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P-001131/2023

Answer given by Mr Hahn
on behalf of the European Commission
(25.5.2023)

The Green Deal Industrial Plan aims at a more supportive environment for the EU's production capacity for net-zero technologies needed to meet our climate targets. The Net-Zero Industry Act-proposal constitutes the first pillar and provides a conducive regulatory environment to speed-up innovation and manufacturing in clean tech.

The second pillar is about financing. The EU and national funding play an important role in fostering net-zero innovation, manufacturing and roll-out of clean tech. Under NextGenerationEU, the adopted national Recovery and Resilience Plans include EUR 250 billion for green measures, including investments supporting the decarbonisation of industry. The EU support to the net zero transition is increased with REPowerEU (EUR 20 billion in additional grants; EUR 2.1 billion transfer of funds from the Brexit Adjustment Reserve and EUR 225 billion remaining RRF loans with a pre-financing of up to 20%). The Innovation Fund, InvestEU, Horizon Europe (EUR 40 billion) and cohesion policy funds (around EUR 100 billion) can also provide substantial support to the net-zero transformation, as set out in the Communication¹. Furthermore, in March 2023, the Commission adopted a new Temporary Crisis and Transition Framework² (TCTF) to accelerate investments in key sectors for the transition towards a net-zero economy, in a temporary and targeted manner. The TCTF allows Member States to design simple and effective schemes to provide aid in support of net-zero technologies.

For the medium term, the Commission intends to propose the creation of a European Sovereignty Fund in the context of the Multiannual Financial Framework (MFF) mid-term review.

The criteria and conditions of firm level support depend on the specific programme under which the financing is provided.

¹ See the Commission Staff Working 'Investment needs assessment and funding availabilities to strengthen EU's Net-Zero technology manufacturing capacity' (SWD (2023) 68 final) for a detailed overview.

² https://competition-policy.ec.europa.eu/system/files/2023-04/annual-competition-report_2022_report_part1_en.pdf