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Trádála agus Fostaíochta
Department of Enterprise,
Trade and Employment

Public Consultation on the Net-Zero Industry Act



Subject of the Public Consultation

The Department of Enterprise, Trade and Employment (DETE) is seeking the views of stakeholders on the Proposal for a Regulation on establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem, otherwise known as the Net-Zero Industry Act (NZIA), proposed by the European Commission on 16 March 2023.

Stakeholders are asked to submit written contributions on the proposal by 23 May 2023. DETE will represent Ireland at negotiations on the Commission's proposals over coming months and responses to the consultation will help inform the work to be undertaken by the Department in this area.

Background

The proposed draft Net-Zero Industry Act (NZIA)¹ aims to create a regulatory environment that will provide a framework for net-zero technologies and forms part of Pillar 1 of the Green Deal Industrial Plan for the Net-Zero Age.² The NZIA is designed to support the scaling up of the EU's net-zero manufacturing capacities and products, helping to meet Europe's climate neutrality goals, create green jobs and maintain the EU's competitiveness, especially in light of the *US Inflation Reduction Act*. The NZIA presents economic opportunities for Europe, where the global market for net-zero industry technologies is expected to reach an annual worth of around €600 billion a year by 2030.³ The increase in uptake of clean energy and net-zero technologies is essential in helping the EU achieve its Fit for 55 commitments. The NZIA will also complement ongoing efforts to transform industry under initiatives including the European Green Deal,⁴ the EU Industrial Strategy,⁵ and the Circular Economy Action Plan.⁶

The proposed draft NZIA supports, eight strategic net-zero technologies that are commercially available or soon to enter the market and have significant potential for rapid scale-up to contribute to the EU's decarbonisation targets:

1. Solar photovoltaic and solar thermal technologies
2. Onshore wind and offshore renewable technologies
3. Batteries / storage technologies
4. Heat pumps and geothermal energy technologies
5. Electrolysers and fuel cells
6. Sustainable biogas/biomethane technologies

¹ [Net Zero Industry Act A framework of measures for strengthening Europe's net-zero transition](#)

² [A Green Deal Industrial Plan for the Net Zero Age](#)

³ [IEA Energy Technology Perspectives 2023](#)

⁴ [European Green Deal](#)

⁵ [European industrial strategy](#)

⁶ [New circular economy action plan \(CEAP\)](#)

7. Carbon capture and storage (CCS) technologies
8. Grid technologies

The Department of Enterprise, Trade and Employment recommends readers to visit the European Commission website which provides further information on the proposal. The Commission's Proposal and accompanying texts are available on the Commission's website:

- 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)
https://single-market-economy.ec.europa.eu/document/download/9446a7b1-0220-4b7b-91d2-11b7e27b9278_en
- Annex to Net-Zero Industry Act
https://single-market-economy.ec.europa.eu/document/download/7c275bb7-6c8b-41c2-8965-46bf60439651_en
- Commission Staff Working Document on Investment needs assessment and funding availabilities to strengthen EU's Net-Zero technology manufacturing capacity
https://single-market-economy.ec.europa.eu/document/download/680f052a-fa6c-4f63-a1ec-c4866fa25a27_en?filename=SWD_2023_68_F1_STAFF_WORKING_PAPER_EN_V4_P1_2629849.PDF
- European Commission announcement on NZIA
https://ec.europa.eu/commission/presscorner/detail/en/ip_23_1665
- Questions and Answers: The Net-Zero Industry Act
https://ec.europa.eu/commission/presscorner/detail/en/QANDA_23_1666
- Factsheet: Net Zero Industry Act
https://ec.europa.eu/commission/presscorner/detail/en/FS_23_1667
- A Green Deal Industrial Plan for the Net-Zero Age
https://commission.europa.eu/document/41514677-9598-4d89-a572-abe21cb037f4_en

The European Commission has also launched a targeted stakeholder consultation available at [Net Zero Industry Act \(europa.eu\)](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_1665). The Commission's consultation will be open until 19 May 2023.

The NZIA

OBJECTIVE

The objective of the NZIA is to approach or reach, in aggregate, at least 40% of the annual deployment needs for strategic net-zero technologies manufactured in the EU by 2030. The NZIA aims to achieve this by:

- Establishing the conditions for scaling up the manufacturing capacity.
- Supporting the 2030 decarbonisation targets and ensuring the security of supply.
- Setting harmonised rules for the installation of manufacturing capacity.
- Creating a regulatory environment that simplifies and fast-tracks permitting for new net-zero technology products production sites.
- Increasing resilience, ensuring the security of the energy supply, promoting energy efficiency, and developing new and renewable forms of energy.

STRUCTURE

The NZIA is built around seven pillars and we **invite respondents to submit their views under each of these headings based on the content of each pillar.**

Pillar 1 - Setting enabling conditions

The NZIA proposes to improve conditions for investment in net-zero technologies by enhancing information, **reducing the administrative burden** of setting up projects and **simplifying permit-granting processes, including establishing a single point of contact in Member States for permitting.**⁷

The NZIA proposes prioritising **Net-Zero Strategic projects** deemed essential for reinforcing the resilience and competitiveness of EU industry. Such projects can be proposed by stakeholders and will be selected by the Member States concerned based on their contribution to increasing the manufacturing capacity of (components of) net-zero technologies, where the EU depends heavily on imports from a single third country or based on their contribution to the competitiveness of the EU's net-zero industry supply chain. The NZIA suggests that these Net-Zero Strategic Projects should be given 'priority status,' at a national level to ensure rapid administrative treatment and should benefit from the fastest possible permitting processes, in line with national and EU laws. Net-Zero Strategic Projects may also be of overriding public interest. Promoters of net-zero strategic projects will also be able to benefit from financing advice stemming from the Net-Zero Europe Platform. In addition, these projects should also be given, if necessary, urgent treatment in all judicial and dispute resolution procedures.

Pillar 2 - Accelerating CO2 capture

The NZIA proposes an **EU objective to reach an annual 50 million tonnes injection capacity in strategic CO₂ storage sites in the EU by 2030**, with proportional contributions from EU oil and gas producers. This would remove a significant barrier to developing

⁷ The NZIA introduces time limits on the permit-granting processes for net-zero manufacturing projects related to their size and status. These are set out in Annex 3.

CO₂ capture and storage as an economically viable climate solution, particularly for hard-to-abate energy-intensive sectors.

Pillar 3 - Facilitating access to markets

To boost supply diversification for net-zero technologies, the NZIA would require public authorities to **consider sustainability and resilience criteria for net-zero technologies in public procurement or auctions**, as well as **actions to support private demand**.

Pillar 4 - Enhancing skills

The NZIA aims to ensure the availability of skilled workforce for the clean energy transition by supporting the establishment of **Net-Zero Industry Academies**, each focusing on a net-zero technology to provide upskilling and reskilling programmes with the support and oversight by the Net-Zero Europe Platform (see point 6 below).

Pillar 5 - Fostering innovation

The NZIA would make it possible for Member States to set up **regulatory sandboxes** to test innovative net-zero technologies and stimulate innovation under flexible regulatory conditions for limited period of time.

Pillar 6 - A Net-Zero Europe Platform

This Platform would assist the Commission and Member States in **coordinating action and exchanging information**, including around Net-Zero Industrial Partnerships. The Commission and Member States will also work together to ensure the availability of data to monitor progress towards the objectives of the NZIA. The Net-Zero Europe Platform will **support investment by identifying financial needs, bottlenecks, and best practices for projects** across the EU. It will also foster contacts across Europe's net-zero sectors, making particular use of existing Industrial Alliances. The Platform will also play an important role in enhancing skills through monitoring the Net-Zero Academies and assessing the demand and supply of a workforce with the skill sets needed.

Pillar 7 - Building Industrial Partnerships

To pave the way for the adoption of net-zero technologies globally, the NZIA foresees that the **EU may collaborate with like-minded countries** and engage in Net-Zero Industrial Partnerships that will help to diversify trade and investments in net-zero technologies.

Consultation Responses

Stakeholder views are welcomed from interested parties, including manufacturing industry, the research community and beyond to end users. We ask that respondents **structure their responses according to the seven pillars outlined above**, responding to one or more of the pillars as appropriate.

Views from stakeholders and interested parties on the proposed regulation are requested no later than **noon on Tuesday 23 May 2023**. Submissions should be **marked “Net-Zero Industry Act Consultation”** and should be emailed to industrial.policy@enterprise.gov.ie. Further queries can also be made to industrial.policy@enterprise.gov.ie.

Freedom of Information and Data Protection

Freedom of Information Act 2014 and Publication of Submissions

The Department will publish on its website all submissions received under this consultation. Your attention is also drawn to the fact that information provided by you in submissions is subject to release by the Department under the Freedom of Information Act 2014. In responding to this public consultation, all individuals and organisations should clearly indicate where their submission contains **personal information, commercially sensitive information or confidential information** which they would not wish to be made publicly available by being published on the Department's website or released by the Department pursuant to the receipt of an FOI Request under the Freedom of Information Act 2014. It is also important to note that **your name and address and other details such as your representative organisation or any other information that you provide in your submission will be published on the Department's website unless you specifically request that such details are redacted or removed.**

General Data Protection Regulation (GDPR) and Data Protection Acts 1988 to 2018

The General Data Protection Regulation (GDPR) entered into force in Ireland on 25th May 2018 and provided individuals with additional rights and protections in relation to their personal data. Although the GDPR is directly applicable as a law in all EU Member States, it allows for certain issues to be given further effect in national law. In Ireland, the national law, which, amongst other things, gave further effect to the GDPR, was introduced on 24th May 2018 and is known as the Data Protection Act 2018.

The Department of Enterprise, Trade and Employment is subject to the provisions of the GDPR and Data Protection Acts 1988 to 2018. In this context, the Department will treat all personal information which you provide in submissions as part of this public consultation process with the highest standards of security in line with our data protection compliance requirements.

Finally, we would like to draw your attention to the Department's [Data Protection Privacy Notice](#) which is available on our website and explains how and when we collect personal data, why we do so and how we treat this information. It also explains your rights in relation to the collection of your personal information and how you can exercise your rights under data protection laws.