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WORKING DOCUMENT

From:	Presidency
To:	Working Party on Competitiveness and Growth (Industry) Working Party on Competitiveness and Growth (Public Procurement)
Subject:	Presidency flash note for the meetings of the Working Party on Competitiveness and Growth (Industry) on 3 July 2025



WP COMPGRO (INDUSTRY)

FLASH – 3 JULY 2025

(24-06-2025)

We are pleased to invite you to the first meeting of the Working Party on Competitiveness and Growth (Industry) under the Danish Presidency.

It will be a full-day meeting starting at 10:00.

The morning session will focus on the upcoming Industrial Decarbonisation Accelerator Act (IDAA), with a particular emphasis on two key enablers: procurement and permitting. The discussion will be split in two. Discussion points are provided on pages 2 and 3. Our objective is to explore the practical aspects of these two components – specifically, how well-designed regulatory frameworks can effectively support and accelerate the industrial transformation process. Please note that broader political considerations, such as balancing the needs of energy-intensive industries with the growth of the clean tech sector, will be addressed during a breakout session at the informal meeting of ministers for Competitiveness on 17–18 July.

The afternoon session is dedicated to the upcoming Action plan for the EU chemicals industry and information from the Commission on the implementation of the Clean Industrial Deal. The session will begin with a presentation from the European Economic and Social Committee (EESC) on “How to foster a resilient value chain for the EU chemical industry”¹, including Q&A. Please note that an in-depth exchange of views is planned at the Working Party meeting on 15 July, after the Commission’s expected presentation of the action plan on 8 July. During AOB the Commission (DG GROW) will present the overall outlook for the implementation of the Clean Industrial Deal.

¹ [“How to foster a resilient value chain for the EU chemical industry”](#) - (CCMI/248-EESC-2025).

Morning session – first IDAA discussion (Procurement)

The IDAA is expected to propose sustainability and resilience criteria and minimum EU content requirements in public procurement to bolster EU-made clean technologies and low-carbon products, as well as to strengthen the green transition of the industry. These provisions are expected to build on similar criteria introduced under the Net-Zero Industry Act (NZIA) and the Critical Medicines Act (CMA), where public buyers are required to include non-price elements – such as EU content requirements, environmental sustainability and supply chain resilience.

While the strategic intent is to promote EU-based clean technologies and reduce dependency on non-EU suppliers, the increasing number of legislative instruments affecting public procurement creates significant complexity for companies and contracting authorities. Over 40 EU legal acts now contain provisions impacting public tenders, which calls for coordinated action.

There is a need for new procurement obligations under the IDAA to be coherent with existing frameworks, including the NZIA and the CMA, and future ones. In this context, the upcoming **evaluation of the EU public procurement directives**, expected in **September 2025**, and the planned **revision in 2026** provide an opportunity to address overlapping or potentially conflicting requirements. If not aligned, evolving procurement rules risk creating uncertainty and administrative burden for companies.

Potentially conflicting interests between European preference and supply chain resilience on the one hand and simplification and competition on the other were discussed at the COMPET Council on 22 May 2025, including a policy discussion to clarify the political priorities in relation to the upcoming revision of the Public Procurement directives. Ministers recognised that recent developments with more than 40 sectoral files with provisions on public procurement have fragmented and diversified the objectives and effect of public procurement in general.

Our discussion will offer a space to reflect on how procurement provisions in the IDAA can support resilience and sustainability – without adding unnecessary complexity to an already dense regulatory landscape.

Questions for discussion:

In the context of the IDAA and with reference to the legislative approach in the NZIA:

- Under which circumstances can public procurement be a relevant and effective instrument to support security of supply and European lead markets, while also balancing competition, administrative burden and market access?
- What are the potential advantages and challenges of using resilience criteria compared to ‘Buy European’ requirements in this regard?

The *Working Party on Public Procurement* will discuss public procurement provisions in sectoral files when they meet on 11 September 2025, including sharing views on the most efficient approach to resilience criteria in public procurement, building on lessons learned from the NZIA. The Danish Presidency notes that the discussions in the two Working Parties partly overlap. This is intentional. A summary of the discussions in each Working Party may be shared at forthcoming meetings in each setting. **Please note that delegates of the Working Party on Public Procurement are very welcome to attend and listen to the discussion** in the Industry Working Party on 3 July, bearing in mind the expected format (1+2).

Morning session – second IDAA discussion (Permitting)

As the Commission prepares the IDAA, discussions on how to design effective permitting frameworks have become increasingly important. The IDAA aims to accelerate the deployment of industrial decarbonisation technologies and could

need to build upon the permitting foundations laid out in the NZIA, in particular regarding energy-intensive industries' decarbonisation projects.

The NZIA introduced a range of measures to simplify and speed up permitting processes for net-zero projects across the EU. Central to this was the requirement to establish single points of contact in the Member States and binding time limits of nine to eighteen months depending on the project. The first thematic subgroup meeting on "Permitting and Valleys" under the Net-Zero Europe Platform, held on 30 April 2025, provided valuable insights into how Member States are implementing these provisions and what challenges they continue to face.

Experiences vary widely and the early implementation of these measures has highlighted several recurring challenges. There has been uncertainty about how time limits apply in practice – particularly whether they cover the entire permitting chain or apply to each permit individually. The interaction between permitting procedures and broader planning frameworks has proven complex, with unclear sequencing often causing delays. Furthermore, the establishment of single points of contact has raised questions about their scope, authority, and legal mandate – especially whether they should coordinate processes, handle case management directly, or both.

In some instances, questions have also emerged around the triggering of time limits – specifically at what point an application can be considered complete enough to start the official countdown. This lack of clarity has created legal and operational uncertainty for both authorities and developers. Overall, while the NZIA has provided a useful legal structure, practical implementation has shown that clearer definitions, greater institutional support and changes in rules and procedures may be needed to ensure real-world effectiveness.

As the IDAA takes shape, these lessons can inform a more targeted and pragmatic approach to permitting, especially for technically complex or cross-border decarbonisation projects.

To support this discussion, the following question may be considered:

- Based on the lessons learned from the NZIA, which permitting tools and structures should be strengthened under the IDAA and what new tools could contribute to ensuring effectiveness?

We look very much forward to the discussions.

Kind regards

The Danish Industry Working Party team