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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Regulation for Industrial Accelerator Act - European Commission replies to MS questions : Chapter III

Chapter III – Strengthening the Union's Strategic Industrial Value Chains

MS question	Commission reply
PUBLIC PROCUREMENT	
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? 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?	While the IAA primarily focuses on 'what to procure', the procedural aspects (i.e. 'how to procure') are expected to be addressed in the forthcoming revision of the public procurement framework. In the architecture of the proposal, 'what to buy' refers to substantive requirements, such as the Union-origin and low-carbon criteria set out in Annexes II and III of the IAA. 'How to buy', by contrast, concerns the procedural aspects governed by the procurement directives, including publication, deadlines, remedies, selection and award procedures, the ESPD/self-declaration system, and contract award management. Including a sunset clause linked to a future and uncertain date would not provide sufficient legal certainty. The proposal should not prejudge the outcome of the forthcoming revision of the public procurement framework.
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?	Annex II provides that the relevant share requirements apply where public contracts, works contracts or concessions include the procurement of steel, concrete and mortar, aluminium, or products whose performance depends predominantly on those materials, for the specified end uses, i.e. buildings and infrastructure, and motor vehicles.
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	The proposal does not define the notion of "owned or controlled" for the purposes of Article 11, nor does it specify how contracting authorities or entities are to assess the ownership or control of economic operators from third countries. In the absence of

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. Article 11 (1) – 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?	such guidance, these notions should be interpreted in accordance with general principles of EU law and relevant case law. In order to determine the beneficial ownership of economic operators, public buyers will need to require bidders to submit self-declarations.
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?	In order to avoid placing an excessive administrative burden on economic operators participating in public procurement contracts that fall within the scope of the Industrial Accelerator Act, the verification system is a self-declaration system. This is in line with the general system of public procurement that works on the basis of the economic operator self-declaring their capacities, which can be checked at a later stage once the contract is awarded. This approach ensures consistency with applicable public procurement systems and that only economic operators that have been awarded a contract would have to go under scrutiny. Likewise with the aim of simplifying matters and not placing an excessive burden on contracting authorities, the legal framework for public procurement applies, and specifically the provisions on exclusion grounds. One of the exclusion grounds available for contracting authorities is exclusion where the economic operator has been guilty of serious misrepresentation in supplying the information required for the verification of the absence of grounds for exclusion or the fulfilment of the selection criteria, has withheld such information or is not able to submit the supporting documents required pursuant to self-declarations (Article 57(4)(h) of Directive 2014/24/EU). This approach allows contracting authorities to ensure the application of IAA provisions while avoiding the creation of parallel enforcement mechanisms.
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,	The proposal does not define what constitutes “similar” prior public procurement procedures, nor does it refer to identical CPV codes. The text states that a procedure

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?	must have been launched by the same contracting authority or entity within the two years preceding the initiation of the planned procedure.
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?	The proposal refers to operators owned or controlled by an entity established in a third country.
Article 11 - 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?	Access for economic operators is addressed in Article 11(1), whereas origin requirements are governed by Articles 7 to 10 and Annexes II and III.
Article 11 - Can the Commission also explain why the article does not refer to public procurement procedures in strategic sectors listed in Annex I?	The scope of Article 11 is functionally linked to Part I of Annex II and Part I of Annex III, which constitute the operative procurement annexes, rather than to Annex I on acceleration-area sectors, which serves a different purpose.
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?	Consistency should derive from common legislative criteria, supported, as needed, by future implementing guidance such as standardised templates. At the same time, the principle of self-declaration remains a well-established practice in public procurement.
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?	Article 8(2)(b) empowers the Commission to adopt a delegated act excluding a third country from the scope of paragraph 1. In such cases, content originating in that country is no longer considered equivalent to Union-origin content and therefore cannot be used to meet the requirements laid down in the Regulation. This may be done to avoid dependencies, to address developments that could threaten the security of supply within the Union for the products concerned. This exclusion applies horizontally. Article 11(3)(a) allows contracting authorities and entities to derogate from the Union-content requirements where the relevant products can be supplied by only one

	economic operator, and no reasonable alternative or substitute exists, and the absence of competition is not the result of an artificial narrowing down of the parameters of the public procurement procedure. This exemption applies on a case-by-case basis within a specific procurement procedure.
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 aspects 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 ex Does the possibility for an exception in the case of 25% price increase concern the project costs in total? 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? 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?	The exemption laid down in Article 11(3)(a) applies where the required products or services can be supplied by only one economic operator and no reasonable alternative or substitute exists. Article 11(3)(c) establishes a presumption of disproportionality where the estimated cost difference exceeds 25%, provided that this assessment is based on objective and transparent data. The proposal requires the use of “objective and transparent data” but does not contain detailed rules. Guidelines may be developed, as appropriate, to support implementation.
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	Yes.

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?	
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 11(4): What is meant by a document "equivalent" to a self-declaration?	The general framework of the procurement Directives continues to apply. The IAA provides that contracting authorities are to require economic operators supplying products or services to submit a self-declaration or an equivalent document demonstrating compliance. The proposal does not define what constitutes an "equivalent document" to self-declaration. Its apparent intention is to allow economic operators the flexibility to submit documentation other than a self-declaration, provided that such documentation relates to the requirements set out in Article 11.
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?	In order to avoid placing an excessive administrative burden on economic operators participating in public procurement contracts that fall within the scope of the Industrial Accelerator Act, the verification system is a self-declaration system which can be checked at a later stage once the contract is awarded. This approach ensures consistency with applicable public procurement systems in that only economic operators which have been awarded a contract have to undergo scrutiny. The self-declaration principle will be underpinned by supporting documentation and information required under the ESPR and CPR frameworks, notably through the Digital Product Passport for substantiating compliance with low-carbon requirements.
OTHER FORMS OF PUBLIC INTERVENTION	
Article 12 *[§ 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?	Member States are required to apply the relevant requirements to public support schemes accounting for at least 45% of the total national budget allocated to the schemes covered by Part II of Annex II, and to 100% of the total national budget allocated to the schemes covered by Part II of Annex III. Accordingly, the relevant accounting unit is the total national budget allocated to the categories of public support schemes concerned, rather than to the total national budget. The proposal

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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)? 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?	does not set out a detailed accounting methodology, leaving this to the implementation by Member States. The requirements set out in Part II of Annex II apply to support schemes primarily aimed at the "construction or renovation of residential and commercial buildings, infrastructure", as well as the "lease and purchase of motor vehicles for civil purposes". Under Part II of Annex III, the requirements apply to schemes supporting the "purchase, lease, rental or hire-purchase of relevant new vehicles". The scope is therefore broader than housing and e-mobility.
Article 12 - *[§ 2]* Can the Commission specify what qualifies as an open, non-discriminatory and transparent process?	Please refer to the Commission's guidance on the implementation of Article 28 of NZIA for additional details on what qualifies as an open, non-discriminatory and transparent process (C/2026.123).
Article 12 - *[§ 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'?	The proposal does not define 'verifiable'.
Chapter III and related Annexes - Article 16.1 - Does Article 12 on public support schemes also cover tax measures? The Impact Assessment suggests that tax incentives are intended to be included. 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? Does the term "public support schemes" also include differentiated road tolls for zero and low emission vehicles and/ differentiated registration tax rates?	The proposal does not define 'public support schemes'; it covers all forms of public intervention. The schemes covered can take various forms, including – but not limited to – grants, rebates, soft loans (with below market interest rates), tax incentives (such as tax credits, tax deductions, tax exemptions and accelerated depreciation), etc.

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?	Article 12 indeed lays down requirements for the design of public support schemes. Article 12 does not prescribe the share of national budgets to be allocated; however, it does prescribe a share of the budget allocated to such schemes to be subject to the requirements set out in Annexes II and III.
For funding programs: application to 45% of the national budget. How should this be classified in relation to NZIA requirements (further programs? System behind it?)	The proposal does not set out how support-scheme rules should interact. NZIA requirements (sustainability and resilience) apply to 100% of the public schemes covered and that the Union origin requirements for net-zero technologies (in Article 34 IAA, new Article 28a NZIA) also apply to 100% of schemes covered.
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?	Article 16(2) is intended to address such situations. It empowers the Commission to amend the requirements on the basis of a set of relevant criteria, including the market situation.
For funding programs. Is there data on how individual requirements for components (especially solar cells) could affect the price structure?	The definition of the 'Made in Europe' requirements proposed in the IAA was established through a two-step approach. The first step involved identifying the components that could be competitively manufactured within the Union. For the case of PV, Annex 16 of the Impact Assessment highlights that PV cells and PV modules represent the segments of the solar value chain with the lowest energy intensity. Considering that energy prices in the Union are higher than those of most competitors, the EU is competitive in producing PV cells and PV modules. This assessment aligns with findings from leading organisations including the International Energy Agency (as outlined in its flagship reports Energy Technology Perspectives 2024 and 2026), Bloomberg New Energy Finance and Fraunhofer ISE. Moreover, the increase in cost for cell manufacturing represents only a fraction of the cost of the full final product (PV system installation). The impact assessment (Section 6.1.1.2 and Annex 16) contains data on the expected increase in the levelized cost of electricity and explains that the requirements would only translate into marginal increases in electricity prices for the final consumer.

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LOW-CARBON	
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?	Article 10(2) empowers the Commission to establish voluntary classification systems based on greenhouse-gas intensity for industrial products manufactured through activities listed in Annex I of Directive 2003/87/EC - to the extent they are not already regulated under ESPR delegated acts or included in ESPR working plans. Contracting authorities and entities may rely on such voluntary classification systems when defining requirements in public procurement procedures; however, the empowerment to develop voluntary classification systems does not imply the imposition of mandatory requirements. The Explanatory Memorandum explains why the Commission moved away from proposing a voluntary steel label, focusing instead on mandatory labels under existing regulatory commitments. At the same time, to support investments and lead markets, voluntary low-carbon classification systems can be developed for those energy-intensive industrial products not yet regulated nor in the working plan of the Ecodesign for Sustainable Products Regulation[1] (ESPR).
Labelling/classification systems for low carbon products (Art 10) - Art 10 (2): Do we understand correctly that the Commission may extend 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?	No, the empowerment is limited to establishing voluntary classification systems for such 'industrial products'. It does not extend to broadening the scope of low-carbon criteria in public procurement. Contracting authorities and entities may rely on such voluntary classification systems when defining requirements in public procurement procedures; however, the empowerment does not imply the imposition of mandatory requirements.
Labelling/classification systems for low carbon products (Art 10) - 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?	This approach aims to avoid duplication by relying on existing frameworks and ongoing, planned work to meet the needs of the proposal. Rather than introducing standalone mandatory labels for the products concerned, the proposal builds on the forthcoming definitions of low-carbon under the delegated acts adopted pursuant to the Construction Products Regulation and the Ecodesign for Sustainable Products Regulation.

[1] COM%(2025) 187, 16 April 2025.

What are the Commission's plans concerning the revision of the Ecodesign Regulation (ESPR)? 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?	The IAA does not revise the ESPR. It refers to delegated acts adopted under Article 4 of the ESPR to define low-carbon products outside construction uses. The steel delegated act has been announced for 2026 as part of the EPSR working plant.
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 10(2) provides that classification systems are to be based on greenhouse gas intensity. The data used for the calculations must be verified by ETS-accredited verifiers or, where appropriate, CBAM verifiers. Emissions are to be monitored in accordance with ETS monitoring rules, and imported products may rely on CBAM-equivalent datasets where available. The linkage to the ETS is therefore operationalised through the use of ETS data that have already been reported and the verification/accreditation and monitoring framework, rather than by directly transposing an ETS benchmark into the classification system. The detailed elements of the system are to be specified in delegated acts.
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.	Please consult Annex 8 of the Impact Assessment which sets out how those initiatives relate to the IAA.

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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?	Pursuant to Article 10(2), for the purposes of voluntary classification systems established by delegated act, emissions and all relevant data used to calculate greenhouse gas (GHG) intensity must be verified by verifiers under the EU Emissions Trading System and, where appropriate, under the Carbon Border Adjustment Mechanism. The approach thus is adequate as it relies on existing and well-established verification frameworks, without adding extra burden. It will make use of existing data that have ben already monitored, reported and verified.
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?	For the purposes of the low-carbon requirements set out in Annex II, the definition of "low-carbon" refers to the delegated acts adopted pursuant to the ESPR and the CPR, in accordance with Article 10(1). The voluntary classification systems developed pursuant to Article 10(2) are not relevant for the definition of "low-carbon" as used in Annex II.
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?	The IAA itself does not define the methodology for defining low-carbon. As per Article 10(1), for products covered by Annex II, the definition of "low-carbon" will be established in delegated acts adopted pursuant to the Ecodesign for Sustainable Products Regulation and the Construction Products Regulation. The Commission cannot prejudge which specific emissions will be taken into account in that context.
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 on existing labels? Was the industry consulted on this, and what is the position of steel manufacturers on the matter?	The Commission is committed to pursuing a simplification agenda, which requires that any new legislative measure be carefully assessed and duly justified. As regards the determination of low-carbon production, a regulatory framework is already in place (i.e. CPR and ESPR). The proposal therefore does not seek to redesign this framework or set-up a new framework, but rather implement existing rules, as already decided for by the co-legislators in the context of these two enforced Regulations and as part of the already planned work. This approach helps to minimise additional administrative burden.

Are there plans for a possible use of such initiatives especially prior definitions and labels under CPR and ESPR are available?	The industry, especially the steel industry, was widely consulted in the context of two workshops, one dedicated to this matter, and one targeted consultation. More information is available in Annex II of the Impact Assessment.
UNION ORIGIN REQUIREMENTS	
Rules of Origin Article 7 - 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? Articles 8 and 9 - 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? 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?	Pursuant to Article 7(2), origin, including of components, is determined in accordance with the Union Customs Code and its non-preferential rules of origin. Article 16(3) empowers the Commission to adopt implementing acts specifying, where appropriate, the method for calculating the proportion of volume of products and components originating in the Union in accordance with the Union Customs Code, and where appropriate, to provide for the use of standardised templates for certificates of compliance.
Exclusion of third countries from content equivalence Art 8 (2): What specific criteria does the EC use to decide whether to exclude third countries? 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)?	The proposal establishes the criteria based on which the Commission may ,by means of delegated acts, exclude, in whole or in part, a third country from the scope of paragraph 1 of Articles 8 and 9. These criteria include: (i) 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; (ii) 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; and (iii) such exclusion is justified under any other exception under the applicable agreement.

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)?	The proposal does not lay down specific sub-criteria for assessing these conditions, nor does it establish a quantitative threshold for determining when the problem is sufficiently significant. Any delegated act would, however, be prepared in line with the applicable principles of Better Regulation.
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?	The proposal does not set out how often it will evaluate whether third countries fall within the scope of Articles 8 and 9(1). The proposal also does not indicate how frequently a delegated act excluding a third country under Article 9(2) may be adopted.
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?	The proposal likewise does not establish a fixed time limit for such exclusions.
Art 9 (2): How often will the COM evaluate the third countries that are included under 9 (1)?	With respect to Article 8(2)(a), the proposal does not establish a specific threshold for determining whether a third country has failed to provide national treatment. This assessment will require a case-by-case analysis based on the applicable legal framework and practices in the third country concerned.
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?	With respect to articles 8 and 9(2)(b), and the reference to 'any other developments that may threaten the security of supply', concerns 'products in question', which can refer to all products in the scope of the Regulation.
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?	With regard to Articles 8 and 9(2)(c), the reference to "any other exception under the applicable agreement" should be understood as referring to exceptions provided for in the agreement in question. These may include, where applicable, general exceptions or security exceptions, to the extent that such provisions are contained in the relevant agreement.
Articles 8 and 9 - 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?	Any exclusion would be adopted by means of a delegated act, with Council involvement ensured in accordance with the applicable procedure for such acts. In particular, Article 30 requires the consultation of experts designated by Member States and preserves the right of the European Parliament and the Council to object.

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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? Article 8 - 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.	
Inclusion of further strategic sectors: what are the criteria for an inclusion of further sectors (Art 29)?	Article 29 introduces a review clause requiring the Commission, three years after entry into force and every three years thereafter, to assess whether Chapters III and IV should be amended. It specifies that particular attention should be paid to the effectiveness of the Regulation, the persistence of the circumstances that justified its adoption, and the potential need to introduce Union-origin requirements for sectors critical to economic security, notably shipbuilding and rail rolling stock. It does not as such set out criteria for the inclusion of additional sectors in the scope of the IAA.
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?	The difference reflects the distinct legal functions of the provisions. Articles 8 and 9 address content equivalence with Union origin and therefore rely on the terminology of agreements establishing a free trade area or a customs union, alongside the GPA, where relevant obligations of the Union exist under that agreement, in the case of Article 8. By contrast, Article 17(3)(a) concerns an exclusion from the FDI chapter for investors and investments covered by economic partnership agreements and free trade

	agreements that are in force or provisionally applied by the Union, to the extent that relevant commitments have been undertaken. Accordingly, the drafting indicates that an economic partnership agreement is relevant for the purposes of Article 17 to the extent relevant commitments have been made under those agreements. For Articles 8 and 9, however, the decisive criterion is whether the agreement falls within the categories expressly referred to in those provisions. If an economic partnership agreement does not qualify as establishing a free trade area or a customs union for these purposes, it does not give rise to content equivalence under Articles 8 or 9.
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?	Yes. For aluminium in Annex II, the text says at least 25% of the total volume used shall be low-carbon and of Union origin. Such requirements are cumulative.
Procurement procedures - 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?	The cost thresholds have been set following the same approach already used in the Net-Zero Industry Act, thus just one cost threshold across technologies. The same thresholds are used to simplify implementation by the competent authorities.
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?	Yes, both vehicle manufacturers and component suppliers have been consulted about the proposed approach based on Rules of Origin. During the reality check consultation workshops, and the following targeted consultation, held in June 2025, energy-intensive industries were consulted about the approach to use for determining the origin of products. Various options, including rules of origin, were discussed. These are summarised in Annex II of the Impact Assessment. Regarding net-zero technologies, the rules of origin are already used under NZIA's Access to Markets Chapter to implement the resilience requirements, specifically to define the rules according to which the origin of technologies and components should be identified. The IAA builds on this approach (identifying 'main specific components'

	and using Rules of Origin) to complement NZIA with Union origin requirements for targeted technologies and components.
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?	The impact assessment (Annex 9) explains that the measures were targeted at sectors and products for which realistic Union capacity already exists or is expected to emerge and/or ramp up, while also being unlikely to result in significant cost increases. In addition, the proposal treats content originating in third countries that have concluded free trade or customs agreements with the Union as equivalent to Union-origin content, meaning that non-EU competitors may also fall within the scope of the IAA framework. Furthermore, Article 11(3) expressly provides for derogations from Union-origin requirements in cases involving a single supplier, the absence of suitable tenders, disproportionate costs, or technical incompatibility.
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?	The objective is to restrict access to public procurement procedures covered by Annex II and Annex III to economic operators from third countries that have concluded agreements guaranteeing such access. This approach is intended to reinforce strategic value chains and contribute to the Union's broader economic security objectives.
Chapter III and related Annexes - Article 11.1 IAA and Article 25a(1) NZIA: Would such exclusions apply even where an operator from a third country manufactures within the EU and supplies products of Union origin?	Yes.
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.	In respect of procurement procedures, as per Article 3(10) of the proposal, these are those falling within the scope of Directives 2014/23/EU, 2014/24/EU and 2014/25/EU, i.e. they are limited to procedures above specified financial thresholds. Regarding other forms of public intervention, the requirements apply to at least 45% of the total national budget allocated to the public support schemes covered by Part II of Annex II, and 100% of the total national budget allocated to the public support schemes covered by Part II of Annex III. The Regulation also relies on the well-established principle of self-declaration, thereby striking a balance between minimising administrative burden and achieving the objectives pursued by the proposal.

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?	The impact assessment concludes that the proposed measures targeting energy-intensive products (steel, cement and aluminium) will play an important role in incentivising decarbonisation and are expected to have a limited impact on the relevant downstream sectors, i.e. construction and automotive. The scope of the measures has also been calibrated so as to avoid disproportionate effects.
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?	The proposal does not establish a separate anti-circumvention mechanism, nor does it include circumvention as a specific ground for excluding a third country. However, safeguards have been included in the proposal. The main safeguard lies in the determination of origin under the Union Customs Code and its non-preferential rules of origin. These require that a product undergo a "last substantial transformation" in order to acquire origin, thereby preventing simple trans-shipment from conferring origin. In addition, Article 11(1) excludes from procurement procedures falling within the scope of the IAA tenders submitted by *economic operators owned or controlled by entities established in third countries that have not concluded an international agreement with the Union guaranteeing such access*.
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?	The definition of "Union origin" is set out in Article 7 and is based on the origin of products as determined in accordance with the Union Customs Code. As such, it does not incorporate a specific criteria reflecting the share of European technology or production equipment used in the manufacture of the final product or its components.
DELEGATION OF POWERS – Article 16	
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.	The proposal provides for the use of delegated acts. Article 30 expressly requires the Commission, before adopting a delegated act, to consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. The European Parliament and the Council also retain the right to object, and can revoke the delegation altogether.

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?	
Art. 16(1) refers to "demand-side measures". Could COM clarify whether this term includes measures related to public procurement? 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? 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?	The term 'demand-side measure' is not defined in the proposal.
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?	Indeed, Article 16(2) empowers the Commission to amend Annex II and/or Annex III with regard to Union-origin requirements, low-carbon requirements, or both, taking into account the criteria set out therein.
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)?	Article 16(2) does not allow the Commission to 'extend Chapter III' to other sectors. It allows the Commission to adjust the requirements set out in Annex II and Annex III based on specific criteria.
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 proposal does not set a specific time limit for the adoption of such implementing acts, nor does it require that they be adopted prior to the entry into force of the Regulation. The adoption of implementing acts providing for a "harmonised set of evidence, model clauses, standard certificates and calculation methodologies" will be considered where necessary, taking into account the objective of avoiding, in practice, the creation of an additional layer of administrative burden.
Chapter III and related Annexes - Article 16.1 - Furthermore, could the Commission clarify why the proposed measures are limited to "sustainable carbon sources" and	Article 16(1) is specifically framed around Union-origin substances and mixtures derived from sustainable carbon sources, and "sustainable carbon sources" is

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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	expressly defined as biomass that complies with the sustainability criteria laid down in Article 29 of Directive (EU) 2018/2001 (cf. Article 3(16) of the proposal), waste and carbon from capturing carbon dioxide emissions. The proposal does not formulate a broader recycled-content chapter for chemicals.
AUTOMOTIVE	
How does the proposal correspond to existing legislation such as the new legislation regarding "End-of-life vehicles"?	The IAA does not specifically address end-of-life vehicles. Any interaction would be indirect, mainly through broader circularity and product-policy consistency rather than through a direct legal cross-reference.
Annex III (Parts II and III): Where is the definition of "main specific battery components" provided?	Article 3(24) contains the legal definition of "main specific components" which refers to the Annex to Commission Implementing Regulation 2025/1178. The "main specific components" of batteries are to be found in the mentioned Annex.
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))?	The articles – of the Regulation (EU) 2019/631 [as amended by the Proposal for a Regulation of 16 December 2025 amending Regulation (EU) 2019/631 as regards CO2 emission performance standards for new light duty vehicles and vehicle labelling] – cited in the Article 14 of the IAA proposal are the right ones (i.e. Article 5 "Super credits for small zero-emission vehicles"; and Article 5b "Role of low-carbon steel").
How are EFTA partners and FTA agreements currently under negotiation (e.g., IND) taken into account in the Union origin definition of Article 9?	EFTA partners are covered by Article 9(1). Generally, Article 9(1) applies to third countries with which the Union has concluded an agreement establishing a free trade area or customs union. It does not extend to third countries with which the Union is negotiating such agreements.
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 14 defines low-carbon steel produced in the EU by reference to Article 10(1) for the low-carbon criterion and to Article 7 for Union origin. Accordingly, the determination of origin relies on Article 7 and, by extension, on the Union Customs Code.
Certificate of compliance - Article 15	

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.	Since the list of Union origin requirements, and their relative geo-scope, changes depending on the different situations described in different Articles and parts of the Annex III, it is not possible to have a single made-in-EU compliance declaration that is valid for all relevant scenarios. Therefore, when adopting the implementing act for the use of standardised templates for certificates of compliance (see Article 16(3)) the Commission will have to present a standardised form that describes the different relevant scenarios (i.e. a. compliance with CO2 standards regulation and clean corporate vehicles regulation, b. compliance for the purposes of PPs, etc.), so that the OEM can tick certain or all boxes depending on the vehicle model that is being certified.
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?	As clarified by Article 15, when issuing a vehicle's certificate of conformity in accordance with Articles 36 and 37 of Regulation (EU) 2018/858, manufacturers shall provide an accompanying document certifying the compliance of the vehicle with the relevant Union origin requirements laid down in Annex III to the IAA Regulation. The document is essentially going to be a self-declaration by the vehicle manufacturer, based on the information about the origin of components collected. The proposal foresees an empowerment for the Commission to lay down the practical aspects regarding this document (including a standardised form) through implementing acts pursuant to Article 16(3).
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.	The proposed compliance-check mechanism fully relies on a self-declaration to be made by the vehicle manufacturer (see Article 15) based on the information about the origin of components collected both in-house and from the suppliers. Suppliers provide this information to the vehicle manufacturers already today. Therefore, the proposed mechanism is meant to keep the administrative burden deriving from compliance-check as low as possible.
Lighter requirements for Small Electric Vehicles (M1E)	
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	The provision introducing in the CO2 review proposal a super credit for small electric cars comes as part of the Small Affordable Car initiative. The objective is to incentivise the European manufacturing of small EVs, but with lighter requirements (70% of non-

credits for small zero-emission vehicles (Part 3 of Annex III)? The former requiring a lot more than the latter. Annex III (Parts II and III): Why are different definitions of Union origin proposed for PEV, OVC-HEV and FCV compared to M1E? 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 super credits represent an optional flexibility mechanism rather than a mandatory obligation	battery components or 3 battery components, among which the battery cells) to ensure affordability of small EVs [see Part III of Annex III], considering that the battery in a small EV accounts for a higher share of the overall costs than for larger vehicles.
Impact Assessment	
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 epowertrain 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 Union origin requirements applying to motor vehicles, as defined in Annex III of IAA, are the result of a thorough analysis (described in the Annex 7, section 2, page 178 of the Impact Assessment) accompanied by a careful consultation of all relevant segments of the automotive supply-chain. The requirements are set in a way that secures the achievement of the declared policy objectives without creating undesired supply-chain disruptions.
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?	The impact assessment (respectively in Annex 3 and section 6.1.1.5) considers cost and effects on competitiveness, and the proposal includes derogations in support schemes and procurement to address delays and disproportionate costs.
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?	As confirmed by the Impact Assessment (Annex 7, section 2, page 178), the proposed Union origin requirements are in line with the current average levels of EU content in vehicles produced in the EU already today. On this basis, we can expect no significant impact on the production capacity of the European automotive industry.

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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.)?	The IAA is intentionally more targeted in scope. The impact assessment explains that the initiative focuses on energy-intensive industries, automotive and clean technologies, where the business case for decarbonisation and industrial resilience is most acute. Accordingly, the proposal adopts a selective and phased approach, rather than seeking to cover a wider range of technologies. Other critical technologies are intended to be covered, as relevant, by upcoming initiatives including the Biotech Act, the Chips Act 2 and Cloud and AI Development Act.
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? 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?	The refers to the main intended use of a construction product, mainly to steel and aluminium. In a bridge, the prestressing steel and concrete used determine the structural stability of the bridge. Therefore, this situation is clearly covered by the term. On the other hand, with respect to insulation material, the main performance is to reduce the thermal transmittance. This performance does not depend on the steel used to fix the insulation material to the wall. Therefore, the steel used there is not covered. Many construction products such as sanitary ware, fire alarms, or even structural timber products contain some steel and aluminium but their main performance does not depend on these materials. It is sufficient they are used as components or sub-components. The proposal does not contain any percentage of value, weight of function to determine when a product depends mainly on a given material.
Did the Commission take into account to broaden the scope (also via other legal instruments) to private economic instruments as well, like private procurement?	While the impact assessment explored a broader range of options, the final proposal is limited to public procurement, public support schemes, and selected market interventions.

OTHERS	
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?	As software accounts for a significant share of the total value of electronic systems, it is necessary to include the software element for the purposes of calculating the target value. However, this additional requirement will only apply as from 3 years after entry into force of the main act. The Regulation contains an empowerment that allows the Commission to specify, as required, more practical details on the methodology to calculate the software element in secondary legislation. It is also important to note that services are out of the scope of the provisions under Chapter IV.
How will be ensured that the regulations are designed simple and legally compliant and avoid additional bureaucracy and cost increases?	That reflects the core design logic of the proposal: a targeted sectoral scope, reliance on existing product frameworks, self-declaration mechanisms, derogations for supply constraints, excessive costs or technical incompatibility, and the use of future implementing acts to establish standard templates. The impact assessment further emphasises that Policy Option 2 was preferred precisely because it was considered proportionate and coherent than the broader regulatory alternatives.