

Joint reaction to the EP ITRE report on the Net-Zero Industry Act: Keeping the NZIA focused on Clean tech manufacturing in the EU

Brussels, 14 June 2023

On 26 May, Rapporteur MEP Christian Ehler submitted his draft report on the Net-Zero Industry Act (NZIA) in the lead Committee on Industry, Research and Energy (ITRE) in the European Parliament.

In response to the draft report, the leading European associations representing strategic net-zero technologies¹ and civil society organisations would like to raise immediate concerns over the significant change of direction the draft report suggests for the NZIA.

The leading European associations supporting this statement include SolarPower Europe, WindEurope, E.DSO, Europacable, EHPA, T&D Europe, current, EASE, Flow Batteries, Renewable Hydrogen Coalition, Transport & Environment.

In particular, we refer the amendments introduced in the lead ITRE Committee that remove the list of strategic net-zero technologies under Annex I, and instead include ‘any technology’ which could contribute to climate change mitigation under Article 10 (1) of the Taxonomy Regulation.

As strategic net-zero technology manufacturers, we are highly concerned these proposals risk diluting the attention from the core purpose of the NZIA to “establish the framework of measures for innovating and scaling up the manufacturing capacity of net-zero technologies in the Union”, in order to provide an adequate response to the US Inflation Reduction Act.

We strongly believe strategic net-zero technologies (wind, solar PV, solar thermal, battery and storage technologies, grids, heat pumps and electrolysers) as outlined in the European Commission proposed Annex, should remain the priority focus of the NZIA targets and provisions.

While we support the inclusion of key components, materials and machinery within the scope of Net Zero Strategic Technologies, leaving the door open to “any technology”, or expanding the scope of the NZIA to include wider sectors will seriously weaken the NZIA proposal. At a time when clean tech manufacturers are struggling with rising energy, input costs and extra-EU imports, preserving the focus of the NZIA should only be the start of solid foundations for the future clean energy transition.

The draft report from the rapporteur contradicts the NZIA and Green Deal Industrial Plan’s core objective to scale up manufacturing of clean technologies in the Union, focusing instead on industrial decarbonisation.

According to the International Energy Agency², the global market for critical mass-manufactured clean energy technologies will be worth around USD 650 billion a year by 2030, which translates into a historic expansion of manufacturing capacity for clean tech. In parallel, significant investments³ will be needed to secure the required installed capacity, output, and targets by 2030 in these strategic net-zero technologies to achieve the REPowerEU and Fit-for-55 objectives. Building a resilient European clean tech manufacturing will not be achieved without a strong industrial plan fully dedicated to clean technologies.

We call on the European Parliament to avoid significant widening of the NZIA scope, to ‘make Europe the home of clean tech’ as Commission’s President von der Leyen called for earlier this year. Please ensure that investments are allocated where they are needed the most, in the strategic net-zero technologies with the highest impact for the green transition.

¹ As identified under [Annex I of the NZIA](#)

² [IEA, Energy Technology Perspectives 2023](#)

³ [EC, Staff Working Document \(SWD\) NZIA, Table 10, p.44](#)



**SolarPower
Europe**

As the member-led association for the European solar PV sector, SolarPower Europe represents over 300 organisations across the entire solar sector. Our mission is to ensure solar becomes Europe's leading energy source by 2030. <https://www.solarpowereurope.org/>

**Wind
EUROPE**

WindEurope is the voice of the wind industry, actively promoting wind energy across Europe. We have over 500 members from across the whole value chain of wind energy: wind turbine manufacturers, component suppliers, power utilities and wind farm developers, financial institutions, research institutes and national wind energy associations. <https://windeurope.org/>



**Renewable
Hydrogen Coalition**

The Renewable Hydrogen Coalition promotes the critical role of renewable hydrogen to deliver the EU's long-term decarbonisation goals. The Coalition is the voice of renewables suppliers, technology manufacturers, start-ups, investors, innovative companies, and industrial off-takers spanning the entire value chain, all dedicated to making Europe the global leader in RH2 solutions. <https://renewableh2.eu/>



European Distribution System Operators (E.DSO) promotes and enables customers empowerment and the increase in the use of clean energy sources through electrification, the development of smart and digital grid technologies in real-life situations, new market designs and regulation. E.DSO gathers 39 leading electricity distribution system operators (DSOs) in 24 countries, including 2 national associations. <https://www.edsoforsmartgrids.eu/>

**T&D
&europe**

T&D Europe is the European association of the electricity transmission and distribution equipment and services industry. Our scope includes the complete range of products and services necessary to transmit and distribute electricity in high and medium voltages, between the producers and the end users. T&D Europe members provide all types of smart grid technologies, including advanced, smart systems suitable for interaction with renewable energies and ICT. <https://www.tdeurope.eu/>



CURRENT
Enabling Network Technology
throughout Europe

currENT is the key industry association representing innovative grid technology companies operating in Europe. Our members are taking Europe's power network to the next level – developing and supplying innovative technologies that optimise and maximise use of the existing electricity grid. These next-generation solutions advance the transition toward a decentralised, distributed and active power network: the future for Europe's electricity industry. <https://www.currenteurope.eu/>



Europacable is the voice of Europe's leading wire and cable producers. High-quality, sustainable power and telecommunication cables, produced by our members in Europe, empower electrification and digitalization of our societies. Founded in 1991, Europacable represents the largest cable makers in the world providing global technology leadership, as well as highly specialized small and medium sized businesses from across Europe. <https://europacable.eu/>



The European Heat Pump Association (EHPA) represents the European heat pump sector. EHPA works to shape EU policy that allows heat pumps to become the number one heating and cooling choice by 2030 and a key part of a future decarbonised Europe. EHPA advocates and communicates to policy-makers and to our members. EHPA organises high level events and is involved in multiple projects. EHPA coordinates the Heat Pump Keymark – a European certification scheme. <https://ehpa.org>



The European Association for Storage of Energy (EASE) is the voice of the energy storage community, actively promoting the use of energy storage in Europe and worldwide. It actively supports the deployment of energy storage as an indispensable instrument within the framework of the European energy and climate policy to deliver services to, and improve the flexibility of, the European energy system. EASE seeks to build a European platform for sharing and disseminating energy storage-related information and supports the transition towards a sustainable, flexible and stable energy system in Europe. <https://ease-storage.eu/>



Flow Batteries Europe (FB) represents stakeholders of flow batteries with a united voice, shaping a long-term strategy for the flow battery sector. The association helps shape the legal framework for flow batteries at the EU level, contributes to the EU decision-making process, and supports the definition of R&D priorities. FBE aims to accelerate decarbonisation in Europe and beyond by increasing the deployment of energy storage and flexibility solutions through flow battery applications. <https://flowbatterieseurope.eu/>



Transport & Environment (T&E) is a European federation of environmental NGOs whose vision is for a zero-emission mobility system that is affordable and has minimal impacts on our health, climate and environment. <https://www.transportenvironment.org/>