# ESBA Policy Briefing

# **The Net Zero Industry Act**



### **NZIA CHALLENGES FOR SMES**

Regulatory Complexity & Admin Barriers: Need for simpler regulations, streamlined access & faster permit-granting.

Compliance Issues: Higher compliance barriers for SMEs.

Funding Issues: Financial support aimed at big biz, not SMEs.

Legal Hurdles: Need for faster legal processes and environmental law acceleration.

**Public Procurement Barriers**: Avoiding additional complexities in public procurement for SMEs.

### **NZIA OPPORTUNITIES FOR SMES**

Competitiveness and Investment Stability: NZIA's support for SMEs in green technology manufacturing.

Simplified Permit Processes: One-stop shops for easier permit processes + digital filing and centralized information access.

Creation of Net-Zero Areas & Regulatory Sandboxes: Efficiency gains through geo-clustering & SME access to sandoxes.

Training and Education Initiatives: Establishment of NZIA Academies for skill development.

## **LINKS & RESOURCES**

An overview of the NZIA

European Commission's NZIA Portal

The A to Z of the NZIA

### INTRODUCTION

The Net Zero Industry Act, part of the Green Deal Industrial Plan, is an EU initiative aiming to scale up the manufacturing of clean technologies, including those that support the clean energy transition and emit low to zero greenhouse gases.

This Act aims to ensure the EU's manufacturing capacity for strategic net-zero technologies meets at least 40% of annual deployment needs by 2030, thus advancing the EU's 2030 climate and energy targets and the 2050 goal of climate neutrality.

# **TIMELINE**

- March 16, 2023: The European Commission proposes the Net-Zero Industry Act.
- 2023-2024: Scrutiny and debate in the European Parliament and the Council.
- **2024-2025**: Amended and finalized based on feedback from stakeholders and experts.
- 2025-2030: Implementation across the EU.

### SCOPE AND OBJECTIVES

Manufacturing Clean Technologies: The Act focuses on boosting the EU's capability in manufacturing technologies essential for the clean energy transition.

**Regulatory Simplification**: It proposes simplifying the regulatory framework to enhance the competitiveness of the net-zero technology industry in Europe.

Key Proposals: The Act includes measures like identifying net-zero strategic projects, cutting red tape and accelerated permitting, supporting carbon capture and storage projects, attracting investments through platforms, facilitating market access, and establishing Net-Zero Industry Academies for skills enhancement.

