



2023/0081(COD)

26.5.2023

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DRAFT REPORT

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

Committee on Industry, Research and Energy

Rapporteur: Christian Ehler

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act**Amendments by Parliament set out in two columns**

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ***■*** symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

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

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2023)0161),
 - having regard to Article 294(2) and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0062/2023),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of ...¹,
 - after consulting the Committee of the Regions,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the opinion of the Committee on International Trade, Committee on Economic and Monetary Affairs, Committee on Employment and Social Affairs, Committee on the Environment, Public Health and Food Safety, Committee on the Internal Market and Consumer Protection, Committee on Transport and Tourism, Committee on Regional Development,
 - having regard to the report of the Committee on Industry, Research and Energy (A9-0000/2023),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ OJ C 0, 0.0.0000, p. 0.

Amendment 1

Proposal for a regulation Citation 1

Text proposed by the Commission

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 114 thereof,

Amendment

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 114, **as well as 173 with regards to Chapter VI of this Regulation**, thereof,

Or. en

Amendment 2

Proposal for a regulation Recital -1 (new)

Text proposed by the Commission

Amendment

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

Or. en

Amendment 3

Proposal for a regulation Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) As outlined in the Green Deal Industrial Plan, the Union needs to take measures to ensure it can speed up net-

*zero industrial transformation at home.
This Regulation is part of those measures
and sets out measures to enhance the
business case for industrial
decarbonisation in Europe.*

Or. en

Amendment 4

Proposal for a regulation Recital 2

Text proposed by the Commission

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

Amendment

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

Or. en

Amendment 5

Proposal for a regulation Recital 2 a (new)

(2a) The International Energy Agency estimates that the global market for key mass-manufactured clean energy technologies will be worth around USD 650 billion a year by 2030, which is more than three times today's level. The net-zero industry globally is growing at an increasing rate, to the extent of demand sometimes outpacing supply. The European Union industry is part of an open, export-oriented, capital intensive, social market economy that can deliver prosperity for Union citizens only if it is competitive on and open to the global market. The Union's ambition for the net-zero industry should be aligned with that reality and should aim to capture a significant global market share.

Or. en

Amendment 6

Proposal for a regulation Recital 3

(3) Regarding external aspects, **in particular** regarding emerging markets and developing economies, the EU will seek win-win partnerships in the framework of its Global Gateway strategy, which contribute to the diversification of its raw materials supply chain as well as to partner countries' efforts to pursue twin transition and develop local value addition.

(3) Regarding external aspects, **the Union will step up its efforts to join forces with open, democratic partners committed to the Paris Agreement.** Regarding emerging markets and developing economies, the EU will seek win-win partnerships in the framework of its Global Gateway strategy, which contribute to the diversification of its raw materials supply chain as well as to partner countries' efforts to pursue twin transition and develop local value addition.

Or. en

Justification

With the rise of authoritarianism globally challenging the open, rules-based order embodied by the Union, it is important that we strengthen our bonds with like-minded countries, both politically and economically.

Amendment 7

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) To fulfil those commitments, the Union must accelerate its pace of transition to clean energy, **notably** by increasing energy efficiency and the share of renewable energy sources. This will contribute to achieving the EU targets of the European Pillar of Social Rights Action Plan for 2030 of an employment rate of at least 78% and participation in training of at least 60% of adults. It will also contribute to ensuring that the green transition is fair and equitable³⁴.

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

Amendment

(4) To fulfil those commitments, the Union must accelerate its pace of transition to **a net-zero economy, including by increasing the share of** clean energy **in its energy mix, as well as** by increasing energy efficiency and the share of renewable energy sources. This will contribute to achieving the EU targets of the European Pillar of Social Rights Action Plan for 2030 of an employment rate of at least 78% and participation in training of at least 60% of adults. It will also contribute to ensuring that the green transition is fair and equitable³⁴.

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

Or. en

Amendment 8

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The net-zero transformation is already causing huge industrial, economic, and geopolitical shifts across the globe,

Amendment

(6) The net-zero transformation is already causing huge industrial, economic, and geopolitical shifts across the globe,

which will become ever more pronounced as the world advances in its decarbonisation efforts. The road to net zero translates into strong opportunities for the expansion of Union's net-zero industry, making use of the strength of the Single Market, by promoting investment in ***technologies in the field of renewable energy technologies, electricity and heat storage technologies, heat pumps, grid technologies, renewable fuels of non-biological origin technologies, electrolyzers and fuel cells, fusion, small modular reactors and related best-in-class fuels, carbon capture, utilisation, and storage technologies, and energy-system related energy efficiency*** technologies and their supply chains, allowing for the decarbonisation of our economic sectors, from energy supply to transport, buildings, and industry. A strong net zero industry within the European Union can help significantly in reaching the Union's climate and energy targets effectively, as well as in supporting other Green Deal objectives, ***while*** creating jobs and growth.

which will become ever more pronounced as the world advances in its decarbonisation efforts. The road to net zero translates into strong opportunities for the expansion of Union's net-zero industry, making use of the strength of the Single Market, by promoting investment in ***net-zero*** technologies and their supply chains, allowing for the decarbonisation of our economic sectors, from energy supply to transport, buildings, and industry. A strong net zero industry within the European Union can help significantly in reaching the Union's climate and energy targets effectively, as well as in supporting other Green Deal objectives, ***such as*** creating ***sustainable*** jobs and growth, ***by creating an industrial base geared towards export as well as domestic supply***.

Or. en

Justification

Clarifying what the promise of the Green Deal was from the beginning.

Amendment 9

Proposal for a regulation Recital 7

Text proposed by the Commission

(7) To meet the **2030** climate and energy targets, energy efficiency needs to be prioritised. Saving energy is the cheapest, safest and cleanest way to meet those targets. 'Energy efficiency first' is an overall principle of EU energy policy and is important in both its practical

Amendment

(7) To meet the climate and energy targets, energy efficiency needs to be prioritised. Saving energy is the cheapest, safest and cleanest way to meet those targets. 'Energy efficiency first' is an overall principle of EU energy policy and is important in both its practical

applications in policy and investment decisions. Therefore, it is essential to expand the Union's manufacturing capacity for energy efficient technologies, such as heat pumps and smart grid technologies, that help the EU reduce and control its energy consumption.

applications in policy and investment decisions. Therefore, it is essential to expand the Union's manufacturing capacity for energy efficient technologies, such as heat pumps and smart grid technologies, that help the EU reduce and control its energy consumption.

Or. en

Justification

Energy efficiency remains important post-2030

Amendment 10

Proposal for a regulation Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Clustering industrial activity directed towards industrial symbiosis minimises the environmental impact of the activities as well as providing efficiency gains for industry. As such, clustering can contribute substantially to achieving the objectives of this Regulation. This Regulation promotes in this regard the development of Net-Zero Industry Valleys (Valleys). Those Valleys shall be limited in geographical and technology scope in order to promote industrial symbiosis.

Or. en

Amendment 11

Proposal for a regulation Recital 8 b (new)

Text proposed by the Commission

Amendment

(8b) Member States should be able to

designate and support Valleys. When designating a Valley the Member State should draw up a plan for the Valley specifying which net-zero manufacturing activity is to be covered in the Valley (Plan). The Member State should also conduct the environmental impact assessments as required for the net-zero manufacturing activities that are to take place in the Valley. Such an impact assessment eliminates the need for undertakings to perform those assessments for permits for the net-zero manufacturing activities in the scope of the Valley. The Plan should include the results of the environmental impact assessments as well as the national measures to be taken to minimise or mitigate negative environmental impact. The Plan should also include concrete national measures to support industrial activity in the scope of the Valley. Those measures should include measures to invest in or trigger private investment in energy, digital and transport infrastructure as well as measures to reduce the operational expenditure for the industry in the Valley, such as contracts of difference for energy prices. In order to provide investment security for industry, the Plan should also specify the duration of the support measures.

Or. en

Amendment 12

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) Additional policy effort is necessary to support those technologies that are commercially available and have a good potential for rapid scale up to support the Union's **2030** climate targets, improve

Amendment

(9) Additional policy effort is necessary to support those technologies that are commercially available and have a good potential for rapid scale up to support the Union's climate targets, improve the

the security of supply for net-zero technologies and their supply chains, and safeguard or strengthen the overall resilience and competitiveness of the Union's energy system. It includes access to a safe and sustainable source of best in class fuels, as described in recital 8 of Commission Delegated Regulation (EU) 2022/1214.

security of supply for net-zero technologies and their supply chains, and safeguard or strengthen the overall resilience and competitiveness of the Union's energy system. It includes access to a safe and sustainable source of best in class fuels, as described in recital 8 of Commission Delegated Regulation (EU) 2022/1214.

Or. en

Justification

The efforts under this Act will contribute to the objectives post-2030

Amendment 13

Proposal for a regulation Recital 10

Text proposed by the Commission

(10) To achieve the 2030 objectives a particular focus is needed on some of the net-zero technologies, also in view their significant contribution towards the path to net zero by 2050. These technologies include solar photovoltaic and solar thermal technologies, onshore and offshore renewable technologies, battery/storage technologies, heat pumps and geothermal energy technologies, electrolyzers and fuel cells, sustainable biogas/biomethane, carbon capture and storage technologies and grid technologies. These technologies play a key role in the Union's open strategic autonomy, ensuring that citizens have access to clean, affordable, secure energy. Given their role, these technologies should benefit from even faster permitting procedures, obtain the status of the highest national significance possible under national law and benefit from additional support to crowd-in investments.

Amendment

deleted

Amendment 14

Proposal for a regulation Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) Since 2007 the Strategic Energy Technology Plan (SET Plan) has been driving the Union's innovation in energy technologies^{1a}. As such the SET Plan has significantly contributed to strong knowledge base on energy technologies and has been essential for the alignment of strategic priorities on research, innovation and deployment of clean energy technologies. To ensure that the Union can deliver its full carbon-neutrality objectives by 2050, that knowledge base needs to be leveraged and further enhanced. The SET Plan is therefore an irreplaceable instrument for the achievement of the objectives of this Regulation and is the backbone for the innovation agenda of this Regulation.

^{1a} [Reference to 2007 and 2015 Commission Communications on SET Plan to be added]

Amendment 15

Proposal for a regulation Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) Carbon dioxide capture and storage (CCS) is a technology that will contribute to mitigating climate change. It consists of the capture of carbon dioxide

(CO₂) from industrial installations, its transport to a storage site and its injection into a suitable underground geological formation for the purposes of permanent storage.

Or. en

Amendment 16

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) The development of carbon capture and storage solutions for industry is confronted with a coordination failure. ***On the one hand***, despite the growing CO₂ price incentive provided by the EU Emissions Trading System, for industry to invest into capturing CO₂ emissions making such investments economically viable, they face a significant risk of not being able to access a permitted geological storage site. ***On the other hand***, investors into first CO₂ storage sites face upfront costs to identify develop and appraise them even before they can apply for a regulatory storage permit. Transparency about potential CO₂ storage capacity in terms of the geological suitability of relevant areas and existing geological data, in particular from the exploration of hydrocarbon production sites, can support market operators to plan their investments. Member State should make such data publicly available and report regularly in a forward-looking perspective about progress in developing CO₂ storage sites and the corresponding needs for injection and storage capacities above, in order to collectively reach the Union-wide target for CO₂ injection capacity.

Amendment

(13) The development of carbon capture and storage solutions for industry is confronted with a coordination failure. ***Firstly***, despite the growing CO₂ price incentive provided by the EU Emissions Trading System, for industry to invest into capturing CO₂ emissions making such investments economically viable, they face a significant risk of not being able to access a permitted geological storage site. ***Secondly***, investors into first CO₂ storage sites face upfront costs to identify develop and appraise them even before they can apply for a regulatory storage permit. Transparency about potential CO₂ storage capacity in terms of the geological suitability of relevant areas and existing geological data, in particular from the exploration of hydrocarbon production sites, can support market operators to plan their investments. Member State should make such data publicly available and report regularly in a forward-looking perspective about progress in developing CO₂ storage sites and the corresponding needs for injection and storage capacities above, in order to collectively reach the Union-wide target for CO₂ injection capacity. ***Thirdly, CO₂ storage projects are only economically viable when there is a business case along the full value chain, including transportation. Any legal***

storage obligations should therefore be accompanied by effective policies and measures to ensure coordination and investment across the value chain.

Or. en

Amendment 17

Proposal for a regulation Recital 14

Text proposed by the Commission

(14) A key bottleneck for carbon capture investments that are today increasingly economically viable is the availability of operating CO₂ storage sites in Europe, which underpin the incentives from Directive 2003/87/EC. To scale up the technology and expand its leading manufacturing capacities, the EU needs to develop a forward-looking supply of permanent geological CO₂ storage sites permitted in accordance with Directive 2009/31/EU³⁶. By defining a Union target of 50 million tonnes of annual operational CO₂ injection capacity by 2030, in line with the expected capacities needed in 2030, the relevant sectors can coordinate their investments towards a European Net-Zero CO₂ transport and storage value chain that industries can use to decarbonise their operations. This initial deployment will also support further CO₂ storage in a 2050 perspective. According to the Commission's estimates, the Union could need to capture up to 550 million tonnes of CO₂ annually by 2050 to meet the net zero objective³⁷, including for carbon removals. Such a first industrial-scale storage capacity will de-risk investments into the capturing of CO₂ emissions as important tool to reach climate neutrality. When this regulation is incorporated into the EEA Agreement, the Union target of **50 million tonnes of** annual operational CO₂ injection

Amendment

(14) A key bottleneck for carbon capture investments that are today increasingly economically viable is the availability of operating CO₂ storage sites in Europe, which underpin the incentives from Directive 2003/87/EC. To scale up the technology and expand its leading manufacturing capacities, the EU needs to develop a forward-looking supply of permanent geological CO₂ storage sites permitted in accordance with Directive 2009/31/EU³⁶. By defining a Union target of 50 million tonnes of annual operational CO₂ injection capacity by 2030, in line with the expected capacities needed in 2030, the relevant sectors can coordinate their investments towards a European Net-Zero CO₂ transport and storage value chain that industries can use to decarbonise their operations. This initial deployment will also support further CO₂ storage in a 2050 perspective. According to the Commission's estimates, the Union could need to capture up to 550 million tonnes of CO₂ annually by 2050 to meet the net zero objective³⁷, including for carbon removals. Such a first industrial-scale storage capacity will de-risk investments into the capturing of CO₂ emissions as important tool to reach climate neutrality. ***In view of the expected storage requirements in 2050^{38a}, the EU CO₂ storage market will have to be complemented by a market that***

capacity **by 2030** will be adjusted accordingly.

covers third countries in Europe with large storage potential. When this regulation is incorporated into the EEA Agreement, the Union target of annual operational CO₂ injection capacity will be adjusted accordingly.

³⁶ Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 (Text with EEA relevance), (OJ L 140, 5.6.2009, p. 114).

³⁷ In depth analysis in support of the Commission Communication (2018/773) A Clean Planet for all. A European long-term strategic vision for a prosperous, modern, competitive and climate neutral economy.

³⁶ Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 (Text with EEA relevance), (OJ L 140, 5.6.2009, p. 114).

³⁷ In depth analysis in support of the Commission Communication (2018/773) A Clean Planet for all. A European long-term strategic vision for a prosperous, modern, competitive and climate neutral economy.

^{38a} ***See SWD(2021) 451 final for projections for 2050.***

Or. en

Justification

A significant amount of storage potential is available in the territory of the Union's neighbouring countries. This should be utilised in the long-term.

Amendment 18

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) By defining CO₂ storage sites that contribute to the Union's 2030 target as net-zero ***strategic*** projects, the development of CO₂ storage sites can be accelerated and facilitated, and the increasing industrial demand for storage

Amendment

(15) By defining CO₂ storage sites that contribute to the Union's 2030 target as net-zero ***technology manufacturing*** projects, the development of CO₂ storage sites can be accelerated and facilitated, and the increasing industrial demand for

sites can be channelled towards the most-cost-effective storage sites. An increasing volume of depleting gas and oil fields that could be converted in safe CO₂ storage sites are at the end of their useful production lifetime. In addition, the oil and gas industry has affirmed its determination to embark on an energy transition and possesses the assets, skills and knowledge needed to explore and develop additional storage sites. To reach the Union's target of 50 million tonnes of annual operational CO₂ injection capacity by 2030, the sector needs to pool its contributions to ensure that carbon capture and storage as a climate solution is available ahead of demand. In order to ensure a timely, Union-wide and cost-effective development of CO₂ storage sites in line with the EU objective for injection capacity, licensees of oil and gas production in the EU should contribute to this target pro rata of their oil and gas manufacturing capacity, while providing flexibilities to cooperate and take into account other contributions of third parties.

storage sites can be channelled towards the most-cost-effective storage sites. An increasing volume of depleting gas and oil fields that could be converted in safe CO₂ storage sites are at the end of their useful production lifetime. In addition, the oil and gas industry has affirmed its determination to embark on an energy transition and possesses the assets, skills and knowledge needed to explore and develop additional storage sites. To reach the Union's target of 50 million tonnes of annual operational CO₂ injection capacity by 2030, the sector needs to pool its contributions to ensure that carbon capture and storage as a climate solution is available ahead of demand. In order to ensure a timely, Union-wide and cost-effective development of CO₂ storage sites in line with the EU objective for injection capacity, licensees of oil and gas production in the EU should contribute to this target pro rata of their oil and gas manufacturing capacity, while providing flexibilities to cooperate and take into account other contributions of third parties.

Or. en

Amendment 19

Proposal for a regulation Recital 15 a (new)

Text proposed by the Commission

Amendment

(15a) Additional policy effort is necessary to support the cross-border transportation of CO₂ as the London Protocol initially prohibits export of CO₂ for permanent geological storage below the seabed. The London Protocol was amended by contracting parties in 2009 to allow for cross border transportation of CO₂ for sub-seabed storage, but the amendment must be ratified by two thirds of contracting parties to enter into force. It is unlikely that this will occur in the

near term. Additional policy effort is necessary to address the barrier to deployment and the creation of an internal market for cross-border transportation of CO₂.

Or. en

Amendment 20

Proposal for a regulation Recital 15 b (new)

Text proposed by the Commission

Amendment

(15b) Additional policy effort is essential to secure the deployment of cross-border infrastructure planning. Accessibility and connectivity of the full range of carbon dioxide (CO₂) transportation modalities plays a critical role for the deployment of CCS and CCU projects. Modalities cover ship, barge, train and truck as well as fixed facilities for connecting and docking, for liquefaction, buffer storage and converters of CO₂ in view of its further transportation through pipelines and in dedicated modes of transport.

Or. en

Amendment 21

Proposal for a regulation Recital 18

Text proposed by the Commission

Amendment

(18) Considering these objectives together, while also taking into account that for certain elements of the supply chain (such as inverters, as well as solar cells, wafers, and ingots for solar PV or cathodes and anodes for batteries) the Union manufacturing capacity is low, the

(18) Considering these objectives together, while also taking into account that for certain elements of the supply chain (such as inverters, as well as solar cells, wafers, and ingots for solar PV or cathodes and anodes for batteries) the Union manufacturing capacity is low, the

Union net-zero technologies annual capacity should aim at approaching or reaching an overall annual manufacturing benchmark of at least **40% of annual deployment needs by 2030 for the technologies listed in the Annex** .

Union net-zero technologies annual capacity should aim at approaching or reaching an overall annual manufacturing benchmark of at least **25% of global demand for net-zero technologies - defined in terms of the value of the demand and production**.

Or. en

Amendment 22

Proposal for a regulation Recital 19

Text proposed by the Commission

(19) Increasing the manufacturing capacity of net-zero technologies in the **European** Union will **also facilitate** the global supply of net-zero technologies and the transition towards clean **energy sources** globally.

Amendment

(19) Increasing the manufacturing capacity of net-zero technologies in the Union will **increase** the global supply of net-zero technologies and the transition towards clean **economic development** globally. **Together with other measures to enhance the Union's competitiveness, measures to increase the manufacturing capacity in the Union will also ensure that the Union can play a dominant role in strategic parts of the value chain, including final products, to ensure the level of security of supply that the Union needs for the purpose of achieving its climate objectives.**

Or. en

Amendment 23

Proposal for a regulation Recital 21

Text proposed by the Commission

(21) In order to maintain competitiveness and reduce current strategic import dependencies in key net-

Amendment

(21) **The manufacturing of net-zero technologies depends on complex and globally interlinked value chains.** In order

zero technology products and their supply chains, while avoiding the formation of new ones, the Union needs to continue strengthening its **net zero** industrial base and become more competitive and innovation friendly. The Union needs to enable the development of manufacturing capacity faster, simpler and in a more predictable way.

to maintain competitiveness and reduce current strategic import dependencies in key net-zero technology products and their supply chains, while avoiding the formation of new ones, the Union needs to continue strengthening its industrial base, ***both for net-zero technologies and for industry in their supply chains***, and become more competitive and innovation friendly. The Union needs to enable the development of manufacturing capacity faster, simpler and in a more predictable way. ***The Transition Pathways that are being developed following the Updated EU Industry Strategy of 2021, will have to be updated to reflect the objectives of this Act and will identify enablers as well as bottlenecks for the transition and global competitiveness of European industry.***

Or. en

Amendment 24

Proposal for a regulation Recital 40

Text proposed by the Commission

(40) Access to finance is key for ensuring the Union's open strategic autonomy and for establishing a solid manufacturing base for net-zero technologies and their supply chains across the Union. The majority of investments necessary to reach the Green Deal objectives will come from private capital⁵³ attracted by the growth potential of the net-zero ecosystem. Well-functioning, deep and integrated capital markets will therefore be essential to raise and channel the funds needed for the green transition and net-zero manufacturing projects. Swift progress towards the Capital Markets Union is thus necessary for the EU to deliver on its net-zero objectives. The sustainable finance agenda (and blended

Amendment

(40) Access to finance is key for ensuring the Union's open strategic autonomy and for establishing a solid manufacturing base for net-zero technologies and their supply chains across the Union. The majority of investments necessary to reach the Green Deal objectives will come from private capital⁵³ attracted by the growth potential of the net-zero ecosystem. Well-functioning, deep and integrated capital markets will therefore be essential to raise and channel the funds needed for the green transition and net-zero ***technology*** manufacturing projects. Swift progress towards the Capital Markets Union is thus necessary for the EU to deliver on its net-zero objectives. The sustainable finance agenda

finance) also plays a crucial role in scaling up investments into the net-zero technologies, while guaranteeing the competitiveness of the sector.

(and blended finance) also plays a crucial role in scaling up investments into the net-zero technologies, while guaranteeing the competitiveness of the sector.

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

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

Or. en

Amendment 25

Proposal for a regulation Recital 40

Text proposed by the Commission

(40) Access to finance is key for ensuring the Union's open strategic autonomy and for establishing a solid manufacturing base for net-zero technologies and their supply chains across the Union. The majority of investments necessary to reach the Green Deal objectives will come from private capital⁵³ attracted by the growth potential of the net-zero ecosystem. Well-functioning, deep and integrated capital markets will therefore be essential to raise and channel the funds needed for the green transition and net-zero manufacturing projects. Swift progress towards the Capital Markets Union is thus necessary for the EU to deliver on its net-zero objectives. The sustainable finance agenda (and blended finance) also plays a crucial role in scaling

Amendment

(40) Access to finance is key for ensuring the Union's open strategic autonomy and for establishing a solid manufacturing base for net-zero technologies and their supply chains across the Union. The majority of investments necessary to reach the Green Deal objectives will come from private capital⁵³ attracted by the growth potential of the net-zero ecosystem. Well-functioning, deep and integrated capital markets will therefore be essential to raise and channel the funds needed for the green transition and net-zero **technology** manufacturing projects. Swift progress towards the Capital Markets Union is thus necessary for the EU to deliver on its net-zero objectives. The sustainable finance agenda (and blended finance) also plays a crucial

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

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

Or. en

Amendment 26

Proposal for a regulation Recital 45

Text proposed by the Commission

(45) Member States can provide support from cohesion policy programmes in line with applicable rules under Regulation (EU) 2021/1060 of the European Parliament and of the Council⁵⁷ to encourage the take up of net-zero **strategic** projects in less developed and transition regions through investment packages of infrastructure, productive investment in innovation, manufacturing capacity in SMEs, services, training and upskilling measure, including support to capacity building of the public authorities and promoters. The applicable co-financing rates set in programmes may be up to 85% for less developed regions and up to 60% or 70% for transition regions depending on the fund concerned and the status of the region but Member States may exceed these ceilings at the level of the project

Amendment

(45) Member States can provide support from cohesion policy programmes in line with applicable rules under Regulation (EU) 2021/1060 of the European Parliament and of the Council⁵⁷ to encourage the take up of net-zero **technology manufacturing** projects in less developed and transition regions through investment packages of infrastructure, productive investment in innovation, manufacturing capacity in SMEs, services, training and upskilling measure, including support to capacity building of the public authorities and promoters. The applicable co-financing rates set in programmes may be up to 85% for less developed regions and up to 60% or 70% for transition regions depending on the fund concerned and the status of the region but Member States may exceed these ceilings at the

concerned, where feasible under State aid rules. The Technical Support Instrument can help Member States and regions in preparing net-zero growth strategies, improve the business environment, reducing red tape and accelerating permitting. Member States should be encouraged to promote the sustainability of net-zero **strategic** projects by embedding these investments in European value chains, building notably on interregional and cross border cooperation networks.

level of the project concerned, where feasible under State aid rules. The Technical Support Instrument can help Member States and regions in preparing net-zero growth strategies, improve the business environment, reducing red tape and accelerating permitting. Member States should be encouraged to promote the sustainability of net-zero **technology manufacturing** projects by embedding these investments in European value chains, building notably on interregional and cross border cooperation networks. ***These kinds of measures should particularly be considered with regards to Net-Zero Industry Valleys.***

⁵⁷ Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (OJ L 231, 30.6.2021, p. 159).

⁵⁷ Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (OJ L 231, 30.6.2021, p. 159).

Or. en

Amendment 27

Proposal for a regulation Recital 48

Text proposed by the Commission

(48) To overcome the limitations of the current fragmented public and private investments efforts, facilitate integration and return on investment, the Commission, and Member States should better

Amendment

(48) To overcome the limitations of the current fragmented public and private investments efforts, facilitate integration and return on investment, the Commission, and Member States should better

coordinate and create synergies between the existing funding programmes at Union and national level as well as ensure better coordination and collaboration with industry and key private sector stakeholders. The Net-Zero Europe Platform has a key role to play to build a comprehensive view of available and relevant funding opportunities and to discuss the individual financing needs of net-zero *strategic* projects.

coordinate and create synergies between the existing funding programmes at Union and national level as well as ensure better coordination and collaboration with industry and key private sector stakeholders. The Net-Zero Europe Platform has a key role to play to build a comprehensive view of available and relevant funding opportunities and to discuss the individual financing needs of net-zero *technology manufacturing* projects. ***The projects for discussion will be the ones brought forward by a Member State or Commission.***

Or. en

Amendment 28

Proposal for a regulation Recital 49

Text proposed by the Commission

(49) In order for net-zero technology manufacturing projects to be deployed or expanded as quickly as possible to ensure the Union's security of supply for net-zero technologies, it is important to create planning and investment certainty by keeping the administrative burden on project promoters to a minimum. For that reason, permit-granting processes of the Member States for net zero technology manufacturing projects should be streamlined, whilst at the same time ensuring that such projects are safe, secure, environmentally performant, and comply with environmental, social and safety requirements. Union environmental legislation sets common conditions for the process and content of national permit-granting processes, thereby ensuring a high level of environmental protection. ***Being granted the status of Net-Zero Strategic Project should be without prejudice to any applicable permitting conditions for the***

Amendment

(49) In order for net-zero technology manufacturing projects to be deployed or expanded as quickly as possible to ensure the Union's security of supply for net-zero technologies, it is important to create planning and investment certainty by keeping the administrative burden on project promoters to a minimum. For that reason, permit-granting processes of the Member States for net zero technology manufacturing projects should be streamlined, whilst at the same time ensuring that such projects are safe, secure, environmentally performant, and comply with environmental, social and safety requirements. Union environmental legislation sets common conditions for the process and content of national permit-granting processes, thereby ensuring a high level of environmental protection.

relevant projects, including those set out in Directive 2011/92/EU of the European Parliament and of the Council⁵⁸, Council Directive 92/43/EEC⁵⁹, Directive 2000/60/EC of the European Parliament and of the Council⁶⁰, Directive 2004/35/EC of the European Parliament and of the Council⁶¹, and Directive (EU) 2010/75 of the European Parliament and of the Council⁶².

⁵⁸ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (OJ L 26, 28.1.2012, p. 1).

⁵⁹ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7).

⁶⁰ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

⁶¹ Directive 2004/35/CE of the European Parliament and of the Council of 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental damage (OJ L 143, 30.4.2004, p. 56).

⁶² Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (recast) (OJ L 334, 17.12.2010, p. 17).

⁵⁸ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (OJ L 26, 28.1.2012, p. 1).

⁵⁹ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7).

⁶⁰ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

⁶¹ Directive 2004/35/CE of the European Parliament and of the Council of 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental damage (OJ L 143, 30.4.2004, p. 56).

⁶² Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (recast) (OJ L 334, 17.12.2010, p. 17).

Or. en

Justification

The concept of Net-Zero Strategic Project is deleted throughout this Act so this stipulation is no longer relevant.

Amendment 29

Proposal for a regulation Recital 50

Text proposed by the Commission

(50) At the same time, the unpredictability, complexity and at times, excessive length of national permit-granting processes undermines the investment security needed for the effective development of net-zero **technologies** manufacturing projects. Therefore, in order to ensure and speed up their effective implementation, Member States should apply streamlined and predictable permitting procedures. In addition, Net-Zero **Strategic** Projects should be given priority status at national level to ensure rapid administrative treatment and urgent treatment in all judicial and dispute resolution procedures relating to them, *without preventing competent authorities to streamline permitting for other net-zero technologies manufacturing projects that are not Net-Zero Strategic Projects or more generally.*

Amendment

(50) At the same time, the unpredictability, complexity and at times, excessive length of national permit-granting processes undermines the investment security needed for the effective development of net-zero manufacturing projects. Therefore, in order to ensure and speed up their effective implementation, Member States should apply streamlined and predictable permitting procedures. In addition, Net-Zero **Technology Manufacturing** Projects should be given priority status at national level to ensure rapid administrative treatment and urgent treatment in all judicial and dispute resolution procedures relating to them.

Or. en

Amendment 30

Proposal for a regulation Recital 51

Text proposed by the Commission

(51) Given their role in ensuring the Union's security of supply for net-zero technologies, and their contribution to the Union's open strategic autonomy and the green and digital transition, responsible permitting authorities should consider Net-Zero **Strategic** Projects to be in the public

Amendment

(51) Given their role in ensuring the Union's security of supply for net-zero technologies, and their contribution to the Union's open strategic autonomy and the green and digital transition, responsible permitting authorities should consider Net-Zero **Technology Manufacturing** Projects

interest. Based on its case-by-case assessment, a responsible permitting authority may conclude that the public interest served by the project overrides the public interests related to nature and environmental protection and that consequently the project may be authorised, provided that all relevant conditions set out in Directive 2000/60/EC, Directive 92/43/EEC and Directive 2009/147/EC⁶³ are met.

⁶³ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7–25).

to be in the public interest. Based on its case-by-case assessment, a responsible permitting authority may conclude that the public interest served by the project overrides the public interests related to nature and environmental protection and that consequently the project may be authorised, provided that all relevant conditions set out in Directive 2000/60/EC, Directive 92/43/EEC and Directive 2009/147/EC⁶³ are met.

⁶³ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7–25).

Or. en

Amendment 31

Proposal for a regulation Recital 53

Text proposed by the Commission

(53) In order to ensure clarity about the permitting status of Net-Zero **Strategic** Projects and to limit the effectiveness of potential abusive litigation, while not undermining effective judicial review, Member States should ensure that any dispute concerning permit granting process is resolved in a timely manner. To that end, national competent authorities should ensure that applicants and project promoters have access to a simple dispute settlement procedure and that **Net-Zero Strategic** Projects are granted urgent treatment in all judicial and dispute resolution procedures relating to them while ensuring respect for the rights of defence.

Amendment

(53) In order to ensure clarity about the permitting status of Net-Zero **Technology Manufacturing** Projects and to limit the effectiveness of potential abusive litigation, while not undermining effective judicial review, Member States should ensure that any dispute concerning permit granting process is resolved in a timely manner. To that end, national competent authorities should ensure that applicants and project promoters have access to a simple dispute settlement procedure and that **net-zero technology manufacturing** projects are granted urgent treatment in all judicial and dispute resolution procedures relating to them while ensuring respect for the rights of defence.

Or. en

Amendment 32

Proposal for a regulation Recital 55

Text proposed by the Commission

(55) Net-zero technology manufacturing projects undergo lengthy and complex permitting procedures of 2-7 years, depending on the Member State, technology and value chain segment. Considering the size of required investments – in particular for gigafactory-size projects which are needed to reach the expected economies of scale – inadequate permitting creates an additional and often detrimental barrier to increase net-zero technology manufacturing capacity in the Union. In order to provide project promoters and other investors with the security and clarity needed to increase development of net-zero technologies manufacturing projects, Member States should ensure that the permit-granting process related to such projects does not exceed pre-set time limits. For ***Net Zero Strategic Projects the length of the permit-granting process should not exceed twelve months for facilities with a yearly production output of more than 1 GW, and 9 months for those with a yearly production output of less than 1 GW. For all other*** net-zero technology manufacturing projects, the length of the permit-granting process should not exceed ***eighteen*** months for facilities with a yearly production output of more than 1 GW, and ***twelve*** months for those with a yearly production output of less than 1 GW. For net-zero technologies for which the GW metric is not relevant, such as grids and carbon capture and storage (CCS) or carbon capture and usage (CCU) technologies, the upper limits of the aforementioned deadlines should apply. For the expansion of existing production

Amendment

(55) Net-zero technology manufacturing projects undergo lengthy and complex permitting procedures of 2-7 years, depending on the Member State, technology and value chain segment. Considering the size of required investments – in particular for gigafactory-size projects which are needed to reach the expected economies of scale – inadequate permitting creates an additional and often detrimental barrier to increase net-zero technology manufacturing capacity in the Union. In order to provide project promoters and other investors with the security and clarity needed to increase development of net-zero technologies manufacturing projects, Member States should ensure that the permit-granting process related to such projects does not exceed pre-set time limits. For net-zero technology manufacturing projects, the length of the permit-granting process should not exceed **12** months for facilities with a yearly production output of more than 1 GW, and **9** months for those with a yearly production output of less than 1 GW. For net-zero technologies for which the GW metric is not relevant, such as grids and carbon capture and storage (CCS) or carbon capture and usage (CCU) technologies, the upper limits of the aforementioned deadlines should apply. For the expansion of existing production lines, each of the aforementioned time limits should be halved.

lines, each of the aforementioned time limits should be halved.

Or. en

Amendment 33

Proposal for a regulation Recital 56

Text proposed by the Commission

Amendment

(56) In addition, given the importance of Net Zero Strategic Projects for the Union's energy supply certain administrative restrictions should be partly lifted or simplified to speed up their implementation.

deleted

Or. en

Amendment 34

Proposal for a regulation Recital 58

Text proposed by the Commission

Amendment

(58) Land use conflicts can create barriers to the deployment of net zero technologies manufacturing projects. Well-designed plans, including spatial plans and zoning, that take into account the potential for implementing net-zero technologies manufacturing projects and whose potential environmental impacts are assessed, have the potential to help balance public goods and interests, decreasing the potential for conflict and accelerating the sustainable deployment of net-zero technologies manufacturing projects in the Union. Responsible national, regional and local authorities should therefore consider the inclusion of provisions for net-zero technologies manufacturing projects when

(58) Land use conflicts can create barriers to the deployment of net zero technologies manufacturing projects. Well-designed plans, including spatial plans and zoning, that take into account the potential for implementing net-zero technologies manufacturing projects and whose potential environmental impacts are assessed, have the potential to help balance public goods and interests, decreasing the potential for conflict and accelerating the sustainable deployment of net-zero technologies manufacturing projects in the Union. Responsible national, regional and local authorities should therefore consider the inclusion of provisions for net-zero technologies manufacturing projects when

developing relevant plans.

developing relevant plans. *Net-zero Industry Valleys will provide Member States with an additional tool to combine public interests by maintaining environmental standards while accelerating the deployment of net-zero technologies.*

Or. en

Amendment 35

Proposal for a regulation Recital 62

Text proposed by the Commission

(62) Net-zero regulatory sandboxes can be an important tool to promote innovation in the field of net-zero technologies and regulatory learning. Innovation needs to be enabled through experimentation spaces as scientific outcomes need to be tested in a controlled real-world environment. Regulatory sandboxes should be introduced to test innovative net-zero technologies in a controlled environment for a limited amount of time. It is appropriate to strike a balance between legal certainty for participants in the Net-Zero regulatory sandboxes and the achievement of the objectives of Union law. As Net-Zero regulatory sandboxes must in any case comply with the essential requirements on Net-Zero technology laid out in Union and national law, it is appropriate to provide that participants, who comply with the eligibility requirements for Net-Zero regulatory sandboxes and who follow, in good faith, the guidance provided by the competent authorities and the terms and conditions of the plan agreed with those authorities, are not subject to any administrative fines or penalties. This is justified as the safeguards in place will, in principle, ensure effective compliance with Union or Member State

Amendment

(62) Net-zero regulatory sandboxes can be an important tool to promote innovation in the field of net-zero technologies and regulatory learning. Innovation needs to be enabled through experimentation spaces as scientific outcomes need to be tested in a controlled real-world environment. Regulatory sandboxes should be introduced to test innovative net-zero technologies in a controlled environment for a limited amount of time. It is appropriate to strike a balance between legal certainty for participants in the Net-Zero regulatory sandboxes and the achievement of the objectives of Union law. As Net-Zero regulatory sandboxes must in any case comply with the essential requirements on Net-Zero technology laid out in Union and national law, it is appropriate to provide that participants, who comply with the eligibility requirements for Net-Zero regulatory sandboxes and who follow, in good faith, the guidance provided by the competent authorities and the terms and conditions of the plan agreed with those authorities, are not subject to any administrative fines or penalties. This is justified as the safeguards in place will, in principle, ensure effective compliance with Union or Member State

law on the Net-Zero technology supervised in the regulatory sandboxes. The Commission will publish a Guidance for Sandboxes document in 2023 as announced in the New European Innovation Agenda to support Member States in preparing the net zero technology sandboxes. Those innovative technologies could eventually be essential to achieve the Union's climate neutrality objective, ensure the security of supply and resilience of the Union's energy system, ***and consequently enter the scope of strategic net-zero technologies.***

law on the Net-Zero technology supervised in the regulatory sandboxes. The Commission will publish a Guidance for Sandboxes document in 2023 as announced in the New European Innovation Agenda to support Member States in preparing the net zero technology sandboxes. Those innovative technologies could eventually be essential to achieve the Union's climate neutrality objective, ensure the security of supply and resilience of the Union's energy system.

Or. en

Amendment 36

Proposal for a regulation Recital 63

Text proposed by the Commission

(63) An overall benchmark and indicative objectives for the manufacturing of key net-zero technology products in the ***European*** Union are put forward in order to help tackle import dependency and vulnerability concerns and ensure the Union's climate and energy targets are met.

Amendment

(63) An overall benchmark and indicative objectives for the manufacturing of key net-zero technology products in the Union are put forward in order ***to improve the Union's industrial global competitiveness as well as*** to help tackle import dependency and vulnerability concerns and ensure the Union's climate and energy targets are met.

Or. en

Amendment 37

Proposal for a regulation Recital 68 a (new)

Text proposed by the Commission

Amendment

(68a) The contribution of net-zero technologies to the decarbonisation objectives of the Union materialises only

when technologies are deployed. Such a deployment will, to an extent, happen in private households, but most decarbonisation will come from decarbonising industrial processes. In order to ensure that investments for such decarbonisation take place in the Union, which is essential to secure good jobs and prosperity in the Union as well as for fulfilling the Union's decarbonisation objectives, it is crucial that it contributes to an improvement of the investment climate for industry in the Union.

Or. en

Amendment 38

Proposal for a regulation Recital 69

Text proposed by the Commission

(69) At Union level, a Net-Zero Europe Platform, should be established, composed of the Member States and chaired by the Commission. The Net-Zero Europe Platform may advise and assist the Commission and Member States on specific questions and provide a reference body, in which the Commission and Member States coordinate their action and facilitate the exchange of information on issues relating to this Regulation. The Net-Zero Europe Platform should further perform the tasks outlined in the different Articles of this Regulation, notably in relation to permitting, including one-stop shops, Net-Zero **Strategic** Projects, coordination of financing, access to markets and skills as well as innovative net-zero technologies regulatory sandboxes. *Where necessary, the Platform may establish standing or temporary subgroups and invite third parties, such as experts or representatives from net-zero*

Amendment

(69) At Union level, a Net-Zero Europe Platform, should be established, composed of the Member States and chaired by the Commission. The Net-Zero Europe Platform may advise and assist the Commission and Member States on specific questions and provide a reference body, in which the Commission and Member States coordinate their action and facilitate the exchange of information on issues relating to this Regulation. The Net-Zero Europe Platform should further perform the tasks outlined in the different Articles of this Regulation, notably in relation to permitting, including one-stop shops, Net-Zero **Technology Manufacturing** Projects, coordination of financing, access to markets and skills as well as innovative net-zero technologies regulatory sandboxes.

industries.

Or. en

Amendment 39

Proposal for a regulation Recital 69 a (new)

Text proposed by the Commission

Amendment

(69a) For the effectiveness of the Platform, it is crucial that it can rely on timely input from the industrial actors for which the Platform is meant to create favourable conditions. Therefore, the Platform will set up a Net-Zero Industry Expert Group. This group will provide, on request or on its own initiative, advice to the Platform. Furthermore, where necessary the Platform may establish standing or temporary subgroups and invite third parties, such as experts or representatives from specific net-zero industries.

Or. en

Amendment 40

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. This Regulation establishes the framework of measures for innovating and scaling up the manufacturing capacity of net-zero technologies in the Union to support the Union's **2030 target of reducing net greenhouse gas emissions by at least 55 % relative to 1990 levels and the Union's 2050 climate neutrality target**, as defined by Regulation (EU) 2021/1119, and to ensure the Union's access to a

1. This Regulation establishes the framework of measures for innovating and scaling up the manufacturing capacity of net-zero technologies in the Union to support the Union's climate neutrality **objectives**, as defined by Regulation (EU) 2021/1119, **foster the Union's industrial competitiveness, which will contribute to the creation of quality jobs** and to ensure the Union's access to a secure and

secure and sustainable supply of net-zero technologies ***needed*** to safeguard the resilience of the Union's energy system ***and to contribute to the creation of quality jobs.***

sustainable supply of net-zero technologies ***necessary*** to safeguard the resilience of the Union's energy system.

Or. en

Justification

The Act will contribute to all climate neutrality objectives and its contribution to the 2030 objective will be a minor part of that contribution so a more general reference is more in line with what the Act will deliver.

Amendment 41

Proposal for a regulation

Article 1 – paragraph 2 – point a

Text proposed by the Commission

a) that by 2030, manufacturing capacity in the Union of the ***strategic*** net-zero technologies ***listed in the Annex*** approaches or reaches a benchmark of at least ***40% of the Union's annual deployment needs*** for the corresponding technologies necessary to achieve the Union's ***2030*** climate and energy targets;

Amendment

a) that by 2030, manufacturing capacity in the Union of the net-zero technologies approaches or reaches a benchmark of at least ***25% of global demand*** for the corresponding technologies necessary to achieve the Union's climate and energy targets;

Or. en

Amendment 42

Proposal for a regulation

Article 1 – paragraph 2 – point b

Text proposed by the Commission

b) the free movement of net zero technologies placed on ***the Single*** market.

Amendment

b) the free movement of net zero technologies placed on ***and services offered in the internal*** market.

Or. en

Amendment 43

Proposal for a regulation Article 2 – paragraph 1

Text proposed by the Commission

This Regulation applies to net-zero technologies, ***except for Articles 26 and 27 of this Regulation***, which ***apply to innovative*** net-zero technologies. Raw materials processed materials or components falling under the scope of Regulation (EU) .../... [add footnote with publication references of the Critical Raw Materials Regulation] shall be excluded from the scope of this Regulation.

Amendment

This Regulation applies to net-zero technologies ***as well as to components, materials and machinery without which the*** net-zero technologies ***could not be produced, except for Chapter VI, Section I which applies to net-zero innovative technologies and Chapter VI, Section II which applies to all economic activities in the Union***. Raw materials, processed materials or components falling under the scope of Regulation (EU) .../... [add footnote with publication references of the Critical Raw Materials Regulation] ***or under the scope of Regulation (EU) .../... [Chips Act]*** shall be excluded from the scope of this Regulation.

Or. en

Amendment 44

Proposal for a regulation Article 3 – paragraph 1 – point a

Text proposed by the Commission

(a) ‘net-zero technologies’ means ***renewable energy technologies⁶⁶ ; electricity and heat storage technologies; heat pumps; grid technologies; renewable fuels of non-biological origin technologies; sustainable alternative fuels technologies⁶⁷ ; electrolyzers and fuel cells; advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle, small modular reactors, and related best-in-class fuels; carbon capture, utilisation,***

Amendment

(a) ‘net-zero technologies’ means ***any*** technology ***the application of which contributes to climate change mitigation within the meaning Article 10(1) of Regulation (EU) 2020/852 of the European Parliament and of the Council .***

and storage technologies; and energy-system related energy efficiency technologies. They refer to the final products, specific components and specific machinery primarily used for the production of those products. They shall have reached a technology readiness level of at least 8.

⁶⁶ *‘renewable energy’ means ‘renewable energy’ as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources*

⁶⁷ *‘sustainable alternative fuels’ means fuels covered by the Proposal for a Regulation of the European Parliament and of the Council on ensuring a level playing field for sustainable air transport, COM/2021/561 final and by the Proposal for a Regulation of the European Parliament and Council on the use of renewable and low-carbon fuels in maritime transport COM/2021/562 final.*

Or. en

Amendment 45

Proposal for a regulation

Article 3 – paragraph 1 – point b

Text proposed by the Commission

(b) ‘component’ means a *small* part of a net-zero technology *that is manufactured and traded by a company starting from processed materials*;

Amendment

(b) ‘component’ means a *manufactured* part of a net-zero technology *final product*;

Or. en

Amendment 46

Proposal for a regulation

Article 3 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) ‘materials’ means any raw or processed materials needed for the production of a component or final product of a net-zero technology

Or. en

Amendment 47

Proposal for a regulation

Article 3 – paragraph 1 – point c

Text proposed by the Commission

Amendment

(c) ‘innovative net-zero technologies’ means ***technologies which satisfy the definition of ‘net-zero technologies’, except that they have not reached a technology readiness level of at least 8, and that comprise genuine innovation which are not currently available on the market and are advanced enough to be tested in a controlled environment.***

(c) ‘innovative net-zero technologies’ means ***any technology included in the Strategic Energy Technology Plan referred to in Article -26.***

Or. en

Amendment 48

Proposal for a regulation

Article 3 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) ‘net-zero technology manufacturing project’ means a planned industrial facility or extension or repurposing of an existing facility manufacturing net-zero technologies;

(d) ‘net-zero technology manufacturing project’ means a planned industrial facility or extension or repurposing of an existing facility ***for manufacturing of net-zero technologies final products or***

*components, materials or machinery
without which net-zero technologies could
not be produced;*

Or. en

Amendment 49

Proposal for a regulation

Article 3 – paragraph 1 – point e

Text proposed by the Commission

*(e) ‘net-zero strategic project’ means
a net-zero technology manufacturing
project located in the Union that complies
with the criteria set out in Article 10;*

Amendment

deleted

Or. en

Amendment 50

Proposal for a regulation

Article 3 – paragraph 1 – point f

Text proposed by the Commission

(f) ‘permit granting process’ means a process covering all relevant administrative permits to plan, build, expand and operate net-zero technology manufacturing projects, including building, chemical and grid connection permits and environmental assessments and authorisations where these are required, and encompassing all administrative applications and procedures from the **acknowledgment** of the **validity of the** application to the notification of the comprehensive decision on the outcome of the procedure by the responsible national competent authority;

Amendment

(f) ‘permit granting process’ means a process covering all relevant administrative permits to plan, build, expand and operate net-zero technology manufacturing projects, including building, chemical and grid connection permits and environmental assessments and authorisations where these are required, and encompassing all administrative applications and procedures from the **receipt** of the **project** application to **the national competent authority until** the notification of the comprehensive decision on the outcome of the procedure by the responsible national competent authority;

Or. en

Amendment 51

Proposal for a regulation

Article 3 – paragraph 1 – point j

Text proposed by the Commission

(j) ‘technology readiness level’ means a method of estimating the maturity of technologies, according to the classification used by the International Energy Agency;

Amendment

deleted

Or. en

Amendment 52

Proposal for a regulation

Article 3 – paragraph 1 – point q a (new)

Text proposed by the Commission

Amendment

(qa) ‘CO₂ transport networks’ means multimodal CO₂ transport infrastructure, including the network of pipelines, including associated booster stations, for the transport of CO₂ to the storage site;

Or. en

Amendment 53

Proposal for a regulation

Article 4 – paragraph 1

Text proposed by the Commission

Amendment

1. By ...[3 months after the date of entry into force of this Regulation], Member States shall designate one national competent authority which shall be responsible for facilitating and coordinating the permit-granting process for net-zero technology manufacturing

1. By ...[3 months after the date of entry into force of this Regulation], Member States shall designate one national competent authority which shall be responsible for facilitating and coordinating the permit-granting process for net-zero technology manufacturing

projects, ***including for net-zero strategic projects***, and to provide advice on reducing administrative burden in line with Article 5.

projects and to provide advice on reducing administrative burden in line with Article 5.

Or. en

Amendment 54

Proposal for a regulation

Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

Member States shall provide the following information on administrative processes relevant to net-zero technology manufacturing projects, ***including net zero strategic projects***, online and in a centralised and easily accessible manner:

Amendment

Member States shall provide the following information on administrative processes relevant to net-zero technology manufacturing projects online and in a centralised and easily accessible manner:

Or. en

Amendment 55

Proposal for a regulation

Article 6 – paragraph 1 – point a

Text proposed by the Commission

(a) **12** months for the construction of net-zero technology manufacturing projects with a yearly manufacturing capacity of less than 1 GW;

Amendment

(a) **9** months for the construction of net-zero technology manufacturing projects with a yearly manufacturing capacity of less than 1 GW;

Or. en

Amendment 56

Proposal for a regulation

Article 6 – paragraph 1 – point b

Text proposed by the Commission

(b) **18** months for the construction of net-zero technology manufacturing projects, with a yearly manufacturing capacity of more than 1 GW.

Amendment

(b) **12** months for the construction of net-zero technology manufacturing projects, with a yearly manufacturing capacity of more than 1 GW.

Or. en

Amendment 57

**Proposal for a regulation
Article 6 – paragraph 2**

Text proposed by the Commission

2. For net-zero technology manufacturing projects for which a yearly manufacturing capacity is not measured in GW, the permit-granting process shall not exceed a time limit of **18** months.

Amendment

2. For net-zero technology manufacturing projects for which a yearly manufacturing capacity is not measured in GW, the permit-granting process shall not exceed a time limit of **12** months.

Or. en

Amendment 58

**Proposal for a regulation
Article 6 – paragraph 6**

Text proposed by the Commission

6. No later than one month following the receipt of the permit-granting application, competent authorities shall validate the application or, if the project promoter has not sent all the information required to process an application, request the project promoter to submit a complete application within fourteen days from that request. The date of the acknowledgement of the **validity** of the application by the national competent authority referred to in Article 4(1) shall serve as the start of the permit granting process.

Amendment

6. No later than one month following the receipt of the permit-granting application, competent authorities shall validate the application or, if the project promoter has not sent all the information required to process an application, request the project promoter to submit a complete application within fourteen days from that request. The date of the acknowledgement of the **initial receipt** of the application by the national competent authority referred to in Article 4(1) shall serve as the start of the permit granting process.

Amendment 59

Proposal for a regulation

Article 6 – paragraph 9 a (new)

Text proposed by the Commission

Amendment

9a. National competent authorities shall ensure that the lack of reply of the relevant administrative bodies within the applicable time limits referred to in this Article results in the specific intermediary steps to be considered as approved, except where the principle of administrative tacit approval does not exist in the national legal system. This provision shall also apply to final decisions on the outcome of the process and for these decisions an explicit notice of tacit approval shall be sent to the project promoter within a week after the tacit approval came into effect. All decisions, including a notice of tacit approval, shall be made publicly available.

Or. en

Amendment 60

Proposal for a regulation

Article 6 a (new)

Text proposed by the Commission

Amendment

Article 6a

Priority status of net-zero technology manufacturing projects

1. Project promoters and all authorities that, under national law, are competent to issue various permits and authorisations related to the planning, design and construction of immovable assets, including energy infrastructure, shall

ensure that for net-zero technology manufacturing projects those processes are treated in the most rapid way possible in accordance with Union and national law.

2. Without prejudice to obligations provided for in Union law, Member States shall grant net-zero technology manufacturing projects the status of the highest national significance possible, where such a status exists in national law, and be treated accordingly in the permit-granting processes including those relating to environmental assessments and if national law so provides, to spatial planning.

3. Net-zero technology manufacturing projects shall be considered to contribute to the security of supply of net-zero technologies in the Union and therefore to be in the public interest. With regard to the environmental impacts addressed in Articles 6(4) and 16(1)I of Directive 92/43/EEC, Article 4(7) of Directive 2000/60/EC and Article 9(1)(a) of Directive 2009/147/EC, net-zero technology manufacturing projects in the Union shall be considered as being of public interest and may be considered as having an overriding public interest provided that all the conditions set out in those Directives are fulfilled.

4. All dispute resolution procedures, litigation, appeals and judicial remedies related to net-zero technology manufacturing projects in front of any national courts, tribunals, panels, including mediation or arbitration, where they exist in national law, shall be treated as urgent, if and to the extent to which national law provides for such urgency procedures and provided that the normally applicable rights of defence of individuals or of local communities would be respected project promoters of net-zero technology manufacturing projects shall participate in such urgency procedure,

where applicable.

5. Member States may provide administrative support to net-zero manufacturing projects to facilitate their rapid and effective implementation, including by providing:

(a) assistance to ensure compliance with applicable administrative and reporting obligations;

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

Or. en

Amendment 61

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

1. When preparing plans, including zoning, spatial plans and land use plans, national, regional and local authorities shall, where appropriate, include in those plans provisions for the development of net-zero technology manufacturing projects, ***including net-zero strategic projects***. Priority shall be given to artificial and built surfaces, industrial sites, brownfield sites, and, where appropriate, greenfield sites not usable for agriculture and forestry.

Amendment

1. When preparing plans, including zoning, spatial plans and land use plans, national, regional and local authorities shall, where appropriate, include in those plans provisions for the development of net-zero technology manufacturing projects ***as well as Net-Zero Industry Valleys***. Priority shall be given to artificial and built surfaces, industrial sites, brownfield sites, and, where appropriate, greenfield sites not usable for agriculture and forestry.

Or. en

Amendment 62

Proposal for a regulation Chapter II – Section II – title

Text proposed by the Commission

Amendment

II Net-zero *strategic projects*

Net-zero ***Industry Valleys***

Or. en

Amendment 63

Proposal for a regulation Article 10

Text proposed by the Commission

Amendment

[...]

deleted

Or. en

Amendment 64

Proposal for a regulation Article 10 a (new)

Text proposed by the Commission

Amendment

Article 10a

Net-Zero Industry Valleys

1. In order to fulfil the objectives of this Regulation, each Member State shall designate geographical areas as Net-Zero Industry Valleys ('Valleys').

2. The objectives of the Valleys shall be to:

(a) create clusters of net-zero industrial activity which lead to efficiency gains for all industrial actors involved;

(b) increase the attractiveness of the Union as a location for manufacturing activities;

(c) further streamline, beyond the streamlining set out in other Chapters of this Regulation, the administrative procedures for setting up net-zero

manufacturing capacities;

Or. en

Amendment 65

Proposal for a regulation Article 10 b (new)

Text proposed by the Commission

Amendment

Article 10b

Designation of Valleys

1. A decision by a Member State to designate a Valley shall be accompanied by a plan (Plan) setting out:

(a) which specific Net-Zero manufacturing activities are covered by the Valley

(b) concrete national measures to increase the attractiveness of the Valley as a location for manufacturing activities.

(c) the results of the environmental assessment as well as the measures the Member State will take to mitigate negative environmental impacts, referred to in paragraph 2.

2. As part of the decision-making process for designating a Valley, Member States shall carry out any environmental assessment required by Union or national law for the manufacturing activities that are to take place in the Valley. Any environmental assessment requirements for a permit for new or expanded manufacturing capacity that is in line with the Plan shall be considered fulfilled by an environmental assessment carried out pursuant to this paragraph.

3. A decision designating a Valley pursuant to [Articles 10 and this Article] shall include a date of application and a date of expiry. A Member State may renew such a decision Member States

shall make such any decisions public

Or. en

Amendment 66

Proposal for a regulation Article 11

Text proposed by the Commission

Amendment

Article 11

deleted

Application and recognition

1. Applications for recognition of net-zero technology projects as net-zero strategic projects shall be submitted by the project promoter to the relevant Member State.

2. The application referred to in paragraph 1 shall contain all of the following:

(a) relevant evidence related to the fulfilment of the criteria laid down in Article 10(1) or (2);

(b) a business plan evaluating the financial viability of the project consistent with the objective of creating quality jobs.

3. Member States shall assess the application referred to in paragraph 1 through a fair and transparent process within a month. The absence of a decision by Member States within that time frame shall constitute an approval of the project.

4. The Commission may provide its opinion on the approved projects. In the case of a rejection of the application by a Member State, the applicant shall have the right to submit the application to the Commission, which shall assess the application within 20 working days.

5. Where the Commission, following its assessment in accordance with paragraph 4, confirms the rejection of the

application by the Member State, it shall notify the applicant of its conclusion in the form of a letter. Where the Commission differs in its assessment from the Member State, the Net-Zero Europe Platform shall discuss the project in question.

6. Where the Commission or a Member State finds that a net-zero strategic project has undergone substantial changes or that it no longer fulfils the criteria set out in Article 10(1) or 10(3), or where its recognition was based on an application containing incorrect information, it shall inform the project promoter concerned. After hearing the project promoter, the Member State may repeal the decision granting a project the status of net-zero strategic project.

7. Projects which are no longer recognised as net-zero strategic project shall lose all rights connected to that status under this Regulation.

8. The Commission shall set up and maintain an openly available registry of net-zero strategic projects.

Or. en

Amendment 67

Proposal for a regulation Article 12

Text proposed by the Commission

Amendment

Article 12

deleted

Priority status of net-zero strategic projects

1. Project promoters and all authorities that, under national law, are competent to issue various permits and authorisations related to the planning, design and construction of immovable assets, including energy infrastructure,

shall ensure that for net-zero strategic projects those processes are treated in the most rapid way possible in accordance with Union and national law.

2. Without prejudice to obligations provided for in Union law, Member States shall grant net-zero strategic projects the status of the highest national significance possible, where such a status exists in national law, and be treated accordingly in the permit-granting processes including those relating to environmental assessments and if national law so provides, to spatial planning.

3. Net-zero strategic projects shall be considered to contribute to the security of supply of strategic net-zero technologies in the Union and therefore to be in the public interest. With regard to the environmental impacts addressed in Articles 6(4) and 16(1)I of Directive 92/43/EEC, Article 4(7) of Directive 2000/60/EC and Article 9(1)(a) of Directive 2009/147/EC, net-zero strategic projects in the Union shall be considered as being of public interest and may be considered as having an overriding public interest provided that all the conditions set out in those Directives are fulfilled.

4. All dispute resolution procedures, litigation, appeals and judicial remedies related to net-zero strategic projects in front of any national courts, tribunals, panels, including mediation or arbitration, where they exist in national law, shall be treated as urgent, if and to the extent to which national law provides for such urgency procedures and provided that the normally applicable rights of defence of individuals or of local communities would be respected. Project promoters of net-zero strategic projects shall participate in such urgency procedure, where applicable.

Or. en

Amendment 68

Proposal for a regulation Article 13

Text proposed by the Commission

Amendment

Article 13

deleted

Duration of the permit-granting process for net-zero strategic projects

1. The permit-granting process for net-zero strategic projects shall not exceed any of the following time limits:

(a) 9 months for the construction of net-zero strategic projects with a yearly manufacturing capacity of less than 1 GW;

(b) 12 months for the construction of net-zero strategic projects, with a yearly manufacturing capacity of more than 1 GW;

(c) 18 months for all necessary permits to operate a storage site in accordance with Directive 2009/31/EC.

2. For net-zero strategic technologies for which a yearly manufacturing capacity is not measured in GW, the permit-granting process shall not exceed a time limit of 12 months.

3. For the expansion of manufacturing capacity in existing manufacturing facilities, the time limits referred to in paragraphs 1 and 2 shall be halved.

4. National competent authorities shall ensure that the lack of reply of the relevant administrative bodies within the applicable time limits referred to in this Article results in the specific intermediary steps to be considered as approved, except where the specific project is subject to an environmental impact assessment pursuant to Council Directive 92/43/EEC or Directive 2000/60/EC, Directive

2008/98/EC, Directive 2009/147/EC, Directive 2010/75/EU, 2011/92/EU or Directive 2012/18/EU or a determination of whether such environmental impact assessment is necessary and the relevant assessments concerned have not yet been carried out, or where the principle of administrative tacit approval does not exist in the national legal system. This provision shall not apply to final decisions on the outcome of the process, which are to be explicit. All decisions shall be made publicly available.

Or. en

Amendment 69

Proposal for a regulation Article 14

Text proposed by the Commission

Amendment

Article 14

deleted

Accelerating implementation

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

2. Member States may provide administrative support to net-zero strategic projects to facilitate their rapid and effective implementation, including by providing:

(a) assistance to ensure compliance with applicable administrative and reporting obligations;

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

the project.

Or. en

Amendment 70

Proposal for a regulation Article 15

Text proposed by the Commission

Amendment

Article 15

deleted

Coordination of financing

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

2. The Net-Zero Europe Platform shall, at the request of the net-zero strategic project promoter, discuss and advise on how the financing of its project can be completed, taking into account the funding already secured and considering at least the following elements:

(a) additional private sources of financing;

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

(c) existing Member State instruments and programmes, including from national promotional banks and institutions;

(d) relevant Union funding and financing programmes.

Or. en

Amendment 71

Proposal for a regulation Article 15 a (new)

Text proposed by the Commission

Amendment

Article 15a

Net-Zero financing

1. The Commission and the Member States shall facilitate access to financing for net-zero technology manufacturing projects by both:

(a) accelerating investment, including leveraging funding from both public and private sectors;

(b) providing and coordinating support to net-zero technology manufacturing projects facing difficulties in accessing finance.

2. The Commission and the Member States shall undertake activities to accelerate and crowd-in private investments in net-zero technology manufacturing projects. Such activities may, without prejudice to Article 107 and Article 108 of the TFEU, include providing and coordinating support to net-zero technology manufacturing projects facing difficulties in accessing finance.

3. The Net-Zero Europe Platform as established in Article 28 shall discuss financial needs and bottlenecks of net-zero technology manufacturing projects, potential best practices, in particular to develop EU cross-border supply chains, notably based on regular exchanges with and recommendations of the Net-Zero Industry Expert Group.

4. The Net-Zero Europe Platform shall, at the request of a Member State or the Commission, discuss and advise on how the financing of a specific project can be completed, taking into account the funding already secured and considering

at least the following elements:

(a) additional private sources of financing;

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

(c) existing Member State instruments and programmes, including from national promotional banks and institutions;

(d) relevant Union funding and financing programmes.

5. Member States shall allocate at least 25% of national revenues stemming from Emission Trading Scheme allowances annually to pursue the objectives of this Act.

Or. en

Amendment 72

Proposal for a regulation Article 16 – paragraph 1

Text proposed by the Commission

An annual injection capacity of at least 50 million tonnes of CO₂ shall be achieved by 2030, in storage sites located in the territory of the European Union, its exclusive economic zones or on its continental shelf within the meaning of the United Nations Convention on the Law of the Sea (UNCLOS) and which are not combined with Enhanced Hydrocarbon Recovery (EHR).

Amendment

An annual injection capacity of at least 50 million tonnes of CO₂ shall be achieved by 2030, in storage sites ***such as depleted oil and gas fields and saline aquifers***, located in the territory of the European Union, its exclusive economic zones or on its continental shelf within the meaning of the United Nations Convention on the Law of the Sea (UNCLOS) and which are not combined with Enhanced Hydrocarbon Recovery (EHR).

Or. en

Amendment 73

Proposal for a regulation

Article 16 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

The storage sites referred to in paragraph 1 shall be designed to operate for a minimum of five years. All storage sites shall respect the principles of third-party access, non-discriminatory tariffs and transparency, as defined in Directive 2009/73/EC.

Or. en

Amendment 74

Proposal for a regulation

Article 16 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

The Commission shall no later than 31 December 2026 propose to the European Parliament and Council requirements for the annual CO₂ injection capacity to be provided by 2035, 2040 and 2050, paying regard to the needs of Member States across the Union.

Or. en

Amendment 75

Proposal for a regulation

Article 16 – paragraph 1 c (new)

Text proposed by the Commission

Amendment

Every two year after the date of entry into force of this Regulation, the Commission shall report on the progress achieved towards the Union annual injection

capacity target. The report shall include an overview of the geographical spread of storage sites across the Union.

Or. en

Amendment 76

Proposal for a regulation

Article 17 – paragraph 2 – point c

Text proposed by the Commission

(c) the national support measures that could be adopted to prompt projects referred to in points (a) and (b).

Amendment

(c) the national support ***measures that have been adopted and*** measures that could be adopted to prompt projects referred to in points (a) and (b).

Or. en

Amendment 77

Proposal for a regulation

Article 17 – paragraph 2 – point c a (new)

Text proposed by the Commission

Amendment

(ca) the national strategy and targets that have been set for the capture of CO₂ by 2030, 2035, 2040 and 2050.

Or. en

Amendment 78

Proposal for a regulation

Article 17 – paragraph 2 – point c b (new)

Text proposed by the Commission

Amendment

(cb) the arrangements, including bilateral agreements made to facilitate cross-border transportation of CO₂, made

to ensure that entities capturing CO₂ have access to a safe and non- discriminatory means of transporting CO₂.

Or. en

Amendment 79

Proposal for a regulation Article 17 a (new)

Text proposed by the Commission

Amendment

Article 17a

CO₂ transport infrastructure

- 1. In order to facilitate the achievement of the objective set out in Article 16, the Union and its Member States in partnership with the companies benefitting shall invest in the needed CO₂ transport infrastructure, including cross-border infrastructure.***
- 2. Member States shall take the necessary measures to ensure that potential users of storage sites are able to obtain access to CO₂ transport networks and to storage sites for the purposes of geological storage of the produced and captured CO₂***
- 3. By 6 months from the entry into force of this Regulation, the Commission and Member States shall draw up a common strategy to finance the infrastructure referred to in paragraph 1. The strategy referred to in paragraph 3 shall be reviewed at least every two years.***

Or. en

Amendment 80

Proposal for a regulation Article 18 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Within six months of the entry into force of the Regulation, the Commission shall publish guidelines indicating the maximum levels of CO₂ purity and of trace elements within the flow that may be specified by an entity seeking to have a CO₂ storage project confirmed as contributing to the Union's injection capacity objective.

Or. en

Amendment 81

Proposal for a regulation

Article 18 – paragraph 5 – point c a (new)

Text proposed by the Commission

Amendment

(ca) detail the specifications relating to the CO₂ purity required, which the Commission shall approve or reject after assessing the requirements for safe operation and the need not otherwise to restrict injection of CO₂ which will otherwise be released into the atmosphere.

Or. en

Amendment 82

Proposal for a regulation

Article 18 – paragraph 6

Text proposed by the Commission

Amendment

6. Two years after the entry into force of the Regulation and every year thereafter, the entities referred to in paragraph 1 shall submit a report to the Commission detailing their progress towards meeting their contribution. The Commission shall

6. Two years after the entry into force of the Regulation and every year thereafter, the entities referred to in paragraph 1 shall submit a report to the **Competent Authority of the Member States and the** Commission detailing their progress towards meeting

make these reports public.

their contribution. The ***report will include an overview of the economic feasibility of planned injection capacities. The*** Commission shall make these reports public.

Or. en

Amendment 83

Proposal for a regulation Article 18 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. The Commission shall assess the compliance of the entities referred to in paragraph 1 with the requirements of this Chapter. In this assessment the Commission shall take into account the development of CO₂ transport modalities to the injection sites as well as the development of carbon capture activities to produce the demand for CO₂ injection. If either or both infrastructure and capture activities are lacking, the Commission may reduce the injection obligation of a specific entity for a specific year. Any reduction shall be recovered in within 5 years after the reduction took place.

Or. en

Amendment 84

Proposal for a regulation Article 18 – paragraph 7 – point b a (new)

Text proposed by the Commission

Amendment

(ba) Sanctions and penalties that may be applied to authorised oil and gas producers that fail to comply with the requirements of this Regulation.

Amendment 85**Proposal for a regulation
Article 19 – paragraph 1***Text proposed by the Commission*

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

Amendment

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

Amendment 86**Proposal for a regulation
Article 21 – paragraph 1***Text proposed by the Commission*

1. Without prejudice to Articles 107 and 108 of the Treaty and Article 4 of Directive 2018/2001⁷³ and in line with the Union's international commitments, when deciding to set up schemes benefitting households or consumers which incentivise the purchase of net-zero technology final products ***listed in the Annex***, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or

Amendment

1. Without prejudice to Articles 107 and 108 of the Treaty and Article 4 of Directive 2018/2001⁷³ and in line with the Union's international commitments, when deciding to set up schemes benefitting households or consumers which incentivise the purchase of net-zero technology final products, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies

one or more such bodies governed by public law, shall design them in such a way as to promote the purchase by beneficiaries of net-zero technology final products with a high sustainability and resilience contribution as referred in Article 19(2), by providing additional proportionate financial compensation.

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

governed by public law, shall design them in such a way as to promote the purchase by beneficiaries of net-zero technology final products with a high sustainability and resilience contribution as referred in Article 19(2), by providing additional proportionate financial compensation.

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

Or. en

Amendment 87

Proposal for a regulation Article 22 – paragraph 2

Text proposed by the Commission

2. The Commission shall make available and regularly update a list of ***each of the*** net-zero technology final products ***listed in the Annex***, broken down by the share of Union supply originating in different third countries in the last year for which data is available.

Amendment

2. The Commission shall make available and regularly update a list of ***all*** net-zero technology final products, ***components, materials and machinery***, broken down by the share of Union supply originating in different third countries in the last year for which data is available.

Or. en

Amendment 88

Proposal for a regulation Chapter VI – title

Text proposed by the Commission

Innovation

Amendment

Innovation ***and Competitiveness***

Or. en

Amendment 89

Proposal for a regulation Chapter VI – section I (new)

Text proposed by the Commission

Amendment

Section I

Innovation

Or. en

Amendment 90

Proposal for a regulation Article -26 (new)

Text proposed by the Commission

Amendment

Article -26

***Innovation for competitiveness and
decarbonisation***

***The measures in this Section shall aim to
accelerate innovation in energy
technologies within the Union, in order to
accelerate the deployment of those
technologies to foster the Union's
decarbonisation efforts as well as to
increase the global competitiveness of the
Union's net-zero industry with the view of
increasing the export of those
technologies.***

Or. en

Amendment 91

Proposal for a regulation Article -26 a (new)

Article -26a

Strategic Energy Technology Plan

1. With the objective of ensuring a focus on and coordination between different funding schemes and sources, at Union, national and sub-national level and to support the development of climate-neutral energy technologies as well as of ensuring strategic alignment on priorities for research, innovation and deployment of clean energy technologies, the Union shall have a Strategic Energy Technology Plan (SET Plan).

2. The SET Plan shall identify the energy technologies which are of strategic importance for the Union, taking into account their contribution to the Union's climate-neutrality objectives as well as to the Union's industrial competitiveness, and which require research and innovation activities to reach the maturity needed for full scale deployment.

3. The SET Plan Board referred to in Article -26b shall be responsible for the establishment and implementation of the SET Plan. For the purposes of this Regulation, the Commission shall adopt the list of technologies identified in the SET Plan by means of an implementing act in accordance with the examination procedure referred to in Article 34(3).

4. Under the authority of the SET Plan Board and with deep involvement of the relevant sectors, including the research sector, research and innovation agendas shall be developed for each of the energy technologies identified in the SET Plan. Those agendas shall be the basis for coordination between the Union and the Member States regarding funding for the activities identified in the agenda as well as regarding the technology infrastructures needed for those technologies. Those agendas shall be

endorsed by the SET Plan Board.

5. The SET Plan shall be reviewed and if necessary revised within 18 months after each election for the European Parliament. The first SET Plan shall be established by [3 months after the date of entry into force of this Regulation].

Or. en

Amendment 92

Proposal for a regulation Article -26 b (new)

Text proposed by the Commission

Amendment

Article -26b

SET Plan Board

1. For the development and implementation of the SET Plan a SET Plan Board will be set up by the European Commission. The SET Plan Board shall be responsible for the strategic direction as well as general decisions, including the decision on the technologies to be included, on the SET Plan and its implementation.

2. The SET Plan Board shall be composed Member States and of the Commission. It shall be chaired by a representative of the Commission. It shall include structural and permanent involvement of industry and research actors.

3. Each Member State shall appoint a high-level representative to the SET Plan Board. Where relevant as regards the function and expertise, a Member State may have more than one representative in relation to different tasks related to the work of the SET Plan Board. Each member of the SET Plan Board shall have an alternate.

4. On a proposal by the Commission, the

SET Plan Board shall adopt its rules of procedure by a simple majority of its members.

5. The SET Plan Board shall meet at regular intervals to ensure the effective performance of its tasks specified in this Regulation. Where necessary, the SET Plan Board shall meet at the reasoned request of the Commission or a simple majority of its members.

6. The Commission shall assist the SET Plan Board by means of an executive secretariat that provides technical and logistic support.

7. The SET Plan Board may establish standing or temporary sub-groups dealing with specific questions and tasks.

8. The SET Plan Board shall invite representatives of the European Parliament to attend, as observers, its meetings, including of the standing or temporary sub-groups referred to in paragraph 7.

9. Where appropriate, the SET Plan Board or the Commission may invite experts and other third parties to SET Plan Board and sub-group meetings or to provide written contributions.

10. The SET Plan Board shall take the necessary measures to ensure the safe handling and processing of confidential and commercially sensitive information.

11. The SET Plan Board shall use its best endeavours to reach consensus.

Or. en

Amendment 93

**Proposal for a regulation
Chapter VI – section II (new)**

Text proposed by the Commission

Amendment

Section II

Competitiveness

Or. en

Amendment 94

**Proposal for a regulation
Article 26 a (new)**

Text proposed by the Commission

Amendment

Article 26a

***Streamlining regulatory and
administrative burdens***

1. Without prejudice to its social and environmental standards, the Union shall reduce the regulatory and administrative burdens for industrial activities within its territory.

2. In view of the objectives of this Regulation, the Union shall meet the following reduction objectives by 2030:

(a) a 20% reduction of the general regulatory burden on industry;

(b) a 40% reduction of the regulatory burden for placing a new product on the internal market;

(c) a 40% reduction of the administrative burden for startups and small and medium-sized enterprises

3. The reduction objectives referred to in paragraph 2 shall be measured in terms of the reduction of the cost of doing business in the Union.

4. The expert group referred to in Article 29(7a) shall provide recommendations to the Commission in order to achieve the objectives referred to in paragraph 2.

Amendment 95

Proposal for a regulation Article 26 b (new)

Text proposed by the Commission

Amendment

Article 26b

Innovation Principle

- 1. The Union shall create a regulatory environment for the internal market which enables innovation.**
- 2. In order to achieve the objective referred to in paragraph 1, when preparing new legal acts or amendments to existing legal acts, the Commission shall analyse the potential negative impact of the legal act on developing and bringing to the market new innovations. If such a negative impact is identified, an exemption clause shall be included in the legislative proposals, which addresses the negative impact and ensures that innovation is unhindered by undue regulatory restrictions.**

Or. en

Amendment 96

Proposal for a regulation Article 26 c (new)

Text proposed by the Commission

Amendment

Article 26c

Transition Pathways

- 1. With the objective of providing specific support for the needs of specific industrial ecosystems, the Commission shall identify the most important industrial ecosystems**

in the Union and shall develop Transition Pathways for them.

2. Transition Pathways shall identify the scale, cost, long term benefits and conditions of the required action to accompany the twin transition of a specific ecosystem. They shall identify the innovation needs, the investment needs and the implementation bottlenecks, as well as concrete plans to address those needs and bottlenecks, with a view to establishing an actionable plan in favour of sustainable competitiveness.

3. By 31 December 2024, the Commission shall revise the existing Transition Pathways to reflect the objectives of this Regulation. The Commission shall review and, if necessary, revise the Transition Pathways by ... [three years after the date of entry into force of this Regulation] and every three years thereafter. This revision could also include the inclusion of Transition Pathways for new ecosystems or the termination of existing Transition Pathways.

Or. en

Amendment 97

Proposal for a regulation

Article 27 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. By ... [6 months after the date of entry into force of this Regulation] and every five years thereafter, the European Commission shall appoint an SME Envoy as an adviser to its President. The SME Envoy shall have a mandate to ensure that the interests of small and medium enterprises are sufficiently reflected the Union's policies and legal acts.

Or. en

Amendment 98

Proposal for a regulation Article 28 – paragraph 3

Text proposed by the Commission

3. The Platform may advise and assist the Commission and Member States in relation to their actions to reach the objectives outlined in **Chapter I of this Regulation**, taking into account Member States' national energy and climate plans submitted under Regulation (EU) 2018/1999⁷⁵.

⁷⁵ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (Text with EEA relevance.), (OJ L 328, 21.12.2018, p. 1).

Amendment

3. The Platform may advise and assist the Commission and Member States in relation to their actions to reach the objectives outlined in **Chapters I**, taking into account Member States' national energy and climate plans submitted under Regulation (EU) 2018/1999⁷⁵, **and VI of this Regulation**.

⁷⁵ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (Text with EEA relevance.), (OJ L 328, 21.12.2018, p. 1).

Or. en

Amendment 99

Proposal for a regulation Article 28 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. The Net-Zero Europe Platform shall, on a regular basis and at least once

a year, assess the global competitiveness of the industries within the scope of this Regulation and shall recommend actions to improve that competitiveness.

Or. en

Amendment 100

Proposal for a regulation

Article 29 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. The Board shall meet at least once every year with the SET Plan Board referred to in Article -26b.

Or. en

Amendment 101

Proposal for a regulation

Article 29 – paragraph 7 a (new)

Text proposed by the Commission

Amendment

7a. The Platform shall establish a Net-Zero Industry Expert Group.

The Net-Zero Industry Expert Group will be composed of representatives of industrial sectors within the scope of this Regulation.

The Net-Zero Industry Expert Group will provide recommendations to the Platform, either on its own initiative or when requested by the Platform.

The Net-Zero Industry Expert Group shall facilitate interaction between the Platform and consultative or advisory bodies set up in the framework of the Union's industrial policy.

Or. en

Amendment 102

Proposal for a regulation Article 34 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

a. In the case of the implementing acts to be adopted under Article -26a where the Committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.

Or. en

Amendment 103

Proposal for a regulation Annex I

Text proposed by the Commission

Amendment

[...]

deleted

Or. en

EXPLANATORY STATEMENT

The Net-Zero Industry Act holds significant importance within a broader context that encompasses the urgent need to establish a compelling business case for industrial decarbonisation in Europe, aligning with the overarching goals of the Green Deal. Moreover, European industry faces a pressing challenge in terms of maintaining competitiveness on a global scale. While the Commission's initial proposal for the Net-Zero Industry Act aimed to address these concerns, it fell short of achieving comprehensive outcomes. In this regard, the present draft report represents a substantial improvement by introducing key enhancements.

Two primary improvements are worth highlighting: the streamlined definition of net-zero technologies and the expanded scope that encompasses the entire supply chain of such technologies. The draft report proposes referencing the Taxonomy to rationalise the definition, thereby avoiding the creation of an additional list and ensuring policy coherence throughout the Union.

A third crucial enhancement within the draft report lies in the inclusion of articles within the innovation chapter, strategically designed to enhance the overall competitiveness of European industry. Consequently, the chapter has been renamed "Innovation and Competitiveness" and divided into two sections: the first section focusing on innovation (Articles -26 to 26) and the second section devoted to competitiveness (Articles 26a to 27).

Shifting the Act's overarching objective from a benchmark based solely on domestic deployment needs to a benchmark emphasizing global market share assumes paramount importance for Europe's continued prosperity through export capacity.

Carbon Capture and Storage (CCS) emerges as a central issue within this Act. While appreciating the strong emphasis on ensuring the availability of storage capacity, it is vital to establish a functional market that encompasses the entire value chain, including capture, transport, storage, and usage. In light of this, the draft report proposes amendments to facilitate the functionality of this value chain.

Furthermore, the draft report introduces the concept of Net-Zero Industry Valleys, aimed at fostering industrial symbiosis and encouraging Member States to make targeted investments in specific areas across Europe.

A significant challenge that cannot be ignored is the lack of funding support for the Commission's initial proposal. To address this concern, the draft report recommends that Member States allocate 25% of their national Emissions Trading System (ETS) revenues for expenditures aimed at achieving the objectives set forth in this Act. By ensuring a dedicated financial stream, the Act can gain the necessary momentum for successful implementation.

In conclusion, the draft report represents a substantial step forward in refining the Net-Zero Industry Act. Through rationalised definitions, an extended scope, provisions for innovation and competitiveness, the pursuit of global market share, a functional approach to CCS, the concept of Net-Zero Industry Valleys, and dedicated funding mechanisms, the Act can more effectively propel Europe's industrial decarbonisation efforts while ensuring sustained competitiveness.

