will this affect the EU's investment climate and Member States' economic interests?
- How can Member States influence the expansion of strategic sectors by the Commission, and what guarantees are in place to ensure transparency and fair involvement in this process?
- How does the Commission ensure that the €100 million threshold for FDI screening is proportional, particularly for smaller Member States or emerging sectors where such investments may have a disproportionate impact?
- How will the €100 million threshold affect smaller or emerging markets within the EU? Will it help or hinder foreign investment in these regions?

Reducing high-risk strategic dependencies

11. How does the IAA contribute to reducing the EU's high-risk strategic dependence on non-EU countries, especially in critical sectors like technology, energy, and infrastructure? In other words; How does this strengthen the EU's ability to withstand external shocks?
12. How does the IAA align with the Communication on Strengthening Economic Security (2025), especially regarding the (ongoing) risk assessments and prioritizing critical value chains for long-term economic stability?
13. Which tools will the Commission use under the IAA to mitigate economic risks from foreign investments, and how will these be coordinated with existing EU mechanisms for investment control and economic security? In the Communication on Strengthening Economic Security, a reference is made to a EU toolbox with both defensive and offensive instruments. How are these tools linked to the IAA?
14. How does the IAA support the EU's Economic Security Strategy (2023) and Communication (2023) in protecting strategic sectors from foreign influence while also strengthening economic sovereignty?

PUBLIC

Poland's strategic comments on the draft IAA Regulation

PUBLIC

[general assessment of the direction of industrial policy in the context of the IAA]

- Poland supports actions undertaken at the level of the European Union aimed at strengthening the industrial potential of the Community, in particular counteracting the relocation of production outside the EU and developing complete European value chains.

- The instruments provided for in the IAA should be designed in a way that takes into account the specific nature of all sectors with a high share of process emissions.

- The IAA correctly identifies the issue of high energy costs, but does not introduce mechanisms that would lead to their reduction.

- EU industrial policy should focus more strongly on reducing the systemic costs borne by energy-intensive industries, in particularly energy, raw materials, and regulatory burdens, instead of building new mechanisms based primarily on emission-related criteria.

[the method of defining emissions intensity for the classification of low-emission products]

- The decisive factor for Poland's final assessment of the entire project is the manner in which the criterion of European origin is linked with the low-emission criterion.

- The implementation of the mechanisms set out in the IAA should strengthen the cohesion of the single market, support the transformation of existing industrial complexes, and take into account the diverse starting points of the Member States.

- The IAA mechanism cannot reward countries with a more favourable energy mix. The criteria should reward actual environmental actions at the level of production facilities, rather than national energy conditions alone.

- On the basis of preliminary IAA drafts that have entered the public domain, we conclude that mechanisms linking the criterion to the national energy mix were considered – such a direction would be unacceptable.

- We oppose transferring decisions in this area to a delegated act - the European Commission cannot have such broad powers to unilaterally decide on matters of fundamental importance for the functioning of the market and industry. The IAA should include appropriate safeguards to prevent solutions that would pose a threat to the coherence of the single market.

- At the same time, we express support for introducing a clear and transparent methodology for calculating CO_2 emissions, applied equally to EU producers and importers.

- It is necessary to take into account different steel production technologies instead of dividing the market solely into flat and long products. An overly simplified division could weaken the competitiveness of Polish steel mills.

- The criteria should also be consistent with the principle of technological neutrality. The cement industry needs the ability to apply various emission-reduction technologies (including CCS/CCUS, alternative fuels, new types of cement).

PUBLIC

[geographical dimension]

- The issue of European preference and the system of defining it need careful consideration during the work in order to ensure effectiveness of instruments designed to support European production.

[simplifications]

- The regulation needs to be simplified. Significant simplification of the IAA draft is essential to ensure that it is understandable and can be fully and correctly implemented by the sectors subject to the regulation. Clarity of provisions is key for effective application and for reducing the risk of inconsistent interpretations.

- There is a risk of increased administrative burdens arising from the need for entities to document the origin of components and compliance with low-emission and security criteria.

- The structure of the IAA relies heavily on the extensive use of future delegated acts by the European Commission, which in practice would determine the final functioning of many mechanisms of the regulation. This direction conflicts with the objectives of the simplification agenda.

[conditionalities in direct investments – for possible use]

- The European Commission has decision-making powers regarding the approval of new investments in certain situations (large investments, lack of agreement between Member States in multinational transactions) - this may potentially create challenges with regard to the autonomy of Member States in this area.

FROM SE

Comments and questions of general nature in relation to the Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a framework of measures for the acceleration of industrial capacity and decarbonisation in strategic sectors and amending Regulations (EU) 2018/1724, (EU) 2024/1735 and (EU) 2024/3110 (Industrial Accelerator Act).

PUBLIC

Article 2

What analysis underpins the industrial policy target of increasing the EU's manufacturing share of GDP to 20% by 2035?

Chapter II – Article 5

Should Article 5 be understood as requiring a single comprehensive formal decision at national level, or can the requirement be fulfilled through a coordinated sequence of separate national decisions?

With regard to the competent authority, must this authority have its own decision-making powers, or can it function solely as a coordinator between several independent authorities?

Chapter III and related Annexes

Article 11.1 IAA and Article 25a(1) NZIA

What is the purpose of excluding operators from certain third countries in procurement procedures?

Would such exclusions apply even where an operator from a third country manufactures within the EU and supplies products of Union origin?

Article 16.1

What types of demand-side measures for the chemical industry could be covered by delegated acts, and could these extend beyond the measures set out in Articles 11 and 12? Furthermore, could the Commission clarify why the proposed measures are limited to "sustainable carbon sources" and do not appear to include other forms of recycling, such as recycled plastics? What types of measures could this delegated act entail in practice? 2

Articles 12 and 34 IAA

Does Article 12 on public support schemes also cover tax measures? The Impact Assessment suggests that tax incentives are intended to be included.

How does the interaction between Articles 12 and 34 align with Article 114 TFEU, given that tax measures fall outside its scope (Article 114(2)) and are normally adopted under Articles 113 and 115 requiring unanimity?

Does the Commission confirm that Articles 12 and 13 set requirements on the design of public support schemes, rather than prescribing the share of national budgets to be allocated?

Annex III (Parts II and III)

Why are different definitions of Union origin proposed for PEV, OVC-HEV and FCV compared to M1?

What impact could this have on competitive conditions between vehicle manufacturers?

Where is the definition of "main specific battery components" provided?

Chapter IV

How does Chapter IV relate to the forthcoming regulation on the screening of foreign direct investments in the Union? Could certain investments be subject to parallel procedures under both frameworks?

Does the Commission have an estimate — even approximate — of the number of cases per year that could fall within scope?

Chapter V

How does the Commission assess the added value of acceleration areas compared to the general permitting provisions already set out in Chapter II?

Could the Commission clarify the legal nature of the "aggregated baseline permit"? Which elements are intended to be covered at area level, and which should remain subject to project-specific permitting?
Are acceleration areas primarily intended for brownfield sites, or may Member States also designate new greenfield areas?
How should potential conflicts with other legitimate land-use interests — such as housing, protected nature or the rights of Indigenous peoples (e.g. reindeer herding) — be addressed?
3
Should such balancing be carried out fully under national law, or is there an EU-law dimension?

Comments and questions of general nature in relation to the Impact Assessment

Scope and selection

Could the Commission explain the rationale for the selection of products and sectors covered under each chapter of the proposal?

Legal basis (Article 114 TFEU)

The proposal relies on Article 114 TFEU, referring to resilience challenges and the green transition as justification for harmonised EU action to ensure a level playing field and avoid fragmentation. Will the Commission provide a more detailed analysis of the concrete risks of fragmentation or distortions of competition that justify the use of Article 114?

Administrative burden

What is the Commission's assessment of the administrative burden on contracting authorities resulting from the proposed measures?
Has the Commission assessed the administrative implications for Member States with decentralised permitting systems?

Acceleration areas

How does the Impact Assessment take into account differing geographical conditions across Member States when assessing the feasibility and effectiveness of acceleration areas?

Implementation capacity

Has the Commission assessed how the establishment and operation of acceleration areas would interact with existing national permitting frameworks, particularly in Member States with multi-level governance structures?

PUBLIC

DK comments

PUBLIC

Questions for the Industrial Accelerator Act

Regarding chapter I – General Provisions:

- Article 3: To what extend has the definitions in regulation (EU) 2023/1804 regarding alternative fuels infrastructure been taken into account when making the definitions in the current regulation?

Regarding chapter II - permits:

- Can the Commission provide an overview, e.g. in a technical note, of all the recently adopted legislation with permits in their scope - particularly how their scopes interlink and/or overlap? This should include at least an overview of:
    - Net Zero Industry Act, Critical Raw Materials Act, Critical Medicines Act, Renewable Energy Directive(s), Defense-Omnibus, Grids-Package, Industrial Accelerator Act etc.
- We note that the wording in Article 4(2) of the proposed Industrial Accelerator Act, requires single access points to use European Business Wallets (EBW). However, considering the most recent developments in the EBW negotiations pointing towards a more flexible approach to the use of EBWs by public authorities, the wording needs to be adjusted to reflect recent changes in the compromise text, ensuring sufficient flexibility for Member States in the implementation. In any case, it will be important for the IAA to adhere to the final language of the EBW regulation.
- Considering the specific functionalities mentioned in article 4(2), could the Commission elaborate on how single access points are envisaged to support automated data exchange in practice, in particular whether this involves document exchange (e.g. PDFs) or automated exchange of structured data, and what this implies for implementation requirements?
- Considering the specific functionalities mentioned in article 4(2), could the Commission elaborate on how single access points are envisaged to support automated data exchange in practice, in particular whether this involves document exchange (e.g. PDFs) or automated exchange of structured data, and what this implies for implementation requirements?

Regarding Chapter III – Strengthening EU's value chains

- Article 8 (2): The Commission is given the authority to exclude countries based on a)-c). But how is b) considered to be in compliance with the EU's international obligations, such as those under the GPA?
    - At first glance, the justification relating to avoidance of supply chain dependencies does not seem to be covered by the exceptions in the GPA.
    - Because if that were the case, then b) would fall under c).
- Article 11 (1) – Rejection of tenderers from third countries
    - How should the "control" element be interpreted in "tenders submitted by economic operators owned or controlled by an entity established in third countries"? The Commission's guidance on the IPI comments on this – can it serve as an aid for interpretation?
- Article 11 (4) – Documentation:

    - Can a main supplier – even when multiple subcontractors are used – suffice with submitting only one self-declaration stating that they ensure compliance with Union origin and low carbon requirements down the supply chain?

- Article 12: Does the term "public support schemes" also include differentiated road tolls for zero and low emission vehicles and/ differentiated registration tax rates?
- Has the Commission assessed what introducing EU preference requirements for electric vehicles would mean for the speed of EV rollout in the EU, including the potential climate effects?
    - Has the Commission calculated whether the European automotive industry will be able to deliver all the EVs demanded as a result of the CO2 standards for light-duty vehicles and the requirements for a certain share of zero- and low-emission vehicles in large corporate fleets?
- What is the rationale for introducing dedicated articles on EU preference requirements for electric vehicles rather than including them in the general "broad" article?
    - If there are to be specific EU preference requirements for vehicles, why are they not being negotiated in conjunction with the revision of the CO2 standards for light-duty vehicles and/or the regulation on clean corporate fleets?
- How does the proposal correspond to existing legislation such as the new legislation regarding "End-of-life vehicles"?
- The 'main specific components' for batteries, solar-panels etc – are they the ones defined under the NZIA Delegated/Implementing Acts?

Regarding Chapter IV – Foreign Investment Contribution

- How did the Commission arrive at the cut-offs of 100m EUR investments from countries with at least 40% global manufacturing?
- Art. 18, paragraph 2 establishes a requirement for authorities to only approve foreign direct investments that fulfil either four or more of the following six conditions. However, paragraph 4 in the same article mentions certain requirements before applying these conditions, including that no alternative measures are available.
    - Could you clarify further, essentially whether there is a requirement or not to include the mentioned conditions before approving investments?
- Art. 19 (6) regarding cross-border investments and Art. 21 where the Commission, on its own initiative, may decide to undertake the assessment of a foreign investment makes it less clear for the investor who has the final say. Could you provide some further clarity as to when and why the Commission would take over the assessment?

Regarding Chapter V – Industrial Manufacturing Acceleration Areas

- How does the proposal ensure coherence with impact assessments under the Habitats and Water Framework Directives in order to ensure the necessary level of detail, given this type of project-disclosure would not be required in industrial acceleration areas?
- Is the intention that the IAA should not prohibit nationally protected and ecologically sensitive areas from being included in industrial acceleration areas?
- Art. 27: can the Commission provide some examples of which permits and authorisations that are to be covered by the baseline permit, when permits that are installation specific are excluded? We would like to know how to interpret

'installation specific' since most permits could be considered installation specific depending on the interpretation.

Regarding Chapter VI – amendments to NZIA

- Could the Commission describe the Union origin requirements for net-zero technologies in more detail? What is meant by the requirement that, for example, offshore wind tenders must include one main component of EU origin?
    - Would this mean that, in an offshore wind tender, all wind turbines must be of EU origin?
- The Commission itself highlights that introducing Union origin requirements will increase investment costs for several net-zero technologies, and that the EU does not have the full production capacity to meet demand.
    - Has the Commission assessed what impact the proposal would have on the speed of the energy transition, including any supply- or climate-related consequences?

ANNEX III (Scope):

- Currently, there does not appear to be a lower limit for the scope regarding service contracts, cf. part 1, subpara.2. Has consideration been given to delineating the scope of the proposal – it is noted that particularly many public contracts will be affected, e.g., window cleaning, supply of office supplies, transportation of schoolchildren to special programmes, since almost all public contracts include an element of transportation to deliver the service or goods?
- Is it correct that contracting authorities are not required to assess whether the manufacturer meets the "Union Origin" requirement, but may simply rely on and accept the tenderer's (typically dealer's) self-declaration?

PUBLIC

Slovenia - Preliminary comments and questions regarding the Industrial Accelerator Act

19. 3. 2026

GENERAL COMMENTS:

Slovenia would like to thank the EC for providing this proposal as a concrete step towards addressing the challenges posed by the transition to a clean, digital, competitive and resilient EU economy in key industrial sectors.

Upon initial examination of the act, we would however like to express some concerns regarding the complexity of the act as well as the amount of envisaged delegated acts to be adopted. With many references to other EU acts, either already adopted or in the process of adoption, we believe that this brings a lot of uncertainty to the process and has already proven to be cumbersome, exerting a lot of strain on the administration in terms of coordination with all relevant entities. In this sense we feel that the structure of the act does not provide the needed clarity or legal simplification, nor does it contribute to the reduction of regulatory and administrative burdens for Member States.

Based on our experience with the implementation of the NZIA act we would like to stress that fragmented regulation of permitting procedures in individual EU acts (and omnibus acts) and for different target groups is problematic, as it leads to ambiguity and unpredictability and creates additional administrative burdens, particularly for authorities in MS.

Regarding the establishment of Industrial manufacturing acceleration areas, we propose that the establishment of these areas be voluntary. This is a major challenge, particularly for small Member States that do not have regional structure, as evidenced by the experience of acceleration valleys the NZIA. In the event of mandatory requirements, exceptions to this article should be permitted and defined. If such a provision remains, we believe that the specified 12-month deadline for the establishment of such areas is too short.

Regarding the proposed provisions on public procurement, taking also into account the systemic perspective of public procurement regulation, we would like to reiterate our concern regarding the current high degree of fragmentation of rules across various sectoral Union acts, which directly or indirectly also affect the field of public procurement rules or supplement them, making the situation unmanageable for users.

Similarly in terms of cybersecurity the solutions as provided for in the act must remain proportionate and aligned with the existing EU cybersecurity framework and must not cause additional fragmentation of cybersecurity requirements or disproportionate burdens on businesses. Regarding the provisions concerning strategic technologies and supply chains, we draw attention to the cybersecurity aspect of trusted suppliers, particularly for components related to critical energy and digital infrastructure. In provisions on foreign investments, cybersecurity risks related to remote management, software, updates, and the impact on critical infrastructure should be considered alongside technology transfer and local value.

Considering the existing Union legislation regarding environmental assessments we believe that there could be conflicts of laws. Namely the instrument of tacit approval is not in compliance with the Habitats Directive, as Article 6(3) requires the competent authority to actively and scientifically assess the project and ensure that there is no reasonable scientific doubt regarding its impact on the integrity of the Natura 2000 site, as the Court of Justice of the EU clearly emphasized in the Waddenzee judgment and in subsequent case law, which is based on the precautionary principle and strict standards of proof. Automatic mechanisms, such as tacit approval, bypass necessary procedural steps, prevent the examination of

alternatives, and preclude the mandatory substantive assessment that is also essential for energy-intensive decarbonization projects, where risks to nature often require even stricter consideration. Therefore, tacit approval is not compatible with the requirements of a thorough and active assessment as mandated by the case law of the Court of Justice of the EU.

Specific questions:

- Would like to request the EC to explain why the provisions of the Act only apply to the construction of new manufacturing facilities and not the use of existing capacities such as for example existing but abandoned industrial buildings?
- Regarding Articles 8 and 9, which mention agreements with third countries, we would like to know whether the Commission will provide a precise list of the third countries covered by these articles, or whether Member States will be left to determine this on their own?
- Regarding Articles 8 and 9, which require verification of European origin in public procurement and other forms of public intervention, we believe this will be administratively very burdensome for public institutions and that, if this remains in the act, it would be necessary to introduce certain thresholds above which these requirements would need to be verified.
- To what extent do the projected benefits for energy-intensive industries depend on mandatory lead-market requirements, and could these measures disproportionately shift costs to downstream sectors such as automotive and construction?
- We need a sufficient EU production capacity for low-carbon steel, aluminium, cement, batteries, and solar PV to meet the demand created by the proposed measures by 2030. What happens if supply scales up more slowly than expected?
- Regarding Article 12(1), which specifies the shares of the national budget that must be allocated to measures related to the EII or vehicles — how does the Commission envision Member States calculating and verifying this?
- Regarding Article 14, we are wondering if there might be an error in the citation of the article? (Should Article 4(1) of the Regulation on CO2 standards be cited instead of Article 5(1))?
- Regarding Chapter IV, Article 18 - How did the Commission envisage the verification of compliance with the conditions set forth in the first paragraph of Article 17 (an investment exceeding EUR 100 million in strategic sectors where a third country, whose citizen or company is the foreign investor, holds more than 40% of the global production capacity in that sector or sectors). How many such potential cases are there? It is stated that, for the purposes of verifying the threshold of a 100 million EUR investment and 40% of global production capacity, the foreign investor's investments in target entities within the Union made since the entry into force of the Regulation are aggregated. How does one obtain this data, especially if multiple Member States are involved? Who should be the investment authorities of the Member States? Since establishing new authorities or institutions is an administrative burden for MS, is it possible that such an Investment Authority be an interministerial group for example?
- How should the verification of compliance with the conditions set out in Article 18(2) be carried out? Based on data provided by the foreign investor? The veracity and accuracy of the data? The EC will issue an implementing act, but we are still interested in how it envisions the practical implementation of this provision.

PUBLIC

- Article 19(1) stipulates that a foreign direct investment must be notified to the investment authority. The third paragraph specifies when a foreign investor is deemed to have control. Where the acquisition or establishment of an investment by a foreign investor result in foreign investors collectively exceeding ownership or control thresholds, such acquisition or establishment must be notified. How should Member States obtain data to verify compliance with the conditions set forth in the fifth paragraph (considering combined shares held directly or indirectly, including through related parties, chains of ownership, or foreign investors acting in concert)? Based on information provided by the foreign investor? How should Member States verify the authenticity and accuracy of the data or statements?
- Article 22 stipulates that the investment authority regularly monitors the foreign investment and that the foreign investor regularly reports to it on compliance with the conditions. What if they do not report? How can the accuracy and veracity of the reported data be verified?
- In Chapter V, Article 25, we are interested in why the provision is written as an obligation for Member States rather than voluntary? This is a major challenge, particularly for small Member States that do not have regional structure and based on experience from the NZIA (Acceleration valleys)? We believe that the conditions are quite extensive and complex. We estimate that the permit issuance process will be quite lengthy and that the proposed 12 months is too short a timeframe for designating at least one acceleration area. Or rather, we do not understand why a timeline is provided at all. We propose that the establishment of these areas be voluntary. In the event of mandatory requirements, exceptions to this article should be permitted and defined.

PUBLIC

CZ questions CY PRES

1. *Given that high energy prices remain a key concern for energy-intensive industries, could the Commission clarify how the proposal addresses this challenge, and what complementary budgetary or support measures are envisaged to mitigate its impact?*
2. *While acknowledging the Commission's objective to reduce administrative burden, could the Commission clarify how the proposal ensures that the new requirements remain proportionate and manageable for both businesses and public administrations, given their potential complexity?*
3. *How does the Commission ensure that the proposed low-carbon requirements remain fully technologically neutral, in particular with regard to different pathways to decarbonisation across Member States?*
4. *We would welcome further clarification regarding the underlying analytical considerations supporting the objective of achieving a 20% share of manufacturing in EU GDP. In particular, it would be useful to understand whether this objective is based on specific analytical work, modelling or scenarios, and on which data sources or analytical assessments this quantification is founded.*
5. *We would appreciate further information on whether the Commission has considered any indicative assumptions regarding the evolution of manufacturing's share in GDP across individual Member States, taking into account structural differences among their economies.*
6. *How does the Commission intend to ensure that requirements related to low-emission electricity in industrial acceleration areas do not disadvantage Member States with different energy mixes?*
7. *The industrial acceleration areas should take into account Small Mid-Caps. As there are however now several different thresholds for what could be considered a SMC, could the Commission elaborate further, which particular SMCs should be taken into account?*
8. *Regarding nuclear energy, could the Commission clarify how the proposal ensures that cooperation with trusted international partners is not constrained, including in the development of small modular reactors? The "EU 27 only" approach chosen in the Annex II part IV of the NZIA revision seems to be too restrictive; what is the interplay with part I dealing with public procurement, where the geographical scope is broader?*
9. *Could the Commission clarify how the proposed framework for foreign direct investment is expected to impact the EU's attractiveness for investors and to what extent it may risk relocating investments outside the Union?*
10. *From the perspective of subsidiarity, how does the Commission justify the introduction of provisions affecting national administrative procedures, given that industrial policy is primarily a coordinating competence? Has a legal assessment been carried out in this regard?*
11. *Could the Commission clarify how it has assessed potential impact of the proposed "Made in EU" measures on electricity prices and overall electricity*

market functioning, especially in view of the possible effects on downstream users acknowledged in the impact assessment?

PUBLIC

GER Questions Industrial Accelerator Act

PUBLIC

GERENAL QUESTIONS

- In the introduction (pp. 6 ff.), the Commission states that the IAA regulates only the "what" of an EU preference, while the "how" is regulated by the EU Public Procurement Directive. In fact, however, the IAA also regulates the "how" of an EU preference. Which procedural aspects does the Commission intend to have additionally regulated in the EU Public Procurement Directives? How does the Commission reconcile the proposed new rules with its stated goal of simplifying and consolidating the EU public procurement legal framework?
- How does the Commission intend to ensure the most uniform application of the IAA across the EU (especially for vehicles)?
- Is the assumption correct that the IAA addresses only products, or are services in the respective sectors and technology fields also included?

CHAPTER I - GENERAL PROVISIONS
(Article 1-3)

- Which sectors are included in the designated target of a 20% manufacturing share in EU GDP? Does it include all manufacturing sectors, including defense?
- Are there specific guidelines for individual sectors or Member States regarding the allocation of the 20%-target?

CHAPTER II - ENABLING CONDITIONS FOR INDUSTRIAL PRODUCTION AND DECARBONISATION
(Article 4-6)

- Art. 4: Does the single Point of Access apply to all manufacturing projects or only to the strategic technologies that are defined under ANNEX I?
- Art 5.3. What would happen if the competent authority does not give a feedback within 45 days? Would this automatically imply that the documents are complete or can the competent authority ask for additional documents after the 45-day limit?
- Art. 6: does that mean that member states have to set up central contact points for energy intensive industry decarbonization projects.
- Regulation (EU) 2024/1735 Chapter II Art. 9 lays down different time-periods for permitting procedures for different NZIA-technologies. Which time periods will apply for energy intensive decarbonization projects?
- How will the IAA be connected to the environmental omnibus?
- How is the interplay between the single access point in the IAA and the single points of contact in sectoral legislation like NZIA and CRMA? Is the single point of access pilotage office? What shall be the tasks of the single access point?

PUBLIC

CHAPTER III - STRENGTHENING THE UNION'S STRATEGIC INDUSTRIAL VALUE CHAINS (Article 7-16)

- Public contracting authorities are subject to several obligations: Under Article 11, they must verify the ownership and control structures of companies. Under Articles 7 and 8, they must verify the origin of products. Under Annex II, they must verify the components of low-carbon basic materials. Do we understand correctly that these requirements may need to be met cumulatively and that public contracting authorities must also verify the fulfilment of all these requirements cumulatively?
- Does the possibility for an exception in the case of 25% price increase concern the project costs in total?
- How do the requirements regarding Union origin or the origin of products relate to the preferential rules of origin with our FTA partners and the non-preferential rules of origin?
- How are EFTA partners and FTA agreements currently under negotiation (e.g., IND) taken into account in the Union origin definition of Article 9?
- To avoid confusion, has the Commission considered using a different wording for "Union origin", like "Union or Partner origin", for cases where non-Union sources like FTA and Customs Union partners are included?
- Can the Commission please explain how the review process for free trade partners, as provided for in Article 9, is to be conducted, given that it could result in partner countries being excluded from the "Union origin" definition? What does an exclusion "in part" mean specifically? Why is this review to be carried out via delegated acts, i.e., without the involvement of the Member States?
- Will there be a time limit to the exclusion of free trade partners or is the exclusion permanent? How is this regulated? How will trade partners be re-integrated?
- Has the Commission conducted an approximate impact assessment on how many partner countries could be excluded from the "Union origin" definition under the exception in Article 9(2)? Can you give examples for what reasons these partner countries would be excluded?
- Art 9 (2): How often will the COM evaluate the third countries that are included under 9 (1)?
- How will Art. 9 (2) (b) be examined and how is "developments that may threaten the security of supply" defined? Will the definition apply to products as a whole (e.g. EVs) or components as well?
- Which reactions does the Commission expect from non-included countries (e.g., USA, China)?
- Why is steel not included in "Union origin," unlike aluminium and cement?

- In this context, could Commission further elaborate on how the trade measures are sufficient enough to support the ramp up of low carbon steel in the EU in comparison to a clear EU preference?
- Can the Commission please explain how the self-declaration regarding "Union origin" and "low carbon" is to be structured in order to provide legal certainty for companies? How can verifiability be ensured? To which extent shall public authorities verify the self-declaration under Art. 11.4?
- Art 11.3 how shall contracting authorities be enabled to estimate cost differences for different technologies and contracting subjects? Will the EU-Commission provide these cost analyses as well ,as the necessary data. Shall the data be based on international price setting, European or regional? If the price setting will need to differ regarding the procured product, will the EU Commission give guidance which data has to be used for which technologies?
- Should value-added contributions from FTA partner countries be completely excluded for company cars (Art. 13)? And should the assembly of EVs take place in the EU (i.e., not in FTA partner countries), see Annex III?
- Can the EU Commission clarify the definition of public support schemes? Does it include tax reductions? Does it include state aid programmes like the EEG apportionment?
- Art 12.3 (b) how shall contracting authorities be enabled to estimate cost differences for different technologies and contracting subjects? Will the EU-Commission provide these cost analyses as well ,as the necessary data. Shall the data be based on international price setting, European or regional? If the price setting will need to differ regarding the procured product, will the EU Commission give guidance which data has to be used for which technologies?
- Why are most critical technologies under COM Recommendation of 3 October 2023, relevant for economic security, not included in the IAA? Can you please explain whether and how exactly you envisage to inclusion of these technologies in the IAA and whether and how exactly you intend to apply union origin or similar instruments in technology-specific act (such as Chips Act 2.0, Biotech Act, Space Act, Quantum Act etc.)?
- In the Commission's view, what criteria should be used to define "low carbon"? Would transport emissions also be covered? If not, why not? If transport emissions are included, which ones are taken into account? What criteria are used for selection and differentiation (e.g. only transport between the mine and the blast furnace, or also transport to the customer)? If only partial coverage is applied, what differentiation criteria are used in that case? How does the industry view this?
- How is the electricity mix factored into the calculation of the low-carbon criterion, and should the EU electricity mix be used as the basis?
- Why has the use of existing voluntary labels, which could reduce the administrative burden associated with demonstrating low-carbon production, not been taken into account? What are the advantages of the approach of redesigning compared to building

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on existing labels? Was the industry consulted on this, and what is the position of steel manufacturers on the matter?

- Since MS have no or only limited obligations to participate in the DA, can the COM clearly outline the effects and the processes of the COM proposal?
- Are there plans for a possible use of such initiatives especially prior definitions and labels under CPR and ESPR are available?
- Is Article 16(1) to be understood as meaning that the Commission may establish EU preference and low-carbon requirements for chemical industry products by means of a delegated act?
- Is Article 16(2) to be understood as meaning that the Commission may amend the values set out in Annex II for low-carbon products or the requirements for EU preference by means of a delegated act?
- How does COM intend to ensure that the potential extension of Chapter III to further sectors and technologies by means of delegated acts (Article 16 [2]) does not interfere with sector specific regulations (existing or planned)?
- How does the Commission ensure coherence with other industrial policy initiatives (e.g.: the EU Industrial Maritime Strategy mentions includes EEA countries in union preferences in public procurement)?
- In what relation would the EU preference criteria in the IAA stand to the proposals for the upcoming MFF 2028–2034, in particular with regard to the Competitiveness Fund (ECF)?
- What are the Commission's expectations regarding the treatment of the USA? Should there be exceptions or clauses for certain products or services for reasons of economic security and national security?
- How does the Commission plan to address potential circumventions (third countries circumventing an exclusion of the union preference through partner countries)? Can this be addressed in an unbureaucratic, effective and verifiable manner?
- For funding programs: application to 45% of the national budget
    - Does the application only apply to housing construction and e-mobility (Article 12 with references to Part II Annex II and Part II Annex III)?
    - How should this be classified in relation to NZIA requirements (further programs? System behind it?)
- For funding programs.
    - How can it be ensured that the requirements can be adjusted in the short term depending on market conditions (availability of components, unreasonable price development due to market shortages, etc.)?
    - How would the stakeholders (e.g. the MS) then be integrated into the time-critical processes?

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- Is there data on how individual requirements for components (especially solar cells) could affect the price structure?

- How will be ensured that the regulations are designed simple and legally compliant and avoid additional bureaucracy and cost increases?
- How will the IAA foster and protect available European technology and production equipment? Will the definition of "union origin" include criteria that reflect the share of application of European technology and production equipment in the final product or component?

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CHAPTER IV - FOREIGN INVESTMENT CONTRIBUTION
(Article 17-24)

- Has the Commission conducted an impact assessment on negative effects like possible relocation of investments to third countries, as well as the degree to which intended positive effects would be achieved, like increased hiring of local workforce, higher Union share of value-added and improvements in the know-how and technological position of the Union economy? Can the Commission provide an analysis of the effects which comparable regulations have had in third countries?
- What insights has the Commission gained in their impact assessment regarding the effectiveness of FDI conditioning and possible consequences, e.g., on the attractiveness of the EU for investors compared to third countries competing with the EU for FDI?
- Has the Commission examined to what extent the proposed FDI conditions, including the proposed administrative procedure, could lead to a redirection of FDI to non-EU countries?
- Has the Commission investigated what bureaucratic build-up the FDI conditions, including the administrative procedure, would cause both in the Member States and in the affected companies? Were companies explicitly asked?
- Does the COM have an overview of how many investment projects, differentiated by Member States and by greenfield investments vs. participation in existing EU companies (i.e. M&A transactions), would have been affected by the new FDI conditions in the past 5 years?
- Does the COM have an overview of how many investment projects, differentiated by Member States and by greenfield investments vs. participation in existing EU companies (i.e. M&A transactions), would have been affected by the new FDI conditions in the past 5 years?
- Have companies and business associations already been consulted on the proposed FDI conditions and its administrative procedure? If so, which ones and what was their reaction?
- Which means of recourse do Member States have if in their view, the Commission incorrectly assumed that the FDI has the potential to significantly impact added value creation in the Union market (cf. Art. 21 (1) (a) and (2)) and is therefore undertaking the

assessment on its own initiative instead of the Member State, where the FDI is envisaged?

- Which means of recourse does an affected Member State have if they disagree with the measures requested by the Commission in accordance with Art. 21 (3)? Which courts – the Member States, or the Union's courts – are competent to hear investors' complaints in such cases, where Member States have to impose conditions requested by the Commission and is the Member State or the Commission the defendant in such court cases?
- FDI are often made by investment vehicles with complex shareholder structures involving multiple layers of shareholding companies and joint shareholders from different third countries with varying percentages of indirect shareholdings in the investment vehicle. By what criteria are the competent authorities to determine if an investment is considered to be made by an undertaking / national from the respective third country covered by Art. 17 (1)?
- Why does the EU Commission limit its proposal to the four sectors? On what basis did the Commission decide upon the scope of Chapter IV? Does the COM see a need for action in other 'emerging strategic sectors' such as, for example, AI, semiconductors, quantum technology or space or critical sectors like semiconductors and biotech? Does the EU Commission therefore consider the existing regulatory instruments in those sectors to be sufficient?
- Is Article 24 (1) to be understood that digital technologies, artificial intelligence, quantum technologies and semiconductors are explicitly excluded from potential extensions of the provisions in Chapter IV by means of delegated acts? Has such an explicit exclusion also been considered for Chapter III?
- How does the proposal address FDI in the markets of our free trade partners and the associated risk of circumvention of the FDI measures contained in the proposal?
- The Commission proposal contains a requirement for non-EU investors to ensure at least 50% of the workforce employed in the EU possesses "Union Worker" status, i.e., holds EU citizenship or permanent residency. Does the Commission possess evidence to underpin the necessity and proportionality of the proposed requirement? Is the Commission aware of any instances, past or present, in which such a requirement would have (had) effect?
- What is the rationale for the proposed criteria of 100 Mio. EUR and 40% global market share? How many investors would have been affected in recent years due to these criteria? In which sectors have these investments been made?
- How does synchronization with other EU regulations, including the Foreign Subsidies Regulation, Merger Control Regulation, and FDI Screening Regulation, take place?
- Which workers are excluded from the definition of "Union worker"?
- How should continuous monitoring be carried out? How does this run counter to the goal of reducing bureaucracy?

- Why are AI, quantum or biotechnology not identified as "strategic sectors"?

CHAPTER V - INDUSTRIAL MANUFACTURING ACCELERATION AREAS (Article 25-27)

- Is the Commission aware that establishing a separate planning procedure for industrial manufacturing acceleration areas represents a significant intervention in established national planning systems (urban development planning, regional planning)?
- What are the reasons for not linking the intended legal consequences in the areas of procurement and state aid to area designations made according to established national legal principles?
- What is the significance of the basic permit if a plant-specific permit is required anyway? Could you please clarify which permits and administrative authorisations shall be covered by the aggregated baseline permit pursuant to Article 27(1)?
- Which assessments are to be carried out by the Member States pursuant to Article 27 para. 2 sentence 1?
- Does Article 27 para. 4 sentence 1 contain an assumption that all sectors/projects listed in Annex I to the IAA contribute to decarbonisation or resource efficiency? If so, what is the basis for this assumption? What are the criteria for determining the sectors/projects which may be considered to have an overriding public interest?
- Is sentence 2 of Article 27(4), including the explicit mention of all three points from the Annex to the proposed Regulation on speeding-up environmental assessments necessary? Is the reference to Article 14 of the proposed Regulation on speeding-up environmental assessments, according to which the provisions set out in the Annex shall apply, not sufficient?
- What is the relationship between the NZIA valley and the IAA acceleration areas?
- What does an aggregated baseline permit entail?

CHAPTER VI - FINAL PROVISIONS (Article 28-36)

- How do the NZIA requirements for net-zero technologies relate to the requirements added by the IAA?
- Article 34(6) . Article 28a (1): Is 'Annex II' the NZIA Annexe II or the one in the IAA?
- Article 34(6) . Article 28a (1): What is meant by 'specific main specific components'?
- Article 34(6) . Article 28a (3): Why did the COM decide for a 15% Bonus? What are the calculations behind this?
- Article 34(6). Article 28b: When will the 'high risk suppliers' be identified in the CSA2?
- Does the amendment to Article 35 of the draft IAA provide for an amendment to Regulation (EU) 2024/3110 (Construction Products Regulation) in Article 22(9) such that the two existing conditions for the issuance of an environmental label are to be

removed? In this case, how should the specific nature of construction products, which are intermediate products, be taken into account?

- Are there quantifications by the EU Commission regarding the expected administrative burden at the level of the member states and for companies? How does this relate to the Omnibus packages?

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ANNEX I - Strategic sectors for industrial manufacturing acceleration areas

- Based on which criteria has the Commission defined the list of strategic sectors?

ANNEX II - Low-carbon and Union origin requirements for energy intensive industries

- In the Commission's view, are lawsuits by competitors possible regarding compliance with the requirements of Annex II on low-carbon products, and if so, how significant does the Commission assess the risk that such lawsuits could significantly delay the awarding of construction contracts in Europe?
- Is Annex II, Part II, letter a) to be understood as meaning that, in the future, vehicles would also have to use 25% "low-carbon steel" in order to be eligible for funding or approved for public procurement? Can the KOM explain the effectiveness of the 25% cost difference threshold.
- Which products shall be encompassed by the wording "steel, and any product the performance of which depends mainly on steel, intended for use in buildings, infrastructure and motor vehicles"? Might for example also screws or shelves be encompassed?

ANNEX III - Union origin requirements for vehicles

- How do the provisions on the non-preferential rules of origin - which apply to BEVs in the context of the EU's countervailing duties on Chinese imports - relate to the preferential rules of origin in our FTAs, especially the TCA with the United Kingdom, where a phased adjustment of the rules of origin for BEVs has been agreed?
- While the definition of "Union origin" has been broadened to include FTA and Customs Union partners for "public procurement" and "other forms of public intervention," it remains unclear in the area of BEVs under Articles 14 and 15. Could the Commission please explain how, in these articles - and in conjunction with the requirements and the definition of "Union" in Annex III - the term should be understood? What qualifies as Union origin under these provisions?
- How does the Commission assess the bureaucratic burden on industry to demonstrate Union origin for vehicles?
- Interaction between the IAA and the discussion in the automotive package, including corporate fleets?
- Does tax incentives for automobiles also count as a "support scheme"?

Malta's comments on a Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a framework of measures for the acceleration of industrial capacity and decarbonisation in strategic sectors and amending Regulations (EU) 2018/1724, (EU) 2024/1735 and (EU) 2024/3110 (Industrial Accelerator Act)

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Question 1: Could the Commission clarify whether Member States will be required to apply positive discrimination in favour of electric vehicles manufactured within the European Union when granting incentives, including those financed through EU funds and national sources? Pricing of EU-made EVs will be a determining factor, particularly for those Member States relying on a shift from internal combustion engine vehicles to EVs in order to meet their climate targets.

Question 2: We would appreciate reassurance that the IAA will not apply retroactively to public procurement processes that are already underway. It is essential to avoid any disruption or alteration to the conditions under which current investors are participating in ongoing procedures.

Question 3: The IAA places particular emphasis on steel, aluminium and cement. We are concerned that this may have negative implications for the European construction sector, especially in relation to public capital projects co-financed by EU and national funds.

Question 4: How do the provisions of Articles 7 (Union Origin), 8 (Content equivalent to Union Origin) and 10 (Low Carbon) integrate with Article 11 (Public Procurement) within the context of PP procedures? In essence, what shall Contracting Authorities be requesting as part of the Technical Specifications and/or Award Criteria and/or Contract Performance Clauses, when drafting Procurement Documents, to ascertain adherence to the IAA?

ES - PRELIMINARY QUESTIONS

MARCH 19TH 2026

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DISCLAIMER: the following list of preliminary questions does not preclude the Government of Spain to formulate additional questions in the future COMPET Working Parties.

General Questions:

- The COM has resorted to the continuous use of delegated acts throughout the proposal (see Articles 8(2), 9(2), 10(2), 16(1), 16(2), 24(1)) instead of implementing acts (Article 16(3)). Could the COM explain why? Is the COM intention to use the delegated acts as a commercial policy tool to exclude a third country in determined cases?

Questions by Articles:

- **Article 2. *Industrialisation objective***
  - This is an indicative target without penalties. We fail to understand the purpose of this target.
- **Article 4. *Single access points*:**
  - What is the difference between the structure of single national access points included in Article 4 of IAA and single points of contact laid down in NZIA in Article 6?
- **Article 5. *Permit-granting procedure:***
  - Art. 5(2) to which "*applicable time limit*" the COM is referring to in the permit-granting process for industrial manufacturing projects?
- **Article 6. *Energy-intensive industry decarbonization projects*:**
  - Can the COM clarify the following concepts:
    - According to Art. 6(1), the same dispositions on permit-granting process will apply to net zero technology manufacturing projects than to energy-intensive industry decarbonization projects included in Chapter II Section II of Regulation (EU) 2024/1735 (NZIA). Please clarify that the COM is referring to Section II and not Section III.
    - Therefore, is the COM considering the following hierarchy, but all of them are considered strategic regarding the environmental speeding-up process
      1. Net-zero strategic projects.
      2. Net zero technology manufacturing projects = energy-intensive industry decarbonization projects.
- **Article 8. *Content equivalent to Union origin in public procurement*:**
  - How the COM is going to determine that the same national treatment has not been applied to EU Member States? How many national treatment breaches would be necessary to determine that the third country is not providing the same national treatment to Member States. Will national treatment breaches be substantiated before the International Procurement Instrument.
- **Article 14. *CO2 emission performance standards credits*.**

- We would like to understand why the requirements for supercredits are not more stringent and brought into line with those for public procurement, as supercredits represent an optional flexibility mechanism rather than a mandatory obligation.

- **Article 17. Scope**
  - What is the rationale for the expansion of the "EU origin" scope to include all FTA partners? How does this reconcile with the initial "Made in Europe" objective?
  - Could the Commission elaborate on the process and the legally binding criteria for a FTA partners to be removed from the list of "equivalent countries"?
  - How will the Commission ensure the predictability and stability of this list for long-term investment planning? What safeguards are envisaged to protect investments made in a country that is later removed from the list?
  -

- **Article 18: *Value added foreign direct investment criteria.***
  - Taking into account that there are some foreign direct investments with progressive disbursements, and assuming hypothetically that some of these disbursements can be carried out when the IAA Regulation is already in place, could the COM clarify whether these abovementioned investments that were approved by the National Investment Authorities before the entry into force of the IAA Regulation could be subject to the criteria laid down in Chapter V.
  - Regarding the FDI screening preconditions (e.g., 49% equity cap, JV requirement, 50% local workforce/supply chain), how does the Commission interpret their applicability to the entire battery value chain, does it include upstream material suppliers (e.g., cathode active material producers)?
  - How will the regulation apply to investments that are already approved, under construction, or in the planning phase? And how will it apply to expansion of existing investment?
  - Local Workforce: Could the Commission clarify if this requirement applies during the construction and ramp-up phase, or only during stable operation? Does it apply to temporary, specialized personnel from equipment suppliers who are not direct employees of the project company? Is the 50% a target for the total workforce or a mandatory minimum for each individual job category?
  - Local Supply Chain: The requirement for 30% local materials/parts. How is "local" defined for the purpose of this calculation? Would FTA countries to be included to align with the EU origin definition? How will the Commission address the "chicken-and-egg" situation where investments are needed to build the supply chain, but cannot proceed because the local supply chain does not yet exist?
  - R&D Spending Commitment: The commitment is based on the EU entity's global turnover. For new projects with high upfront capital costs and no initial profits, this can create a significant financial burden. Has the Commission considered alternative baselines, such as a percentage of net profit, to align the requirement with the project's financial viability phase?
  - Mandatory IP Licensing: How does it apply to investments that are purely financial or in upstream segments (e.g., recycling) where the investor's core battery manufacturing IP is not directly relevant to the project?
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- **Article 26: Enabling conditions.**
  - Why the cybersecurity criteria and the definition of "high-risk suppliers" has only been included in the auctions and other forms of public intervention?
- **Article 34. *Amendments to Regulation (EU) 2024/1735 (NZIA)***
  - (6) Pursuant to Article 34(6) of the proposal amending Regulation (EU) on the Net-Zero Industry Act (NZIA) by inserting new Articles 28 bis to 28 nonies, we request further clarification regarding the consistency of the additional financial compensation regime in order to understand the criteria to be followed in determining which regime is applicable in each case.
    - In particular, new Article 28 bis(3) establishes ceilings on such compensation of 15 % in general and 20 % in situations of energy poverty.
    - However, the original Article 28(2) of the currently applicable NZIA (which remains unamended) provides for lower ceilings, set at 5 % where a contribution to sustainability is required through innovation or energy-system integration criteria, and at 15 % in cases of energy poverty.
    - In light of this divergence, and given that the proposal contains neither an express amendment nor any derogation or prevalence clause governing the relationship between the two provisions, it is unclear how the two regimes should be interpreted and applied.
  - (6) Article 34(6) of the proposal, which introduces new Articles 28 bis, 28 quater, 28 quinquies and 28 sexies into the framework of the Net-Zero Industry Act (NZIA) Regulation, clarification is requested concerning the internal consistency of the proposed regime.
    - In particular, the aforementioned provisions introduce Union-origin requirements, mandatory criteria in the field of public procurement and certain material restrictions relating to the European content of products. Nevertheless, the same regime, while appearing to tighten the requirements, also provides for the possibility of not applying them in broad circumstances, such as the existence of disproportionate costs or delays in project execution.
    - In light of the foregoing, the question arises as to the extent to which these exceptions affect the mandatory nature of the requirements laid down, and how the relationship between the said obligations and the exceptions provided for should be interpreted, with a view to preventing inconsistent or merely discretionary application of the regime.
  - (8) Concerning the inclusion in Annex II of NZIA "Union origin requirements for net-zero technologies" – Part I Public Procurement – 1. (b) Solar PV technologies, we wonder why the solar thermal technology has been excluded from including Union energy requirements.
  - (8) Concerning the inclusion in Annex II of NZIA "Union origin requirements for net-zero technologies" – Part I Public Procurement – 1. (d) Onshore and offshore wind technologies, we wonder why only one main specific component has been required originated from the Union.
- **Annex I:**
  - Can the Commission justify why the following critical technologies areas outlined by the European Commission in its Recommendation (EU) 2023/2113 of 3 October 2023 on critical technology areas for the EU's economic security that were identified in the latest leaked draft have not been included in the IAA Proposal?
    1. Advanced semiconductor technologies.

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2. Artificial intelligence technologies.
3. Quantum technologies.
4. Biotechnologies.
5. Critical active pharmaceutical ingredients.
6. Advanced digital technologies, connectivity, and navigation.
7. Advanced sensor technologies.
8. Space and propulsion technologies.
9. Robotics and autonomous systems.
10. Advanced materials technologies, manufacturing, and recycling.

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- **Annex II, Part I:**
  - Union origin requirements are not introduced for steel. Could the Commission explain how the application of the "melted-and-poured clause" included in the ongoing negotiations of the Proposal for a Regulation addressing the negative trade-related effects of global overcapacity on the Union steel market could overlap with the 25% of Union origin requirements in public procurement and other forms of intervention.
- **Annex III:**
  - With regard to **Annex III** to the proposal, entitled "Union origin requirements for vehicles", clarification is requested concerning its **scope of application**.
    - In particular, it is noted that the title of the Annex refers generally to "vehicles", without distinguishing between categories. However, the substantive content of the Annex, particularly **Part II** ("Other forms of public intervention and financial support for corporate vehicles"), appears to be clearly and specifically linked to corporate or company vehicles, in line with other provisions of the proposal that establish a differentiated regime for this type of vehicle.
    - In light of this potential discrepancy between the title of Annex III and its content, the question arises as to whether the Union origin requirements set out in Annex III are intended to apply to **all vehicles**, irrespective of their use, or **solely to corporate vehicles**. Furthermore, the European Commission is kindly requested to clarify the criteria determining the subjective scope of application of these requirements, in particular as regards the distinction between corporate vehicles and vehicles for private use.
    - It should be noted that the requirements of **Annex II, Part II** do apply (and indeed expressly mention) the "purchase of motor vehicles for civil purposes", but it would be appropriate to clarify this point, as — if that is the case — the requirements applicable to company vehicles would be significantly stricter than those applicable to vehicles for civil use.
  - There also appears to be a lack of coherence between the exceptions to the requirements of Annexes II and III as provided for in **Article 11(3)** (in relation to public procurement procedures) and **Article 12(3)** (on "other forms of public intervention"). The Commission is requested to clarify why, in the first case, the estimated cost differences must exceed **25 %**, whereas in the second case they must exceed **30 %**. Moreover, while significant delays are contemplated as a ground for exception in the context of other forms of public intervention (**Article 12(1)(3)(a)**), no such ground is provided for in the case of public procurement. The motivation for these differences is requested.

- Finally, we would like to understand the underlying rationale behind the thresholds of **45 %** and **100 %** set out in **Article 12(1)**, which stand out as particularly high, although this is left at COM's discretion.
- Same question on Annex III, Part I b), **the 70% threshold ratio** between the total ex-works price of vehicle components -excluding the vehicle battery- originating in the Union and the total ex-works price of all components -excluding the battery- is at least 70%.

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