NET-ZERO INDUSTRY ACT

Wednesday 20 September 2023

18h00 Cocktail – 18h30 Roundtable – 19h30 Dinner & Debate
Salons 3&4, Spinelli Building, European Parliament

Organised in partnership with WindEUROPE

INTRODUCTION BY THE CHAIR

Tsvetelina PENKOVA MEP (S&D, Bulgaria), Shadow Rapporteur, Industry, Research & Energy Committee

Commissioner Simson, guests and colleagues, welcome to this EFM energy debate on the Net Zero Industry Act (NZIA). As Shadow Rapporteur for the S&D, it is my pleasure to chair this event tonight and I am particularly pleased that we have managed to gather such a diverse crowd of stakeholders. The NZIA covers many industries that contribute to reaching our net-zero targets.

The last 3 years have been, to say the least, challenging for the European Union:

- From COVID-19, to the supply chain disruption.
- From the energy crisis to the Russia – Ukraine war.

All those problems and obstacles have managed to convince us that we need to focus on our "strategic autonomy".

What does this mean? Very simply – we have to be able to completely rely only on ourselves for certain products and services.

Yes, we do have partners that can support the Union if needed, but our main focus should be on our own efforts, expertise and technologies.

This is 100% valid when we talk about our energy policies.

- We must produce more of the energy we consume domestically and to the biggest extent possible from technologies we build ourselves.
  - This is the baseline logic behind the creation of the Net-Zero Industry Act, on which I have focused my work in the last few months.
  - This Regulation sets the direction for bringing industrial production back to EU shores.

- The main focus is to identify the sectors for future economic growth and set them as strategic priorities in which companies should invest in new production sites in Europe.
  - Renewable technologies and nuclear power fall into the definition of net-zero enabling technologies.
  - Technologies like Carbon Capture and Storage and infrastructure for transporting that captured carbon also fall under the defection of net-zero technologies we negotiate.

- The domestic production of all of these technologies should be prioritised with various incentives and faster permitting processes.
- We should reduce administrative bourdon and make it easier for manufacturers to build new production facilities in Europe.
- Another important focus should be the growing lack of qualified workforce.
  - The NZIA sets measures to ensure that the EU will have enough specialists in applied sciences, engineering and all of the other necessary expertise going forward.

- Let us not relinquish our strategic advantages and bring back the competitive edge that Europe is known for.

- Together we can accomplish our goals and set in stone that the EU will be leading the way in the development of energy-efficient technologies and a driving force in the debate around the goals of the Green Deal.

EUROPEAN COMMISSION

Kadri Simson, EUROPEAN COMMISSION, European Commissioner for Energy

I am very pleased to be here tonight to discuss the competitiveness of our net zero technology industry. This discussion is very timely. As you all know, Europe is making huge strides in the clean energy transition. But this is not without challenges – and these must be addressed head on.

Let me start by talking about the recent surge in renewables deployment. It has been remarkable.

Today, over 22% of our electricity is produced from solar and wind, compared to other major economies at around 14% or lower. In 2022, the EU witnessed a record surge in wind and solar power. This trend is only set to continue, with estimates showing a 17% increase in new capacity compared to the previous year.

This is exactly the direction we want to be headed in. Because ramping up renewables deployment is key to our climate goals and long-term energy sovereignty. But if we are to keep up the pace of renewables deployment, our need for net-zero technologies will also increase in years to come. As we speak, Europe is a net importer of these technologies. We already know too well what it means to be heavily reliant on one supplier.

As we step away from fossil fuel dependency on Russia, we cannot risk falling into another dependency. Not only that. The global market for key mass-manufactured net-zero technologies is set to triple by 2030 with an annual worth of around €600 billion. We want our net-zero manufacturing base to have a slice of the pie.

Our companies, our citizens and our manufacturers should be the ones benefiting from the EU's leadership on climate action and the clean energy transition.

All of this leaves us with one fundamental question: how will Europe deliver the fast deployment of renewables, whilst also maintaining *and* boosting our industrial competitiveness during the transition?

I believe this question is being addressed in a number of different ways, but the work is far from over.

First, we are working on scaling up our net-zero industry manufacturing, and putting in place a strong domestic EU net-zero technology value chain.

Our Net Zero Industry Act proposal designs a new policy approach – one that helps our clean tech industry stay and grow in Europe. The aim is to create a more predictable, certain and long-term investment climate.

We want to incentivise demand and create the right conditions for investment in net-zero technology manufacturing.

One point, which I know is raising many questions, concerns the technologies included in the scope. Here, I believe we should remain focused, in particular regarding strategic net-zero technologies.

Resources of administrations are limited. So, we need to make sure that we use them efficiently and keeping a restricted list of technologies will help with that. For the Act to bring real changes, it must not only focus on the final product but also look at the entire value chain, in particular the essential segments bringing most added value.

These are the parts that are critical and focusing on them will enhance our strategic autonomy.

Another issue is funding availability. In March, the Commission adopted a new Temporary Crisis and Transition Framework to complement the Net Zero Industry Act. And in June 2023, we put forward the Strategic Technologies for Europe Platform, in short STEP, which aims to speed up access to funding for the net-zero industry.

Second, the European wind industry is a success story – and we need to make sure it stays that way.

A new European Wind Power Package, as announced by the President last week, will address recent challenges faced by the wind sector. This will not be about more legislative initiatives.

Above all, we need regulatory stability and light speed implementation of the newly adopted legislative framework.

So, the focus will be on fast and coordinated implementation of the relevant provisions of the Renewable Energy Directive and possibly exploring how we can further improve the net zero industry act. This is in particular when it comes to permitting, auctions, making non-price criteria more important, and better predictability for manufacturers on the planned auctions and finance.

Third and final point.

The Commission's focus is firmly on the future and ensuring Europe's power infrastructure keeps pace with the clean energy transition.

Our grids especially must be ready to absorb a large share of intermittent renewable power and adapt to a more decentralised electricity system.

I put this issue front and centre of our political agenda with a high-level forum on grids earlier this month.

And it will continue to be an important focus of the Commission's work over the coming months and years.

Again, this gives the right signals to the industry for expanding manufacturing capacity. If we better align investment in grids and manufacturing capabilities, we may also open up many new opportunities for jobs and growth in Europe.

The past few years have not been easy for our clean tech manufacturing base. But it is not all doom and gloom. In the batteries value chain, the number of announced lithium-ion gigafactories increased last year from 26 to 30 and continues to rise.

We want to replicate this in other sectors.

As we enter the next phase of the Green Deal, our focus will sharply be on supporting European industry and our net zero manufacturing base throughout the transition.

Finding an agreement on the Net Zero Industry Act will be key to this, and the Commission stands ready to help co-legislators come to a swift outcome.

INDUSTRY & LEGISLATIVE PERSPECTIVES

Sven Utermöhlen, RWE Offshore Wind, CEO; WindEUROPE, Board Chairman

The expansion of wind power in Europe is picking up speed, but we are still too slow. We have to act now and attract more investments in renewables and related supply chains, if we want to reach our ambitious goals. With the right investment framework, wind will continue create valuable jobs and deliver long-term low-price clean electricity for consumers in Europe.

Let us have a look at offshore wind: European governments (EU-27 + UK + Norway) plan to fivefold the installed offshore wind capacities by 2030. This translates into the need to add more than 20 GW per year from 2027 onwards. This is compared to less than 3 GW per year today.

But the problem is: these targets will not be achieved with the current framework conditions and with the current state of the wind supply chain!

This is for two reasons:

- Almost every part of the European Offshore supply chain is in critical conditions both financially and in terms of its lack of size. In Europe, EUR 45 bn in supply chain investments are necessary by 2030. Time and money are of the essence to remove the current bottlenecks and shortages of relevant equipment and to ensure that the EU's energy transition is largely "made in Europe".

- Regulatory conditions – auction designs, permitting, and conditions for investments – do not sufficiently reflect the challenges the industry is facing, both for supply chain companies and for project developers.

How can we get there and what role can the Net Zero Industry Act play?

The Net Zero Industry Act first sets out the ambition to have at least 40% of the EU's annual clean technology produced in the EU by 2030. Setting out ambitious targets is good, but it is not enough.

The planned introduction of non-price criteria for renewable energy auctions can contribute to achieving a sustainable expansion of renewable energy technologies in the EU. However, as always, the devil is in the detail:

- Non price criteria need to be carefully designed to set the right incentives, for example in the areas of sustainability, biodiversity, recycling and circularity.

- Criteria should be selected and designed in a technology-specific way so that differences between renewable energy technologies can be properly considered.
- A sufficient implementation period should be foreseen for national governments and authorities to adapt their auction schemes.
- And importantly: many non–price criteria increase the cost of wind power – this needs to be carefully considered and reflected in auction designs.

Because one thing is clear: Poorly designed non-price criteria will achieve just the opposite of what we all want: hinder investments and slow down the energy transition.

But even the smartest non-price criteria cannot solve the problem alone. We need to see the bigger picture. Auction design, scaling up the supply chain, grid expansion, faster permitting - all needs to go hand in hand, and all of that supported by the right skills.

Therefore, it is great that Commission President Ursula von der Leyen announced a European Wind Power Package to address some of these challenges. We already have some ideas about what needs to be tackled in this package:

- Auction Design
  - Reliable long-term auction schedules and volumes are needed to trigger early project planning and investment decisions
  - Price ceilings and budgets of auctions have to be increased or even removed altogether. In many markets price ceilings currently don't reflect the cost reality of new wind power.
  - Inflation-indexed 2-sided Contracts for Difference should become the main support instrument to reflect the 20-40% cost increases we are facing The ongoing revision of the EU electricity market design sends a strong positive signal for renewables investments by opting for 2-sided Contracts for Difference whilst allowing merchant auctions and Power Purchase Agreements as a second pillar.

- Scaling Up the Supply Chain
  Especially the offshore supply chains - manufacturers of turbines and foundations, ports and vessel providers - need direct and indirect financial support. We have to focus on scaling up! A fast ramp-up of the European supply chains requires an EU State Aid framework and dedicated financial support instruments fit-for-purpose.

  We need
  - Effective funding and financing instruments.
  - Secure and diversified raw material access – the new Critical Raw Materials Act will be helpful there.
  - Resources of the Innovation Fund must be tapped and no longer be reserved for innovations only.

- Grids
  There will not be a successful energy transition without expanded electricity grids, but the grid expansion both onshore and offshore is lagging behind! There needs to be clarity on grid congestion, curtailment and available capacity for new connections. Electricity from the North and Baltic Seas must reach the industrial centres.

  Therefore, we urgently need faster planning and permitting procedures for grid infrastructure build out as well as incentives for anticipatory investments in grids.

  With the goal of an integrated European electricity market before our eyes, we need a clear regulatory framework that will incentivize the construction of offshore hybrids and energy islands connected to more than one Member State. Therefore, we must intensify integrated cross-border network planning.

- Permitting
  Onshore wind needs faster permitting procedures and sufficient areas. We very much welcome the EU emergency regulation and the revised Renewable Energy Directive in this respect. Germany has taken the lead in implementing the new EU provisions, resulting in a significant increase in the number of new permits and installations. The EU should push for fast implementation by all the Member States and provide guidance on implementation to avoid legal uncertainty and thus increase planning security for developers.

- Skilled Labour
  Last but not least, we have to address the growing demand for skilled labour. In the offshore sector alone, the number of jobs is supposed to triple and reach 250,000 in 2030. The Workforce needs to be localized and strategically important regions identified. This is where the "Net-Zero Industry Academies" and other training opportunities should be linked to.

  With current frameworks, we will miss the EU's buildout targets for wind energy.

But there are promising approaches to support the wind industry– especially in the Net Zero Industry Act. With the recently announced European Wind Power Package, the EU Commission has reaffirmed its commitment to wind power made in Europe. But all these measures must be unbureaucratic, pragmatic and easy to implement. And they have to come immediately. This is the only way to achieve a climate-neutral Europe, based on a strong European renewables industry.

Let us get it done. The European wind industry stands ready to tackle the challenge!

Malte Lohan, ORGALIM - Europe's Technology Industries,
Director General
(Full notes on the presentation)

I would like to take the opportunity to compliment the colleague who spoke before and take a perspective not on one particular product or technology but how the different technologies will need to work together.

Orgalim represents Europe's technology industries at large, machinery, mechanical engineering , electrical sector and electronic industries. That is the largest manufacturing sector, over 700,000 companies, most of them small companies, over 11 million direct employees and not counting the millions more who depend on these industries for their livelihood. And so, in a way, the supply chain which you just mentioned. And I think I want to echo the sober message which you gave

We are very nervous about the future which lies ahead. We are very nervous about the competitiveness that our industries at large face compared to the competitors like in the US. We were expecting already back in May, if you accounted for inflation, a decline of 2%. This is when the Commission was predicting small growth. But in real terms we are expecting a decline, and more important perhaps for the long term, we are expecting a decline of more than 7% in investments just at the time, when we all know how badly we need investments they are falling. Let me repeat again, the largest manufacturing –sector in Europe, investments are declining by over 7%.

So, there is a lot at stake with the Net-Zero Industry Act. Let us be honest, of course it is welcome, the EU is trying to do something about the challenge, but it is an unprecedented intervention in the market. There are risks involved, so we better get it right.

I have three relatively short and practical points that I want to mention now. There is plenty more to say, but that is all I have time for in the three minutes slot that I was given.

First on the scope. Clearly the scope needs to cover the renewable energy technologies which are already there and clearly it needs to cover some of the other things which are already there such as heat pumps. That is important. I think what we feel is that it needs to be wider than that. Yes, it has to be about technology. It is not an instrument for the entire industry.

It is about technology. But technology which contributes to our neighbourhood's climate neutrality. For example, energy technologies for electrification, technologies for energy efficiency need to be able to benefit from the same support that wind power and others are benefiting from.

So, I welcome some of the movements in the Council on this, in the Presidency text, for example, including advanced manufacturing including technology for industrial carbonisation, that is welcome. And the same goes for some of the amendments in the Parliament which are also being discussed in the context of the compromise amendments.

Very important, that list needs to be dynamic. Let us learn the lesson from what actually works well in the sustainable finance taxonomy. It lives because it is dynamic and it moves with technology. Even if we free, then, the technologies which are going to be covered by this law once, for the next 10 years, then we are going to fall behind before we know it.

And the way to do that – there are good proposals in the Parliament on this – is to turn the Annex into a Delegated Act and ensure, for example every two years, this can be adapted and renewed. Very important that this needs to be on the basis of specific criteria so that we all know on what basis the technology will be adapted and used in the future. And the Platform which is proposed is the right place to do that. Industry needs to be around the table when these criteria are developed.

The second point I want to mention, and these are faster, is on the value chain perspective, I just want to insist how important this is. Thank you to the Commission, which has included it in the proposal. I know there was a discussion in the early stages. Thank you to the Parliament and the Council, that this is still in there. And it has to stay in there, otherwise the whole thing is not worth the paper it is written on.

And the final point on permitting processes. Of course, the steps that are envisaged are welcome and are important. What I wanted to add to that is that we need to look at the causes of slow permitting and not just fix the consequence of these causes and what I mean by that is that often the reason why permits are slow to arrive is because of regulatory barriers. And that is a conversation which I am conscious the Commission has really heard and picked up. And in the Parliament I know this is part of the discussion.

We need to get better at tackling the regulatory barriers. It will help with permitting and it will help with the wider competitiveness challenge that I mentioned earlier if we can incentivise the industries to be profitable by reducing the barriers that they are currently facing.

(*The Orgalim Position Paper can be found at: https://orgalim.eu/news/orgalim-recommendations-net-zero-industry-act*)

Paolo Falcioni, APPLiA – Home Appliance Europe, Director General

The Net-Zero Industry Act shortlisted a number of sectors that Europe considers crucial to reach climate neutrality by 2050. But the net-zero game changers go well beyond those mentioned in the proposal. Addressing climate change means mobilising several levers at the same time and this is where the Act falls short, creating class A and class B players.

All technologies that contribute and enable climate neutrality should be part of the solution.

Home appliances are at the centre of our everyday life at home. Imagine going a week or even a month without a fridge or a washing machine, or a stove. How much time and fatigue would this require, that we would normally invest in playing with our children, going to the gym, or reading a book.

Home appliances have a revolutionary potential to start the transition within the walls of your homes.

The renewed focus on industrial policy has put heat pumps at the centre of the plans as a way to further energy independence. These marvels of technology can transform our homes, offering clean heating and cooling solutions. However, their sustainability is linked to two crucial factors: the source of their electricity and the source of refrigeration.

If electricity comes from high intensity CO_2 generation, that is not a good thing. The transition to climate-neutrality requires a large-scale electrification of society but our energy system is not yet ready to host such a transformation. European electricity grids are old and too fragmented between countries. Which makes our energy system exposed to volatility risks and external shocks. This is a threat to society and a burden for public finances.

Our ambition should not stop at creating efficient appliances but should extend to demanding that they are powered through sustainable means. We should be clear in asking for cleaner electricity generation, to decarbonize our energy sources, and to invest in robust infrastructures capable of transporting this electricity wherever it is needed.

So-called “demand-side flexibility” technologies, for instance, can enable people and companies to control and adjust their energy use over time, in order to better match the available energy supply on the grid and to reduce consumption. These are the solutions that can help us make the system more resilient, sustainable and less costly.

The sustainability of heat pumps is also given by their source of refrigeration. Heat pumps require a diversity of refrigerants to deliver the high levels of energy efficiency they are renowned for, including F-gas. Europe’s plans to phase out fluorinated gases remain a serious threat to decarbonisation plans and the mass roll out of heat pumps. If it became law, bans would enter into force from as early as 2027 for some products, including green technologies like heat pumps. The almost 30 thousand different models of heat pumps currently present on the market would thus have to rely on natural refrigerant alternatives. This would leave the market with no possibility to meet consumers’ demand for renewables, pushing people back to cheaper and available fossil fuels-powered options.

Experience shows that Europe can speak with a clear voice, even on the most sensitive questions, provided that there is a common interest at stake. Such is the case of the transition to climate-neutrality, and its consequences on society.

Dr Jürgen Zeschky, ENERCON, CEO

In her State of the Union speech last week, Mrs. von der Leyen got to the heart of it: “We need to look further ahead and set out how we remain competitive in Europe.” As she outlined, conditions have changed.

Starting my professional career in the late '80s, globalization has been the name of the game. This changed in recent years, with "Make America Great Again" and Chinese ambitions leading to regional centres of gravity. This has a direct impact on the European wind industry: in the West, the IRA is subsidizing wind turbines with 15–20% of the turbine prices, while in the East, Original Equipment Manufacturers (OEMs)are supported by state aid and state financing, using this to conquer global markets, while their own market is practically closed to Western OEMs.

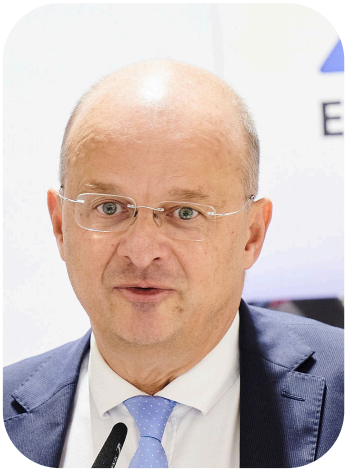
The European answer is the Net Zero Industry Act. The objectives are exciting: environmental protection and innovation made in Europe! Wind energy is an essential part of it. Wind is today among the most cost-effective ways to generate electricity, it is renewable, and it is making countries more independent of energy imports.

During the last two years, we learned the hard way that an independent energy supply is very valuable. To maintain that, keeping a healthy wind industry in Europe is a key element because we need to be in a position to build, maintain, and service our energy system.

I advocate strongly for two points:

- We need a level playing field for the wind turbine OEMs. If turbines from East and West are heavily subsidized, we need auction criteria that attach a value to European content. If all that counts is the best price, then production will go to the countries with the best cost or the best subsidies.
- Wind can contribute significantly to lower energy costs. The EU and several governments have set ambitious targets for added capacity in the coming years. We fully support this approach and are ready to deliver on these targets. However, we need bridge financing for this steep ramp-up, especially after the very difficult years since 2019/20. Instruments like the Temporary Crisis and Transition Framework are the right steps but need to be translated into definite steps by local governments.

We share your ambition to shape a cleaner, more secure energy future for Europe.



Christophe GRUDLER MEP, (Renew Europe, France), NZIA Shadow Rapporteur, Industry, Research & Energy Committee

It is an honour to share this stage with respected industry leaders.

We are at a critical moment – climate change is not just a future problem – it is a present day crisis.

Immediate action is mandatory. That brings me to the Zero Net Industry Act. Why the hurry to implement the ZNIA? Because we need to cut through bureaucracy in order to accelerate the production of clean technologies.

This swift action not only helps the environment but also stimulates our economy. In Europe we possess the talent, expertise and labour force. What is lacking is a supportive ecosystem for European manufacturing.

That is why I hope we can adopt the NZIA as fast as possible during this mandate.

For that, we need to accelerate: in the European Parliament, at the Council and with the help of the Commission. And I know here we can count on the support of Commissioner Simson.

Now, as Renew Europe Shadow Rapporteur on NZIA, my key message for today will be this: let us make the most of public procurement rules in NZIA.

When our governments and local administration favour European-made clean tech in public procurement they are not just boosting local businesses. They are endorsing European values, securing European jobs, and most importantly reinforcing European strategic autonomy.

This is why, as a Member of the European Parliament, I made a priority to strengthen the rules on access to markets in NZIA – and have a real preference for clean technologies. Because if producing more clean technologies in Europe is good, being able to sell them is better.

By reinforcing these rules on public procurement, we aim to ensure that European clean technology companies get the opportunities they deserve.

Now let us confront the elephant in the room: China.

With NZIA our objective is simplify business, but also guarantee fair competition. We are all aware that we are not competing on a level playing field.

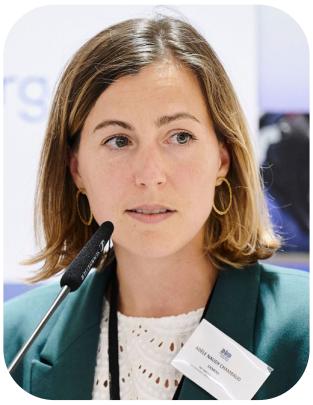
Chinese clean technology companies receive significant state support, lowering their prices artificially. Additionally, Chinese clean technology has a much bigger carbon footprint.

This is why I also want to introduce measures to protect our European industries where there is unfair competition. For example, making the most of the 'IPI' instrument – (International Procurement Instrument).

A final message to companies here today:

- With NZIA we try to make your life easier.
- In return, help us to produce massively clean technologies in Europe.
- And in this way, reduce our dependencies on technology from outside Europe,

In conclusion, NZIA is not only simplifying the paperwork; it is a commitment to a cleaner and more self-reliant Europe



Adèle Naudy Chambaud, SIEMENS, Senior Director Sustainability EU Government Affairs

Siemens welcomes the proposal for a Net Zero Industry Act, which puts the topic of a European green industrial policy on top of the political agenda.

Competitiveness and sustainability must go hand in hand, to lead a successful energy transition for our economy and society, while increasing our resilience. It is also essential that the EU is well equipped and can address the demand for clean technologies in Europe to avoid slowing down our green transition and reducing the impact of potential supply chain disruptions.

Siemens' Main Recommendations on the Net Zero Industry Act Proposal:

- Align Technologies of the NZIA with EU Political Priorities

  Many technologies that play a pivotal role for the energy transition have been included in the legislative proposal of the European Commission such as solar, energy storage, electrolysis, heat pumps and grid technologies. This is a first positive step towards identifying in which areas manufacturing capacity is needed to keep the EU on track to meet its 2030 and 2050 climate objectives.

  However, we call decision-makers to ensure that technologies considered in the NZIA are fully aligned and reflecting EU's political priorities, in the following areas:

  Energy Efficiency First Principle
  - The Energy Efficiency Directive is a key element of the Fit for 55 Package, on which a political deal was found in trilogue at the beginning of March. The Directive enshrines the principle of the energy efficiency first, that should be the guiding principle for energy–related decisions in the EU as well as ambitious targets by 2030.
  - We regret that the NZIA does not adequately reflect the importance of energy efficiency technologies, that have been defined as "energy-system related energy efficiency technologies" (Article 3).
  - We therefore recommend having a broader scope of "energy efficient technologies" beyond their energy-system value, and to consider them as strategic technologies.

  Role Of Electrification For Decarbonization
  - We applaud the recognition of "grid technologies" as strategic net zero technologies. Grid will be critical for the success of the green transition and should not become our bottleneck.
  - We recommend that the NZIA recognizes the role of electrification and automation technologies in a broad sense, in low, medium and high voltage. The share of electricity in final energy demand should at least double by 2050 (to reach 60%) and electrification and automation of end-uses (transport, buildings, industrial processes) with clean energy will be essential.

Sustainable Mobility

- In its Sustainable and Smart Mobility Strategy, the European Commission recognizes the key role of railway to reduce transport emissions up to 90% by 2050. The transport sector is indeed responsible for nearly a quarter of Europe's greenhouse gas emissions. The Commission has thus set the ambitious objectives of high-speed rail doubling by 2030 and tripling by 2050.
- We strongly believe that technologies enabling the electrification of transport should be rightly considered: rail technologies should be included in the scope of the NZIA.

In addition, we support the broad approach taken on net zero technologies that encompasses not only final products, but also specific components and specific machinery primarily used to produce those products.

Finally, we recommend the European Commission to issue guidance on the technologies that would be covered under the NZIA, to ensure a harmonized approach among Member States and avoid potential divergences across the EU.

- Leverage Public Procurement for Clean Technologies (Article 19)

We very much support the inclusion of public procurement into the Regulation, which is a great lever to trigger demand for clean technologies. Each year, public authorities in the EU spend the equivalent of 14% of the EU's GDP or €2 trillion EUR on purchasing goods and services. The proposed provisions refer to the application of the Most Economically Advantageous Tender (MEAT) criteria, which we welcome, as price should not be the main criterion for tenders.

To ensure its effective use, with the two proposed criteria of the sustainability and resilience contribution of the tender, we would recommend the following improvements:

- The contribution of Tenders to sustainability and resilience: sustainability should be addressed as whole and not be limited to environmental sustainability to also include economic and social sustainability.
- Support to the twin green and digital transition: The Information Technology/Operational Technology convergence can deliver significant system efficiency and decarbonization gains, that should be supported by public entities via public tenders. For example, in our cities, the use of Building Information Modelling (BIM) and digital twins enables buildings, districts and cities to be designed more efficiently from the beginning of planning through to operation and can shorten product design cycles. In our electrical grids, it will speed up renewable planning and delivery, to support energy transition.
- We therefore recommend specifying clearly, under the Criteria 2(c), the tender's contribution to the energy system integration.

- Involve the Industry in the NZIA Governance

We welcome the proposal of the European Commission to set up a Net-Zero Europe Platform, which will have a key role for the good implementation of the NZIA. However, we regret that the industry has not been recognized as an important partner to be part of the Platform.

The industry could support the Platform by sharing its expertise on net zero technologies as well as experience on the implementation of the NZIA.

We therefore call on decision-makers to include the industry in the governance of the platform.

Finally, the simplification of business environment for the manufacturing capacity of clean technology will play an instrumental role; we therefore support provisions aiming at simplifying

the regulatory framework. Such proposals should also come along with an easier regulatory environment and simplified access to funding across Member States.

Chris Haenen, GE AEROSPACE, Vice President Government Relations EU & NATO

Thank you for all the interesting insights you have shared tonight and thank you, Antony and your team for organizing this event.

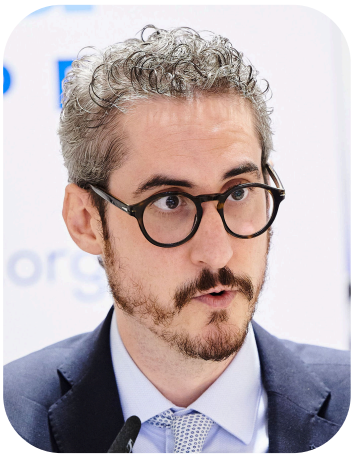
GE Aerospace is a leading company in aerospace and the market leader in aircraft propulsion, both in the civil as well as the military domain. We have approximately 45,000 employees, of which a third are based in Europe. The aerospace industry is truly global, set in motion by supply chains spanning the world and defined by a close partnership between airlines, airframers, engine makers and suppliers. The most successful commercial engine has been sold by CFM International, a Trans-Atlantic joint venture between GE Aerospace and Safran from France that was founded fifty years ago. Nearly all of today's commercial aircraft have our technology, either directly or through our partner Safran.

With regard to tonight's subject, we strongly support the NZIA proposal. If done well, it could prioritize and accelerate the introduction of net zero solutions to reduce Europe's dependencies on coercive economies and help achieve the EU's economy decarbonization. Specifically for aviation, we are happy to see the inclusion of sustainable alternative fuels, although it would benefit from being categorized as strategic net-zero technologies.

Aviation is responsible for about 3% of total carbon emissions and is a hard-to-abate sector. The main reason is safety. This is paramount for the industry, which practically means long lead times to introduce new technologies. For many of the revolutionary proposals, such as hydrogen, electric and open fan, today there are no handbooks for the regulatory authorities. Even with an increase in investments and an accelerated timeline (which the sector is putting its efforts to), we may look at an EIS around mid 2030's. In the interim, the use of sustainable fuels is most logical option and brings considerable CO_2 emissions reduction. Already today, our engines are certified to operate on 50% Sustainable Aviation Fuel (SAF) and we have been carrying out extensive testing with 100% SAF.

Technology is not the problem, availability and price are. While we welcome the adoption of the ReFuelEU, we still need to ensure the economics can make all this work. Especially in Aviation, the global context matters. Other large economies such as the US are incentivizing the uptake of SAF, whereas the EU prefers regulation and taxation. While we work on the implementation of Emission Trading Scheme (with the free allowances for SAF) and ReFuelEU, the NZIA could also play an important role in accelerating the uptake of sustainable fuels. Without giving it sufficient importance, we risk undermining the competitiveness of the European aviation industry to the benefit of other nearby regions, such as the Middle East and others, and hamper decarbonization efforts. And we just heard from President von der Leyen in her State of the Union Address, getting the clean transition right is vital to Europe's competitiveness.

As GE Aerospace, we are looking forward working with you to develop a solid EU policy instrument on Net Zero solutions.



Pau Sanchis, EUROBAT - Association for European Automotive and Industrial Battery Manufacturers, Senior Policy Manager

I will address crucial points pertaining to the Net Zero Industry Act (NZIA) and its profound implications for our collective journey towards a sustainable, net-zero industry in Europe.

Our recommendations encompass various facets of the NZIA, such as facilitating strategic battery projects, securing EU-level financing, expanding the scope of the NZIA, strengthening our strategic partnerships, and ensuring legislative consistency and coherence.

- Facilitate Strategic Battery Projects and Accelerate Permitting:

  The first imperative involves streamlining procedures to facilitate strategic battery projects. To achieve this, we propose adopting a one-stop-shop approach, establishing a single point of contact, and setting clear deadlines for permitting. Our objective is to reduce bureaucracy while preserving the essential elements of environmental assessments and community involvement. By doing so, we can expedite vital projects while upholding our commitment to sustainability.

- Link NZIA and Critical Raw Materials Act (CRMA) with EU-Level Financing

  A significant challenge lies in the absence of a dedicated EU-level financial mechanism to support projects under both the CRMA and NZIA frameworks. To address this, we recommend ensuring EU-level funding for both NZIA initiatives, aligning with the EU's overarching industrial strategy. Additionally, we seek clarity regarding the utilization of the Temporary Crisis Transition Framework (TCTF) in this context.

- Expand the Scope of NZIA to Include the Battery Value Chain

  While the NZIA Annexes mention 'Battery/storage technologies,' it remains uncertain whether they encompass the entirety of battery-related value chain activities, specifically battery active materials manufacturing. To bridge this gap, we propose broadening the NZIA's scope to include critical components like cathode and anode active materials, thus nurturing the entire battery value chain.

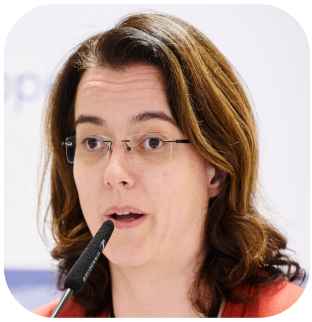
- Ensure Consistency and Coherence with Other Legislation:

  Our fourth recommendation addresses concerns about legislative overlaps and uncertainties regarding the classification of lithium salts. We recommend a thorough reassessment of the classification of lithium in a scientifically sound manner. This approach will not only enhance market confidence but also stimulate innovation, crucial for companies making long-term investments in new European refining and recycling activities.

These recommendations underscore the imperative of streamlined permitting processes, EU-level financing support, an expanded scope for battery-related technologies, recognition of certification schemes, and legislative coherence. By adopting these measures, we can pave the way for a sustainable, net-zero industry in Europe. This industry will not only bolster our commitment to environmental stewardship but also drive innovation, economic growth, and a brighter future for us all.

Let us join forces in making these recommendations a reality. Together, we can usher in a new era of sustainability and prosperity for our continent.

Hélène Lavray, DOW, Government Affairs Leader Europe – Climate & Energy



Dow has adopted a Decarbonize and Grow Strategy. We are committed to the Paris Climate Agreement and the EU Green Deal. We intend to be carbon neutral by 2050 and will reduce our CO_2 emissions by 15% by 2030 (from the 2019 baseline), bringing the overall reduction to -30% compared to 2005.

Decarbonisation investment in Europe has become significantly less attractive as a result of the US Inflation Reduction Act (US IRA), which makes alternative investments in industrial decarbonisation comparatively more attractive there than here. It is critical that investors receive a signal that industrial decarbonisation investments are wanted in Europe. The proposed NZIA does not send this signal, and neither does the reality of the regulatory environment and of the landscape of EU funds.

- Decarbonisation Of Net-Zero Technologies Value Chains

  We are aware of our central role in addressing climate change: our basic and intermediate production goes into almost everything made in Europe – cars, consumer durables, renewable energy generation, insulation, health care – so any investment we would make is not only for us but allows lower carbon products all the way down the value chain. Most goods manufactured in Europe rely on upstream chemicals in major value chains and that actually includes technologies in the scope of NZIA eg. solar panels, wind turbines, batteries. The objectives of NZIA will be very difficult to reach if the upstream parts of these value chains are not in scope.

  The definition of net-zero technologies should not be limited to final products and specific components but should be extended to the upstream value chains of these technologies. This would significantly improve supply chain autonomy in Europe. Without the inclusion of materials and chemicals upstream of these final products and components the issue of strategic dependence remains unsolved. These materials and chemicals are more likely to be imported into Europe given the manufacturing capacity ambition of the NZIA and the parallel inclusion of industrial decarbonisation in the US IRA, which will boost the availability of low-carbon materials manufactured outside the EU.

- Industrial Decarbonisation

  We welcome the clear signal from NZIA on the need for more funding for industry and speedy action to decarbonise the EU.

  However, since the NZIA proposal mainly focuses on the manufacturing of renewable energies in Europe, the proposal does not include support for the decarbonisation efforts of large emitters, or for circularity. As proposed, the NZIA proposal thus carries no practical benefit to decarbonisation projects, which face competition for capital allocation from alternative projects that do get public funding support under the US IRA. For a manufacturing industry, achieving climate neutrality requires significant investment in the increasing use of circular feedstock (recycled, biobased, CCU- based feedstock) and net-zero technologies for

industrial processes (eg. electrification of steam- crackers) in addition to decarbonisation of energy inputs.

The Net-Zero Industry Act should meaningfully address industry transition and support the roll out of all low-carbon and circular technologies aligned with the Green Deal including but not limited to the technologies in scope of the NZIA proposal eg. e-cracking or advanced recycling technologies.

The establishment of a Net-Zero Europe Platform is welcome but it could be refined further to match the one-stop-shop for permitting concept in order to support companies in identifying sufficient sources of funding support for their decarbonisation projects, including to support individual projects in identifying compatible EU and national sources simultaneously.

- Carbon Capture & Storage (CCS)

  Dow very much welcomes the proposed mandatory objective of reaching 50 million tonnes of annual CO_2 storage capacity by 2030. Without CCS, it is impossible for heavy industry like chemicals to decarbonise and continue operating in Europe because unlike in the energy sector, our processes will always produce a certain amount of CO_2. We therefore cannot fully abate crackers emissions without CCS. It should be rolled out as a matter of priority. It is not fully acknowledged yet in all EU countries where it will be needed. In that regard, we also very much welcome the latest clear signals from the European Commission that it intends to go ahead with the announced Industrial Carbon Strategy early next year.

  CCU is also expected to become critical to the decarbonisation objectives of the EU. Carbon capture and use technology can reduce CO_2 emissions significantly and contribute to circularity. It is crucial for the reduction of emissions for the chemical industry and will reduce the need for carbon removals in the future. It should be in the list of strategic net-zero technologies.

- Consistency With Other EU legislation

  The ongoing review of the Industrial Emissions Directive (IED) is adding requirements to the permitting process for industry – including decarbonization projects – that will slow down permitting processes further. Despite the fact that some provisions seem to have been improved, the IED revision will set new requirements to obtain manufacturing permits, doubling the time it takes us to get them (approximately 3 years in average to 7.5 years). This seems at odds with the EU interest to accelerate decarbonization efforts. It should be consistent with and complementary to NZIA.

  Likewise, the EU needs to ensure regulatory coherence between the NZIA and chemicals legislation. A good example is silicones, which we manufacture as Dow here in Belgium and are absolutely critical to Renewable Energy Source (RES) technologies, batteries, and other strategic industries. Without this harmonisation, Europe risks hindering its industrial ambitions across the technologies covered by the NZIA.

Christophe CLERGEAU, (S&D, France), Environment Committee

Floor price - ceiling price: for a radical rethink of our approach of the European energy market

Since 2019, thanks to the relentless work of European Socialists, the European Union has resolutely committed to the "Green Deal". In particular, it gave a new impetus to the development of renewable energies, which will have to account for 42.5% of our energy mix by 2030. However, the war in Ukraine dynamited the fragile construction of the European energy market and forces us to radically rethink our approach.

People's bills are sharply increasing and forcing them into energy insecurity; businesses and public authorities are being strangled. European governments have spent €800 billion in support to households and corporations facing those skyrocketing prices, but each Member State did it in its own way, leaving gaping inequalities.

This absurd system we have, where the price of electricity is linked to the price of gas is proving reckless. Prices are entirely disconnected from production costs, windfall profits abound, and governments reclaim part of the surplus to help individuals and businesses, who still have to bear with exponentially increasing prices. The Commission's "market design" proposal, initiated six months ago, is welcome but mostly cosmetic. It is far from what Europe needs: a total refoundation. We cannot afford to leave energy to market forces and private actors anymore.

It is time we challenge the status quo that was imposed 20 years ago by liberals, and entirely rethink the European energy model. We must lay down the bases of a European public service of energy empowered to protect consumers, ensure price stability, plan for the necessary investments, and secure our energy sovereignty.

Energy is a common good, and there is no reason to turn it into yet another good entrusted onto the markets. Public and private energy-producing corporations must be able to thrive, but they must do so within a well-regulated framework. I am advocating for a return to regulated energy prices for households as well as for SMEs, a tool that is entirely compatible with EU Law, and for the institution of a ceiling price for energy. I am done with the idea of a free price where, starting at a certain level, surpluses are returned to the Member States, when these surpluses are subjected to arbitrary budgetary decisions.

The current situation is one of endless absurdities. At the very moment sell prices go through the roof, renewable energy producers are subjected to an especially dangerous downward pressure on feed-in tariffs for the very same energy they produce. Obviously, such a large gap makes for a perfect playground for traders and speculators, who earn money there at the expense of society. But there is worst still: feed-in tariffs for renewable energy, that are usually set by governments, are so low that projects either fall apart as their financial balance cannot withstand current inflation rates on components and raw materials, or are made using Asian supplies, especially Chinese, in order to lower their cost price and secure preserve the producers' margins.

If we continue down this road, we will end up ruining consumers, businesses and local authorities all at the same time through the combined effects of high consumer prices and the unmaking of Europe's renewable energy industry brought about by low production prices. What I propose, then, is that all feed-in tariffs for renewable energies, be it through Contracts for Difference (CfDs) or Power Purchase Agreements (PPAs), should be set up taking into account a floor price, and should be mandatory.

To speak concretely, how can we accept that energy market prices regularly go over €200 when the last offshore wind projects have been awarded for €40 to €45 (without connection costs)? When we see today that in order to adapt to such low prices we have to open wide the gates of the European market to turbine suppliers and electrical substation manufacturers from Asia? We often hear talks of energy independence and industrial sovereignty, yet all we do goes in the opposite direction. What will the 'strategic projects' Emmanuel Macron holds so dear actually weigh against such markets mechanisms currently destroying European industry?

Taking the actions I put forward will not lead to a hike in electricity prices, which are too disconnected from the average production cost. Taking action will not generate windfall profits, as a Renewable Energy Costs and Margins Observatory would allow us to set fair floor prices depending on the technology, the region, or the production site. Taking action will not stifle innovation, as pressure to lower prices is never the main driver for innovation.

It is time for us to break with the liberal biases we inherited from the past. A new, radical approach is never without risks, but risks are a better alternative to the ravages of the status quo. In order to ensure the transition and mutation of our energy production system, we need a flurry of new actions. But our first emergency must be to set a ceiling price on sales in order to protect our citizens, our businesses, and our local authorities, and to set a floor price on production in order to build up and defend our European renewable energies industry. It is about justice. It is about jobs. It is about sovereignty. And we cannot wait.

Nadia Allen, CLEPA - European Association of Automotive Suppliers, Manager Government Affairs

The proposal for a Net Zero Industry Act is supported by CLEPA as the automotive industry is very important for maintaining competitiveness in Europe; however, we see investments shifting toward the US since the introduction of the Inflation Reduction Act (ie. for electric vehicles). In recent years, the industry has been resilient, but we need to have an increased impetus from policy makers to transform the industry that goes further than the current policy package.

CLEPA represents over 3,000 companies supplying state-of-the-art components and innovative technology for safe, smart and sustainable mobility, investing over €30 billion yearly in research and development. Automotive suppliers in Europe also directly employ 1.7 million employees across the EU.

While we support the NZIA we identify three fundamental shortcomings:

- Technology openness: the focus on a predefined set of technologies instead of objectives such as climate-neutral mobility and net zero and/or circular manufacturing methods.
- Digital*:* lack of attention to the importance of digitization for a competitive industrial base
- Funding: the absence of a funding instrument with predictable and transparent eligibility criteria

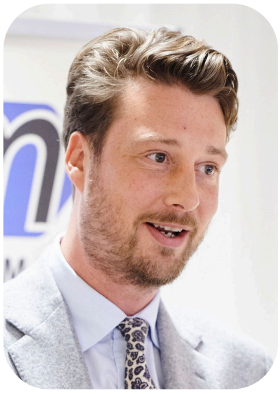
Regarding the second point, automotive suppliers are drivers of innovation. The digital pillar is overlooked from a competitiveness angle, and we feel that for the green transition to be a prosperous transition, we need digital capabilities that facilitate manufacturing to smart mobility. In 2019 European automotive suppliers held 43% of the global revenues, in 2022 this has fallen to 39%. This is still an impressive figure but does show some wavering. We observe progress in this area as the Strategic Technologies for Europe Platform proposal (STEP) now includes digital

technologies, ie. advanced materials such as nanomaterials and composites. However we would recommend either an objective-oriented approach or the inclusion of technologies such as hydrogen storage, hydrogen combustion and circular materials in the definition.

The third element, that could be enhanced, is related to the funding schemes and eligibility criteria. Companies in the automotive-supply sector need to have a framework of predictable eligibility criteria with support for capital and operational expenditure (ie. energy to produce hydrogen, electricity for batteries, labour). Currently, public funding frameworks such as Important Projects of Common European Interest (IPCEIs) are highly unpredictable, with lengthy application procedures that lack transparency. The uncertainty means that support cannot be used to make innovative business models viable. Predictable eligibility criteria will help attract private investment as it can be used more easily in business and investment planning.

Additionally, access to a skilled workforce will be crucial to strengthening the EU's attractiveness as an investment destination and manufacturing hub for net zero technologies. The European Net Zero Industry Academies should cooperate closely with sector initiatives and support the upscaling of private sector initiatives, where appropriate.

In conclusion the automotive supply industry would like to continue working closely with policymakers to ensure that Europe remains competitive and can successfully achieve the transition to a sustainable and digital industrial base.



Jelte Wiersma, CEMA European Agricultural Machinery Industry Association, Secretary General

Europe's agricultural machinery industry is committed to net-zero. Our European industry, around 7,000 manufacturers, is the world's largest, most advanced and the biggest exporter in the world. We produce in Europe and did not outsource to low-wage and cheap-energy regions overseas. This is something we are proud of. We provide including dealers and suppliers around 340,000 manufacturing and servicing jobs in mostly rural areas and provincial towns. This underpins local economies and makes sure Europe enjoys food security. Farmers can rely on European made machinery and servicing, so at all times they are enabled to provide safe and healthy food. And new technologies from our industry make farming more sustainable by the day and are limiting the inputs that rely on fossil fuels and imports.

The Net-Zero Industry Act lays out the same ambitions our industry has. We thank Commissioner Kadri Simson for the Commission's proposal.

We do have some worries though.

- To produce, our industry needs electricity. Electricity is up to seven times more expensive in Europe than in the United States. This influences investment choices already. And Europe–made machinery is getting very expensive. The result is that high-tech farm machinery that limits inputs for farmers and makes farming more sustainable, is sold quicker in the United States than in Europe. High energy prices in Europe also effect wages, making labour uncompetitive.

- Cheaper and cleaner energy is very much desired to stabilize prices. This to make sure farmers have access to high-tech machinery that sustains Europe's food security and helps to battle famine elsewhere.

- Europe can be energy independent by turning to nuclear energy, since nuclear energy does not rely on imports. It can provide large amounts of energy 24 hours a day. Industries need this. And farmers need this. Think of largescale hydrogen production – which can help the steel industry we rely on to replace coal and is a potential fuel for tractors and other combustion engine powered vehicles. The huge amount of energy needed for this transition is only foreseeable if we turn to nuclear. If not, we will keep relying on expensive imports of fossil fuels as a back–up when wind and sun are not producing enough.

- At the same time, our manufacturers invest in on-site solar production, letting tractors run on biofuels like methane and provide tools for farmers to capture greenhouse gasses in the soil of their land.

- The goals set out by the Commission and EU Member States are clear and right. The way to achieve them though needs to take into account industries' needs. And those needs are clear: cheap and reliable energy is needed. If not, industrial production in Europe will further decline. Because Europe is getting relatively smaller and smaller. As Sabine Weyand, trade negotiator for the EU says, we have less and less leverage to impose our rules on others.

- If our rules make industrial production in Europe impossible, we will become reliant on imports that have been produced under environmentally less desired conditions. Then we do not achieve the goals we all agree on.

Patrick Blankers, ERICSSON, Policy Director Sustainability
(Last minute illness prevented attendance – presentation included)

Let me start by mentioning that Ericsson has a target to be Net Zero across its entire value chain by 2040, and that we are fully committed to support the climate ambition of the EU. In my intervention I want to highlight the role of not just Ericsson, but the Information and Communication Technologies (ICT) sector as a whole, in enabling the green transition.

The ICT sector's carbon footprint is around 1.4% of global emissions. This includes fixed and wireless networks, data–centres and devices. The ICT sector has a unique potential to enable other industrial sectors to move towards a low-carbon economy that will be central to meeting climate goals and Net up to 15% reduction of sectors. Digitalization is Zero ambitions. Through the digital transition enabled by ICT solutions, emissions can be achieved in various other industry greenhouse gases: a unique and powerful enabler for decarbonization transformation. Digital connectivity and data analytics can contribute to higher efficiency and optimization, saving energy and materials.

The advantages of 5G network capabilities include ultra-low latency, real-time and predictive analytics, and increased transmission speeds. For businesses this can create new opportunities to advance digital transformation efforts, improve efficiencies and create entirely new use cases. Large greenhouse gas-emitting sectors like energy and transport could have the biggest impact on decarbonization efforts through digitalization in general and the use of 5G in particular.

The transition of the electricity system, with increased amounts of volatile and distributed resources introduced, will require a full digitalization of the entire value chain of electricity – from production and distribution to the final consumption. Communication networks, especially 5G, will be critical for the future of energy systems. The connected and automated smart grid supported by mobile networks (in particular 5G) will be a key corner stone for the bi-directional energy flow as well as greater fluctuation in power production from solar and wind. Advanced capabilities, such as Artificial Intelligence (AI), interoperable network platforms, and Digital

Twins will accelerate the pace of transition, and enhance the cybersecurity of critical power sector infrastructure.

My final statement is that Ericsson strongly believes that Digital Technologies should have been part of the scope of the NZIA. The green transition and digital transition go hand-in-hand. Without digital there would be no green transition.

EU COUNCIL PRESIDENCY

Alberto Ruiz Rodríguez, EU COUNCIL SPANISH PRESIDENCY, Industry Counsellor, Leader for the NZIA negotiation

- We are going through intense global changes and, if we look around, we will see that the tectonic plates are shifting and this is happening since long time ago in issues like climate change, energy or supply chains.
- All this is marked by geopolitical tensions and the EU needs to define what role it wants to play.
- Technology is one of the key issues in this new world order.
- The technological issues that we are facing are opportunities but also challenges and the answers we have to come up with need to go beyond individual Member States.
- We need to tweak the EU framework to develop industry, to attract talent and investments to boost economic resilience in order to make sure that we have global alliances to make sure that we move towards open strategic autonomy.
- When it comes to industry, we all understand the industrial revolution we are in and the Spanish Presidency wants to push forward measures that are relevant to it, like the NZIA.
- The recent pandemics, the invasion of Ukraine and the increase in inflation have led to difficulties for our capacities in Europe. Restrictive measures have been taken and this has had an effect on the Single Market and made us aware of the importance of gaining resilience.
- We need to determine how to deal with environmental sustainability and how to address challenges coming from abroad.
- China and other regions are becoming very strong and placing themselves at the forefront of technological developments and we have to avoid lagging behind and negative effects for the competitiveness of our companies.
- We need strategies now and we need to facilitate tools that will allow this transition to take place and create resilient industries.
- In this regard, the NZIA is key, as we need to increase the production of clean-tech products, such as solar panels, wind turbines or generators.
- The NZIA includes valuable elements and objectives such as streamlining administrative and faster permit-granting processes; stimulating consumer demand and public procurement; supporting innovation by creating net-zero regulatory sandboxes; ensuring the availability of a skilled workforce required for the net-zero industry in Europe; a coordination mechanism.
- The aim of the Presidency in this file is to reach a Council position in November or early December, so that we are able to start trilogues with the EP before the end of the year.
- The Spanish Presidency is the last full Presidency before the European elections.
- We have the upcoming Belgian Presidency which will give us the opportunity to wrap up some files, but we cannot leave to them the negotiation of the most key and strategic issues of the files in the Council, as this will create delay and jeopardise the goal of reaching a political agreement in due time.

- There are complicated issues in the NZIA proposal that we need to address, such as the access to markets chapter or the obligation for oil and gas producers on CCS.
- The list of strategic technologies is another matter for discussion.
- In the Council, we have gone through a second revised text and will draft a third revision to be discussed in October.
- We will work hard to make swift progress on the file.

CLOSING REMARKS

Antony Fell, EUROPEAN FORUM FOR MANUFACTURING, Secretary General

My concluding remarks are going to focus on the thanks first to our Chair for this evening, Tsvetelina Penkova for your excellent chairing and moderating of this EFM Dinner Debate on the Net-Zero Industry Act. We also appreciated your input as Shadow Rapporteur.

The contributions of your European Parliamentary colleague MEPS: Shadow Rapporter Christophe Grudler and MEP Christophe Lergeau have been most useful. I also wish to express our special appreciation to European Commission Energy Commissioner Kadri Simson and her team who remained with us for the entire evening to take note. We welcomed the Council Presidency status update from the EU Council Spanish Presidency lead negotiator Alberto Ruiz Rodríguez.

Giles Dixon and his excellent team at WindEUROPE, led by Phil Cole, contributed much to the success of the evening. Finally, the input from the manufacturers was invaluable in providing an expression of their special concerns.

I formally this EFM event on the Net-Zero Industry Act.

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