Introduction

As announced in the Clean Industrial Deal, the European Commission will put forward a proposal for an **Industrial Decarbonisation Accelerator Act**. Its general objective will be to increase sustainable and resilient industrial production in energy-intensive sectors in the EU by supporting decarbonisation investments.

The initiative will focus on energy-intensive industries (i.e. chemicals, steel, pulp and paper, refineries, cement, non-ferrous metals, glass and ceramics) and, where relevant, consider related downstream industries within a value chain logic.

The impact assessment will assess and identify the scope of the relevant sectors and consider measures aligned with the following objectives:

1. speed up permitting procedures for industrial decarbonisation;
2. identify and promote priority industrial decarbonisation projects and clusters;
3. create and protect lead markets for European low-carbon products.

As an integral part of the process, the Commission is launching a public consultation to gather views from all interested parties. The questionnaire consists of five parts:

- Part 1 collects some information about you.
- Part 2 focuses on barriers to industrial decarbonisation.
- Part 3 contains questions related to permitting for industrial decarbonisation.
- Part 4 contains questions on identifying and promoting priority projects.
- Part 5 comprises questions on how to create and protect lead markets for European low-carbon products.

I. Barriers to industrial decarbonisation

Question: To what extent do you agree with the following statements?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
1. Industry does not have sufficient access to affordable and decarbonised energy.				x		
2. Unfair competition from non-EU countries hinders industrial decarbonisation investments.				x		
3. Decarbonisation technologies are not yet available or deployed at large scale.				x		

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
4. High carbon abatement costs are a major barrier to adopting decarbonisation technologies in industry.				x		
5. High capital costs are a major barrier to industrial decarbonisation.					x	
6. High operation costs are a major barrier to industrial decarbonisation.					x	
7. The complexity and duration of permitting for industrial decarbonisation projects is an obstacle to investing in Europe.					x	
8. Barriers to industrial decarbonisation are greater for SMEs than for larger companies.			x			
9. Tariffs on industrial products are a barrier to industrial decarbonisation.			x			

10. Question: Are there any other barriers to industrial decarbonisation? Please give a maximum of three examples. (*500 character(s) maximum*)
    - Rigid EU laws: e.g. renewable energy permits that promote long-term decarbonisation are denied due to short-term damages. Differences in national legislation, such as permitting schemes, also impede cross-border projects.
    - Insufficient availability of (secondary) critical raw materials and insufficient (incentives to) investment in (reuse) secondary materials.
    - Lack of interconnections between industrial clusters (e.g. infrastructure for CO2,H2).

II. Speed-up permitting for industrial decarbonisation

Question: To what extent do you agree with the following statements?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
11. The challenges related to permitting processes are widespread across Member States.					x	
12. The challenges related to permitting processes are different across Member States.				x		
13. The current permitting framework in my country or region does not handle permits related to industrial decarbonisation projects in energy intensive industries efficiently.					x	
14. The complexity, duration and uncertainty of the outcome of permitting for construction (housing) projects is an obstacle to more housing projects being developed in Europe and a root cause of the affordability crisis.	x					

Question: How important are the following potential challenges faced in the permitting process for industrial decarbonisation [rate each of them from 1 (very important) to 5 (not important), don't know]:

	1	2	3	4	5	don't know
15. Long response time of public authorities				x		
16. Lack of administrative capacity (e.g. understaffed public authorities)		x				
17. Fragmented regulatory landscape and complexity of the process	x					
18. Multiple authorities involved		x				
19. Lack of digital integration					x	
20. Lack of technical knowledge at permitting authority level			x			

Question: To what extent do you agree with the following statements?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don’t know
21. Decarbonising energy-intensive industries requires addressing significant cross-border challenges (e.g. infrastructure, supply chains, regulatory alignment).					x	
22. Industrial clustering can streamline and improve the efficiency of the					x	

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
permit-granting process.						
23. European legislation could be simplified to facilitate industrial permitting of decarbonisation projects.				x		
24. Data repositories and data spaces can facilitate the permit process by re-using existing, relevant data sets.			x			

25. Question: How long does it take on average in your country or region between submitting the request for a permit for an industrial decarbonisation project and granting the permit? Please provide your answer in months – or 'don't know'.
This depends on the size and complexity of the project. The formal process from application to permit is legally 6 months. However, in certain instances the preceding period (prior to the start of the application – encompasses doing research, forms etc.) can take up to several years. Nevertheless, as it stands, the permit granting processes are facing huge delays due to complexity. In the case of The Netherlands, balancing numerous activities and policy objectives in a small and densely populated country can lead to conflicting outcomes, further delaying procedures.

26. Question: Based on your experience, what would be a reasonable maximum timeframe between submitting a permit for an industrial decarbonisation project and receiving the approval (excluding judicial appeals)? Please provide your answer in months – or 'don't know'.

    Reasonable would be 6 months (NB: from submission to award of the permit; excluding the preceding period).

27. Question: How long does it take in your country or region between the request for grid access and the actual connection to the energy grid for an investment in decarbonisation? Please provide your answer in months – or 'don't know'.

    The period between the request for access and the actual connection to the energy grid varies and depends on several factors:
    - Complexity of the connection: The timeframe for establishing a connection varies between 5.9 months (26 weeks) and 12 months (52 weeks). This period may be extended if the grid operator can demonstrate that it is not feasible to complete the work within the standard timeframe.
    - Region-specific constraints: If a large number of connections must be realized simultaneously in a particular region, grid operators may apply an additional waiting period. This additional period can be up to 9.2 months (40 weeks) but will be gradually reduced to zero over the next ten years.
    - Existing congestion: If there is pre-existing congestion in the network, the grid operator is not required to realize the connection(s) until three months after the congestion has been resolved.
    - Force majeure: Delays due to unforeseen circumstances such as late permit approvals or adverse weather conditions (e.g., frost) are considered force majeure.
    - Mutual agreements: The grid operator and the customer may jointly agree on a later delivery date for the connection.
    - NB: grid congestion is currently a significant issue in The Netherlands.

- Biggest constraint is not to get the grid access but that the amount of power needed is not there. Hence the delay: in dense areas where power is short in supply, the power is even more constrained. Waiting times are, in some cases, years.

III. Identify and promote priority projects

Question: To what extent do you agree with the following statements?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
28. Lack of access to private funding is a major barrier to industrial decarbonisation.				x		
29. Lack of access to public funding is a major barrier to industrial decarbonisation.				x		
30. Transition finance (i.e. financing options dedicated to the improvement of the climate and environmental performance of high impact activities) is difficult to access.			x			

31. Question: How relevant are the following potential risk factors associated with investing in an industrial decarbonisation project? [rate each of them from 1 (very relevant) to 5 (not relevant), don't know]:

	1	2	3	4	5	don't know
Market uncertainty	x					
Regulatory uncertainty		x				
Technological development			x			
Financial risks		x				
Other			x			

32. Question How relevant are the following public support instruments for industrial decarbonisation projects? [rate each of them from 1 (very relevant) to 5 (not relevant), don't know]:

	1	2	3	4	5	don't know
Grants following an open call	x					
Two-way Carbon Contracts for Difference following a bidding procedure		x				
Power Purchase Agreements support				x		
Equity investments			x			
Financial guarantees		x				
Tax incentives	x					

33. Question How relevant are the following public funds in supporting industrial decarbonisation projects? [rate each of them from 1 (very relevant) to 5 (not relevant), don't know]:

	1	2	3	4	5	don't know
Horizon Europe		x				
Innovation Fund	x					
InvestEU			x			
Cohesion Funds				x		
Recovery and Resilience Facility					x	
Member States funding (State aid)	x					
Other			x			

Question To what extent do you agree with the following statement?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
34. Introducing a category of priority industrial decarbonisation projects, supported by targeted benefits, will accelerate the EU's industrial decarbonisation efforts.				x		

35. Question: At which stages do energy-intensive industries typically face the most significant funding gaps? Please rank the following. [from 1 (most important) to 5 (least important)].

Research and Innovation -5

Piloting and Demonstration stage 3

First-of-a-kind commercial 1

Full-scale development 2

Operations 4

IV. Create and protect European lead markets for low-carbon products

Question: To what extent do you agree with the following statements?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
36. It is possible to differentiate clean industrial products and technologies from their more carbon-intensive equivalents.	x					
37. Downstream sectors and consumers lack willingness to pay a premium for clean industrial products.				x		
38. Measures to stimulate					x	

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don’t know
demand for clean industrial products are essential to drive industrial decarbonisation.						

39. Question: Which sectors are important downstream sectors supporting the uptake of clean energy-intensive materials? [rate each of them from 1 (most important) to 5 (least important), don’t know]

	1	2	3	4	5	don't know
Construction & infrastructure		x				
Automotive	x					
Defence		x				
Machinery				x		
Electrical and electronic equipment		x				
Clean energy technologies (e.g. wind, solar, heat pump)		x				
Other	x					

Public procurement

Question To what extent do you agree with the following statements?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don’t know
40. Public procurement is a significant driver for lead markets for European and clean industrial products				x		
41. Currently, public procurement		x				

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
is too focused on price (rather than non-price criteria)						

42. Question: Which non-price criteria should be set for public procurement to create lead markets? Multiple answers possible.

- ■ **Resilience (i.e. diversification of supply sources in case of dependencies)**
- □ EU-content
- □ Employment and social requirements
- ■ **Environmental sustainability**
- □ Cybersecurity

Label on the carbon intensity of industrial products

Question To what extent do you agree with the following statements?

	strongly disagree	slightly disagree	neutral	slightly agree	strongly agree	don't know
43. Introducing an EU voluntary label on the carbon intensity of industrial products will support the uptake of sustainable industrial products and the creation of lead markets.				x		
44. Introducing an EU voluntary label on the carbon intensity of industrial products will curb the proliferation of labels and ensure a harmonised approach.				x		
45. Introducing an EU voluntary label on carbon intensity will impose significant administrative and compliance costs, which could reduce competitiveness.				x		
46. An EU label on the carbon intensity of industrial products should be mandatory, rather than voluntary.					x	

47. Question: How important would the added value be of an EU label on the carbon intensity of industrial products in terms of: [rate them from 1 (very important) to 5 (not important), don't know]

	1	2	3	4	5	don't know
Increased transparency		x				
Access to green finance		X				
Compliance with regulatory requirements		x				
Increased comparability and market differentiation		x				
Market uptake of greener products	x					

48. Question: In sectors where carbon is indispensable as a feedstock, such as the chemical industry, how important are the following potential barriers to scaling up the use of clean carbon sources – i.e. sustainable biomass, recycled waste, and Carbon Capture Utilisation – to support de-fossilisation efforts? [rate them from 1 (very important) to 5 (not important), don't know]:

	1	2	3	4	5	don't know
High costs		x				
Lack of regulatory incentives	x					
Limited access to clean carbon sources		x				
Undeveloped technologies			x			

Foreign direct investments into decarbonisation

Question: To increase industrial decarbonisation investments in Europe, what is the role of foreign direct investment from your perspective? Please indicate whether you agree or disagree with the following statements.

	agree	neutral	disagree
49. Foreign direct investments are useful to bring into Europe capital/funding which is not available in the EU.	x		
50. Foreign direct investments are useful to bring into Europe know-how about	x		

	agree	neutral	disagree
products or processes which is not available in the EU.			
51. Foreign direct investments are useful to increase supply security for EU customers by localising production closer to them.	x		
52. Foreign direct investments do not play a role.			x

53. Question: Do you consider it useful to impose conditions on foreign direct investment from an internal market perspective?

Answer

- Yes, whenever the investor receives public incentives (e.g. grants, loans, expedited permitting)
- Yes, whenever the sector is sensitive (e.g. high tech, critical inputs)
- ■ Yes, if either (a) or (b)
- No
- Don't know