

EUROCHAMBRES

# Position on the Industrial Accelerator Act



## Eurochambres position on the Industrial Accelerator Act

The competitiveness of Europe's industry is under considerable pressure from unfair competition, distortive subsidies and strategic dependencies, alongside structural challenges closer to home, including high energy costs, a fragmented single market and excessive regulatory burdens. Against this backdrop, Eurochambres considers the Industrial Accelerator Act (IAA) an important signal and commitment to strengthening Europe's industrial base.

However, to deliver on its ambition, the IAA must be fully workable in practice. This requires proportionate and accessible criteria and procedures, particularly for SMEs, as well as full legislative coherence with related legislation such as the Net-Zero Industry Act (NZIA), the Critical Raw Materials Act (CRMA) and the Ecodesign for Sustainable Products Regulation (ESPR). At the same time, the IAA cannot stand alone. It must be complemented by decisive action to reduce energy costs, address fragmentation in the single market and simplify the regulatory framework.

### 1. Executive summary

The IAA can contribute to strengthening Europe's industrial base, with the proposed measures to speed up permitting and support industrial clusters representing steps in the right direction. However, to ensure that the framework is workable for all European businesses, particularly SMEs, Eurochambres highlights four key priorities:

- **Establish a coherent and accelerated permitting framework:** Measures to simplify and speed up permitting, including overriding public interest and tacit approval, should not be limited to strategic projects but extended across sectors and projects, while ensuring coherence with related permitting frameworks.
- **Ensure practical Union origin and low-carbon criteria:** Requirements in procurement and public support schemes must remain targeted, proportionate and evidence-based. Content and products from third countries with which the EU has concluded relevant agreements, including Free Trade Agreements and Customs Unions, must be considered equivalent to Union origin.
- **Safeguard investment attractiveness:** Foreign investment rules must remain limited to clearly justified cases, be coherent with existing FDI screening and preserve the EU's credibility as an open investment destination.
- **Increase the effectiveness of acceleration areas:** Industrial manufacturing acceleration areas should reflect broader industrial value chains, be supported by enabling infrastructure and include a strong baseline permit covering the majority of relevant authorisations for projects in the area.

### 2. Eurochambres remarks on the Industrial Accelerator Act

European businesses are operating in a fundamentally changed and increasingly volatile global environment characterised by unfair global competition, the re-emergence of trade barriers and growing geopolitical risks linked to strategic dependencies. At the same time, companies, particularly in energy-intensive industries, are facing structural challenges closer to home. High energy prices, excessive regulatory burdens and single market barriers continue to undermine Europe's competitiveness.

Against this backdrop, the chamber network supports the European Commission's ambition to strengthen Europe's industrial base. The proposed Industrial Accelerator Act addresses certain key enablers for a more competitive, sustainable and resilient European economy, including faster permitting procedures and support for industrial clusters. At the same time, Eurochambres raises concerns about the workability of the newly introduced Union origin and low-carbon content criteria in public procurement and public support schemes, particularly for smaller businesses. In addition, their potential impact on trade relations, value chains and input costs should be carefully assessed.

The ambition of the IAA must therefore be matched by a practical and proportionate regulatory framework for all businesses, particularly SMEs. This includes ensuring that streamlined and accelerated permitting procedures benefit all industrial projects across Europe. Similarly, the IAA must be consistent with related legislative files and initiatives, such as the Net-Zero Industry Act (NZIA), the Critical Raw Materials Act (CRMA) and the Renewable Energy Directive (RED), which also contain provisions on speeding up permitting procedures.

Lastly, the IAA cannot be considered a silver bullet for Europe's competitiveness challenges. Rather than relying on regulatory intervention alone, stronger efforts are needed to improve framework conditions for businesses. This should include prioritising access to affordable and reliable low-carbon energy, well-developed transport and digital infrastructure, secure raw material supply, a skilled workforce, the removal of single market barriers and the simplification of regulatory frameworks.

#### Chapter I – General provisions

Chapter I outlines the overall objective, scope and key definitions of the IAA. The proposal aims to establish a framework to support the development, competitiveness and resilience of EU manufacturing, with a focus on selected strategic sectors, including energy-intensive industries, net-zero technologies, and the automotive sector. In this context, the IAA sets an ambitious objective for the Union and member states to ensure that manufacturing accounts for at least 20% of the EU's GDP by 2035, up from 14.3% in 2024.

To achieve this objective, the IAA introduces a wide range of measures, including faster permitting, Union origin and low-carbon requirements in public procurement and public support schemes, tighter rules for certain foreign direct investments, and the creation of industrial manufacturing acceleration areas.

### Key priorities:

- **Ensure a broad and proportionate framework (Article 1):** Eurochambres welcomes that the IAA aims to support Europe's manufacturing sector. This is in line with Eurochambres input ahead of the proposal, which stresses the need for a holistic and inclusive approach that goes beyond energy-intensive industries and considers the broader industrial landscape. At the same time, the regulation must prioritise workable rules for businesses, in particular SMEs.
- **Support the 20% manufacturing objective by addressing structural challenges (Article 2):** The chamber network supports the ambition to increase the share of manufacturing in EU GDP to 20% by 2035. However, this objective will not be achieved through the IAA alone. Effective industrial policies must target areas where Europe has a clear potential for industrial development, incentivise innovation and competition across the EU, while reducing exposure to external economic-security risks. At the same time, actions to address structural challenges, including high energy prices, skills shortages, and regulatory complexity, remain long overdue. Without such action, the 20% objective risks remaining a political target rather than a realistic industrial strategy.
- **Ensure consistency and clarity of definitions (Article 3):** Eurochambres stresses that the definitions in the IAA must be clear and consistent with existing and forthcoming EU legislation, including the NZIA, the CRMA and the Ecodesign for Sustainable Products Regulation (ESPR). Where the IAA intentionally uses broader concepts than the NZIA or CRMA, this should be clearly stated in the text or recitals. In particular, the scope of "energy-intensive industry decarbonisation projects", "energy-intensive industries" and "strategic projects" should be clearly defined or cross-referenced to avoid legal uncertainty for businesses and public authorities.
- **Simplify *how to procure* before deciding on *what to procure*.** Ongoing efforts to simplify the regulatory framework should be matched by the political imperative to avoid repeating the same costly mistakes. The introduction of Union origin provisions for public procurement, before the revision of the general public procurement framework, is counterintuitive and raises questions about the process. The chamber network strongly encourages careful sequencing and coordination between the IAA, the Tech Sovereignty package, the European Innovation Act and other forthcoming initiatives that target procurement for specific sectors and technologies. Without a clear mapping of common standards, definitions, and procedures available to regulate procurement, the risk of introducing overlapping or incoherent requirements or procedures for businesses is almost inevitable. The Commission should ensure much closer coordination among its services involved in the preparatory work and drafting of the legislation.

### Chapter II– Enabling conditions for industrial production and decarbonisation

Slow and complex permitting procedures remain one of the biggest barriers to industrial investment in Europe. In response, chapter II of the IAA sets out provisions to streamline and speed up permitting. This includes requiring member states to set up a single digital national access point for industrial manufacturing projects and to establish a single permit-granting procedure covering all required permits. Furthermore, authorities are required to confirm that a project application is complete or request missing information within 45 days. Energy-intensive industry decarbonisation projects are treated as strategic for the purposes of the Regulation on speeding up environmental assessments (part of the Environmental Omnibus), allowing them to benefit from faster procedures (e.g. overriding public interest, tacit approval).

#### Key priorities:

- **Promoting a digital ‘one-stop shop’ for permitting (Articles 4 and 5):** The proposal for single access points and a digital permit-granting procedure for all industrial projects responds to long-standing demands from the business community. These measures can particularly benefit businesses operating in member states where such frameworks are not yet fully in place. In this context, the chamber network welcomes linking the single access points to the European Business Wallets. The emphasis on interoperability, reusability of data and cybersecurity also reflects key priorities for businesses. At the same time, these efforts must be underpinned by adequate digital infrastructure accessible to all stakeholders, especially SMEs. The framework should also ensure the protection of confidential and commercially sensitive information submitted by companies during permit-granting procedures.
- **Adequate resourcing of competent authorities (Article 4):** Unlike the NZIA and CRMA, the IAA does not include a provision requiring member states to equip single access points and competent authorities with sufficient qualified staff and financial, technical and technological resources. Without adequate administrative capacity, faster procedures on paper will not translate into faster procedures in practice. A clear obligation to ensure sufficient resources should therefore be introduced.
- **Safeguard shorter national deadlines (Article 5):** Article 5 sets a 45-day time limit for completeness checks, while excluding sectors already benefiting from streamlined processes under other EU legislation. For industrial manufacturing projects that remain within Article 5, the proposal should clarify that the 45-day limit is without prejudice to shorter national deadlines, in line with similar safeguards under the NZIA and CRMA.
- **Expand permitting acceleration measures to all industrial projects (Article 6):** The reference to Article 14 of the proposal for a Regulation on speeding up environmental assessment offers significant potential to accelerate industrial permitting. However, it regrettably limits mechanisms related to overriding public interest, tacit approval and dispute settlement to energy-intensive industry decarbonisation projects. This represents a missed opportunity to make streamlined permitting a true strategic enabler of Europe’s competitiveness. Eurochambres therefore calls for these acceleration measures to be extended to all industrial projects.

- **Ensure a coherent approach to permitting:** While the chamber network strongly supports efforts to streamline and accelerate permitting, these efforts remain spread across different legislative files such as the IAA, CRMA, NZIA and proposal for a Regulation on speeding up environmental assessment. As outlined in the [Eurochambres position on the Environmental Omnibus](#), chambers strongly advocate moving beyond a selective focus on 'strategic' projects towards a coherent, streamlined and accelerated permitting framework applicable across sectors and projects.

### Chapter III – Strengthening the union's strategic industrial value chains

Europe is well positioned to lead in the development and production of low-carbon products, but market uptake of these products remains challenging due to unfair global competition, weak demand and inconsistent methodologies. Chapter III of the IAA seeks to address these challenges by introducing Union origin and low-carbon requirements for specific products used in public procurement and covered by certain public support schemes. This includes products such as steel, concrete, mortar and aluminium, while requirements for other industrial products (e.g., chemicals) are expected to follow through future delegated acts.

The legal basis for Union origin is the Union Customs Code, while low-carbon criteria will rely mainly on the Construction Products Regulation (CPR), the ESPR and other relevant product-specific frameworks. Products from countries with relevant agreements and commitments with the EU are treated as equivalent to Union origin. At the same time, the proposal gives the Commission discretion to exclude countries for reciprocity, security of supply or other justified reasons.

#### Key priorities:

- **Ensure a clear and practical approach to Union origin rules (Article 7 and Annex III):** Where the IAA relies on Union origin rules, the chamber network supports basing them on the Union Customs Code rather than creating a separate regime. At the same time, origin rules are inherently complex, particularly for SMEs and products with multi-layered supply chains. Eurochambres therefore urges the Commission to pay particular attention to SME workability by avoiding unnecessary supply-chain documentation and to provide practical guidance, especially for complex products such as vehicles and their components, where companies must demonstrate compliance with vehicle-specific thresholds (e.g., ex-works price of e-powertrain components).
- **Maintain an inclusive approach to trusted partners (Articles 8 and 9, Annex III):** Eurochambres welcomes that content from third countries with which the EU has concluded relevant agreements (e.g. Free Trade Agreements, Customs Unions or the WTO Government Procurement Agreement) shall be considered equivalent to Union origin, as this can help avoid unnecessary trade tensions while supporting reciprocity. At the same time, strong concerns remain that, according to Annex III, the inclusive approach to trusted partners does not apply to vehicles assembled in those countries. This should be revised to include vehicles assembled in trusted partner countries. In addition, the Commission should maintain a publicly accessible and regularly updated register identifying the third countries, agreements, instruments and sectors for which content is considered equivalent to Union origin. The regulation should also explicitly state that its provisions and any related secondary legislation must not disrupt the

functioning of relevant agreements concluded with the EU or result in de facto discrimination against products originating from countries covered by such agreements. Where equivalence for a third country is withdrawn, appropriate safeguards and transition periods should apply, particularly for long-term strategic projects where contracts have already been signed. The EU must remain a credible trading partner and avoid undermining bilateral and multilateral agreements on which European companies rely when trading and investing globally.

- **Establish a robust anti-circumvention framework (Articles 8 and 9):** While the proposal's grounds for exempting third countries are appropriate, practical implementation must be underpinned by clear criteria, transparent procedures, and adequate transition periods to ensure predictability for businesses and avoid supply chain disruption. Any opening to partner countries must equally be paired with a robust anti-circumvention framework, covering trade diversion, transshipment, and insubstantial content, with uniform criteria for assessing value creation and clear review steps, without creating a burdensome control regime across all supply chains.
- **Embed clear criteria and transition periods for excluding third countries from public procurement (Articles 8 and 9):** The delegation of powers to the Commission is too far-reaching, particularly regarding the exclusion of third countries from the "equivalent to Union origin" provision. The substantive conditions for exclusion should be specified in the regulation text itself, so as to clearly limit the Commission's scope for interpretation and create legal certainty for companies and authorities. Member states, affected economic sectors, and trading partners should be consulted on a mandatory basis before any exclusion act is adopted, and the Commission should be required to provide a comprehensible justification. The decision to exclude a country from equivalence should take effect only after an adequate transition period to ensure legal certainty and continuity for ongoing public procurement and support programmes.
- **Ensure practical and proportionate criteria for low-carbon products (Article 10):** Eurochambres welcomes that the proposal links low-carbon requirements to existing product-specific frameworks, in particular the CPR and the ESPR, as this can help avoid duplication and regulatory fragmentation. At the same time, the chamber network calls for safeguards to ensure practical and proportionate methodologies, adequate transition periods and simplified procedures for SMEs, to avoid disproportionate certification and reporting burdens.
- **Avoid regulatory fragmentation in low-carbon methodologies (Article 10):** In principle, Eurochambres supports the development of a voluntary greenhouse gas intensity classification system for products where they improve investment decisions. However, developing low-carbon criteria outside the ESPR framework risks creating inconsistencies, including diverging calculation methods, verification requirements and documentation obligations. All low-carbon classification work should therefore be coordinated with, and where possible conducted under, existing product-specific frameworks. Delegated acts introducing such classifications should be subject to adequate scrutiny by the European Parliament, member states and industry.

- **Maintain a targeted approach to Union origin and low-carbon requirements (Articles 11, 12 and 13, Annexes II and III):** The use of such criteria in public procurement, public support schemes and financial support for corporate vehicles must remain targeted, evidence-based, proportionate, time-limited and restricted to clearly justified cases. In addition, the criteria and thresholds set out in the Annexes must take into account European production capacities and product availability to avoid supply constraints. Eurochambres cautions co-legislators against adjusting the scope, thresholds or timelines during negotiations without a detailed assessment of potential costs and benefits, particularly for SMEs and downstream users.
- **Closely monitor safeguards for Union origin and low-carbon criteria (Articles 11 and 12, Annex II):** The combined application of low-carbon and rules of origin requirements in public procurement and public support schemes risks raising costs and delaying projects, particularly where only a few suitable providers are available. The chamber network therefore welcomes the introduction of safeguards allowing authorities not to apply the respective criteria under certain conditions. At the same time, Eurochambres calls for clarification on how the specific threshold values were determined and for the safeguards to be regularly monitored and adjusted where market conditions, cost developments or supply constraints risk undermining the workability of public procurement and support schemes.
- **Promote workable standardised self-declarations, digital tools and SME safeguards (Articles 11, 12 and 13):** Strong concerns remain concerning the workability of Union origin and low-carbon criteria for SMEs. Complex documentation and verification requirements risk creating significant barriers to participation in public procurement and support schemes, particularly for smaller businesses. The regulation should therefore explicitly limit verification requirements to manageable levels and avoid disproportionate data collection across multiple tiers of the supply chain, as documentation obligations may otherwise be passed on to suppliers, many of which are SMEs with limited administrative capacity. The chamber network supports the self-declaration approach, which should be accompanied by practical guidance for SMEs. Moreover, an optional link to the Digital Product Passport should be explored to avoid duplicate reporting and ease compliance. Eurochambres highlights – once more – the importance of ensuring coherence with the forthcoming Public Procurement Act for both smaller companies and public administrations, and the need to harmonise conditions of procurement procedures, including deadlines and the division of contracts into smaller lots, as outlined in [Eurochambres position on the revision of the EU public procurement rules](#).
- **Ensure a constructive dialogue with the business community:** The IAA relies on several delegated and implementing acts to define key criteria and methodologies, including for Union origin, low-carbon requirements and future sector-specific provisions. Eurochambres stresses that these acts must be developed in close and structured consultation with affected industries, including SMEs and downstream users. The Commission should ensure early involvement of the business community to prevent supply-chain disruptions, avoid unnecessary regulatory burdens and ensure that future requirements are workable in practice.

### Chapter IV – Foreign investment contribution

Over the past decades, risks linked to strategic dependencies in emerging sectors and asymmetric conditions for foreign direct investment have increased. Chapter IV of the IAA seeks to ensure that foreign direct investments exceeding EUR 100 million in emerging strategic manufacturing sectors contribute to European value creation, technological development and supply-chain resilience. The scope is limited to sectors where the investor's third country holds more than 40% of global manufacturing capacity. This includes battery technologies, electric and fuel-cell vehicles and related components, solar PV technologies, and the extraction, processing and recycling of critical raw materials.

Investments covered by relevant EU trade agreements, as well as services and portfolio investments, are excluded. To enforce these rules, member states must designate an 'Investment Authority'. Investments may only be approved if they meet at least four out of six value-added conditions, with the workforce condition being mandatory. The six conditions include (1) foreign ownership limitation of max. 49%, (2) investment through a joint venture (max. 49% ownership), (3) licensing of IP rights or know-how, (4) R&D spending in the EU of at least 1% of gross annual EU-generated revenue, (5) at least 50% of the workforce employed in the context of the investment are EU workers, and (6) a strategy to strengthen EU value chains including efforts to source at least 30% of inputs from the EU.

#### Key priorities:

- **Safeguard investment attractiveness and entrepreneurial freedom:** Eurochambres cautions that the proposed framework introduces rules on certain foreign investments that go beyond traditional security considerations. If not carefully calibrated, these requirements risk undermining entrepreneurial freedom, contractual flexibility and property rights, while deterring much-needed foreign investment in Europe. The FDI framework must therefore carefully balance economic security objectives with the EU's attractiveness as a business location.
- **Maintain a targeted scope and an inclusive approach to trusted partners (Article 17):** The chamber network supports limiting the scope to sectors with clear economic security justification and welcomes the exclusion of investments covered by relevant economic partnership agreements, Free Trade Agreements and Custom Unions from the requirements. Monitoring and enforcement should be risk-based, ex post, and proportionate, as overly broad or bureaucratic investment requirements could deter investments. While the reciprocity-based approach can be justified as a level-playing-field measure, broader questions remain about the EU's credibility as an open investment destination if unilateral restrictions are perceived as the new norm. Potential countermeasures by third countries should therefore be carefully taken into account, as they could adversely affect the EU's broader economic and strategic interests. The upcoming negotiations on the proposal must therefore not undermine the targeted approach based on clearly justified cases.
- **Promote flexible conditions and transition periods (Article 18):** Requiring compliance with four out of six value-added conditions rather than all six introduces a useful degree of flexibility and is welcomed in principle. At the same time, greater flexibility for the mandatory 50% EU workforce requirement should be considered, especially in highly specialised sectors where the required skills are scarce within the

EU labour market. The chamber network therefore calls on policymakers to consider adequate transition periods or phase-in mechanisms for certain conditions to avoid deterring beneficial investments. The condition on preparing a strategy on how to enhance EU value chains should not be limited to manufacturing activity and inputs from the EU, but should also include trusted partners with relevant agreements (e.g. Free Trade Agreements, Customs Unions).

- **Avoid duplication with existing FDI screening rules (Articles 19 to 22):** The IAA introduces a new review procedure for certain foreign investments, in addition to the existing EU framework for FDI screening. Eurochambres stresses that this must not lead to overlapping procedures, duplicated information requests or diverging deadlines for the same investment. Where an investment falls under both frameworks, authorities should coordinate their assessments, rely on the same information where possible and provide companies with a single, predictable process.
- **Ensure a predictable review timeline (Articles 19 and 20):** While the proposal establishes deadlines for the review procedure, the possibility of several extensions risks prolonging the final decision and undermining investment certainty. Eurochambres therefore calls for a clear maximum overall timeline for the final decision, avoiding cumulative extensions. A maximum review period of 90 days should be considered.
- **Limit Commission intervention to clearly justified cases (Article 21):** Article 21 sets out criteria under which the Commission may decide to assess a foreign direct investment instead of the Investment Authority. While some triggers, such as a request by member states or the value threshold, are relatively clear, the criterion of whether an investment may “significantly impact added value creation in the internal market” remains vague. Commission intervention should therefore be based on proportionate assessment criteria, underpinned by clear evidence on the urgency to act.
- **Ensure transparency when assessing global manufacturing capacity (Articles 23 and 24):** The IAA relies on the Commission’s assessment of whether a third country accounts for more than 40% of global manufacturing capacity in a covered sector. Eurochambres stresses that the methodology behind this assessment must be transparent, evidence-based and publicly accessible. Any future extension of the sectors covered should be based on clear evidence, prior consultation with industry and sufficient transition periods.

### Chapter V – Industrial Manufacturing Acceleration Areas

Clusters play a vital role in fostering innovation, achieving economies of scale, and facilitating collaboration between businesses, research institutions, infrastructure providers, and public authorities. Chapter V of the IAA proposal sets out a framework for member states to designate industrial manufacturing acceleration areas, which aim to cluster industrial manufacturing projects in strategic sectors, while taking into account factors such as security of supply, innovation potential, SME participation and regional development.

Member states must carry out the relevant environmental assessments before designating such areas. They are also expected, where appropriate, to support acceleration areas through financing coordination, R&I support, energy planning and other enabling measures. Projects located in acceleration areas may benefit from an aggregated baseline permit covering relevant permits and administrative authorisations, although additional installation-specific permits may still be required. Industrial manufacturing projects within these areas are also treated as strategic for the purpose of the Regulation on speeding up environmental assessments under the Environmental Omnibus.

### Key priorities:

- **Increase the ambition of industrial manufacturing acceleration areas (Article 25):** Eurochambres generally supports the concept of acceleration areas as a tool to cluster industrial projects and reduce permitting barriers. In addition, acceleration areas may be used where appropriate as regulatory sandboxes, allowing companies and authorities to test innovative technologies and regulatory approaches under real conditions and thereby supporting more evidence-based and practical policymaking. However, requiring each member state to designate only one area risks limiting the overall impact of the framework, as it prevents the framework from tapping into the full potential available across Europe. A more ambitious approach should be considered, proportionally reflecting member states' industrial structures and geographical constraints.
- **Broaden the scope beyond selected strategic sectors (Article 25 and Annex I):** While the chamber network welcomes supporting the clustering of industrial manufacturing projects, the current scope is limited to selected strategic sectors listed in Annex I. This risks excluding industries that are essential to Europe's industrial transformation, including upstream and downstream users. Eurochambres calls for a broader approach, covering the entire value chain, thereby ensuring that acceleration areas can support the wider industrial ecosystem, not only selected manufacturing activities.
- **Allow greater geographical flexibility in the designation of acceleration areas:** Industrial ecosystems, production activities, suppliers, research centres and supporting infrastructure are often distributed across different locations, rather than concentrated within a single geographic area. Restricting acceleration areas to a narrowly defined territorial perimeter could therefore limit their effectiveness and fail to reflect the reality of integrated industrial value chains. The chamber network proposes a more flexible approach that enables member states to designate interconnected industrial hubs, including across borders where relevant. This would support stronger industrial integration, foster innovation networks and enhance the resilience and competitiveness of European value chains.
- **Ensure close coordination with industry and chambers of commerce (Article 25):** The designation and implementation of acceleration areas must be closely coordinated with businesses, including SMEs, downstream industries and wider industrial ecosystems. Chambers of commerce and industry are well placed to act as a bridge between companies and public authorities, helping to identify regional industrial needs, support SME participation and ensure that acceleration areas support broader industrial ecosystems, not only lighthouse projects.

- **Ensure practical and proportionate designation criteria (Article 25 (2)-(4)):** Eurochambres welcomes the fact that member states must consider aspects such as SME and SMC participation when designating acceleration areas. At the same time, overly restrictive and unclear criteria risk undermining their potential. For example, criteria on climate risks in designated areas and extensive location-specific company information should be carefully reconsidered, as they risk creating administrative burdens without delivering clear added value.
- **Make enabling conditions more effective (Article 26):** The chamber network supports the focus on strengthening enabling conditions within acceleration areas, including access to financing, R&I support, skills needs and infrastructure. However, these provisions remain largely dependent on member state discretion, which may limit their practical impact. Stronger commitments should be introduced to ensure that acceleration areas are supported by the necessary infrastructure, including energy supply, grid connections, transport links and administrative capacity. Where the designation assessment identifies grid connection needs, member states should ensure that grid connection procedures for the acceleration area are completed within 12 months of its designation, provided that no substantial grid reinforcement works are required.
- **Strengthen the baseline permit to deliver simplification (Article 27 (1)-(3)):** The aggregated baseline permit is promising in principle, but its value depends on the extent of authorisations it covers. If the most relevant project elements still require separate installation-specific permits, the acceleration effect will remain limited. The baseline permit should therefore cover the majority of relevant authorisations for projects in the area, while clearly defining which permits remain installation-specific. Where relevant environmental assessments have already been carried out at the level of the acceleration area, project-level assessments should not be repeated.
- **Provide strategic status for all projects in acceleration areas (Article 27 (4)):** Eurochambres sees a key benefit of the acceleration area framework in the fact that industrial manufacturing projects located within such areas are treated as strategic, giving them access to faster permitting tools under the proposed Regulation on speeding up environmental assessments. However, rather than limiting the provision to industrial manufacturing projects, the regulation should take a broader approach and apply strategic status to all projects within acceleration areas, particularly upstream and downstream activities.
- **Ensure coherence with existing area-based and strategic project frameworks (Articles 25 to 27):** While Eurochambres welcomes the provisions on acceleration areas, the IAA must avoid overlaps, inconsistencies and duplications with related EU frameworks, including Net-Zero Acceleration Valleys under the NZIA, RED III renewables acceleration areas and CRMA strategic projects. Existing designated areas and strategic projects should be recognised where appropriate, while definitions, permitting steps and support measures should be aligned to avoid parallel planning and permitting regimes.

### Chapter VI – Final provisions

In order to monitor the effectiveness of the IAA, Chapter VI requires the Commission to regularly evaluate the regulation. This includes assessing progress towards the IAA's objectives, including economic security, decarbonisation of industrial production and the industrialisation objective of increasing the share of manufacturing in EU GDP to 20% by 2035. It must also consider administrative costs, economic impacts on downstream sectors, SMEs and public budgets.

Chapter VI also amends existing EU legislation, notably the Single Digital Gateway Regulation, the NZIA and the CPR. In particular, the amendments to the NZIA treat all net-zero technology manufacturing projects as strategic for the purposes of the proposed Regulation on speeding up environmental assessments. They also introduce additional requirements related to environmental sustainability, resilience, Union origin and high-risk suppliers in public procurement, auctions and other forms of public intervention.

#### Key priorities:

- **Sound evaluation of the effectiveness, efficiency, relevance, coherence, and EU added value before any revision of the IAA (Articles 28 and 29):** The Commission should monitor progress achieved with respect to the objective of ensuring strategic autonomy and expanding EU manufacturing capacity. In line with the “evaluate first” principle, the evaluation under Article 28 must consider administrative costs, economic impacts on downstream sectors, supply chains, and SMEs to assess whether the IAA genuinely strengthens industrial competitiveness in practice. The review of Chapters III and IV under Article 29 must be based on clear evidence that the lead market and FDI provisions remain necessary and proportionate and must be preceded by exhaustive stakeholder consultation.
- **Accelerated permitting for net-zero technology manufacturing projects (Article 34):** The chamber network supports the amendment to the NZIA that treats all net-zero technology manufacturing projects as strategic for the purposes of the Regulation on speeding up environmental assessments. This ensures that projects can benefit from the toolbox of acceleration measures, including overriding public interest, tacit approval and dispute settlement procedures.
- **Ensure workability of sustainability, resilience and Union origin requirements under the NZIA (Article 34):** The chamber network cautions particularly against introducing minimum mandatory requirements regarding environmental sustainability in public procurement for net-zero technologies. Requirements developed through future implementing acts must be subject to meaningful consultation with industry, clearly defined and workable methodologies and adequate lead times.
- **Promote an evidence-based approach to high-risk supplier exclusion (Article 34):** The proposal to exclude high-risk suppliers from key control and digital infrastructure systems can be supported as a measure to strengthen supply-chain security and strategic autonomy in critical areas. However, this approach must be strictly limited to cases where there is clear and specific justification. Vague or overly broad exclusion criteria risk creating legal uncertainty and distorting competition.

- **Monitor the impact of strengthened resilience requirements (Article 34):** Eurochambres notes the more systematic application of resilience requirements, including the 50% cap on supply from a single third country. These measures should be closely monitored to assess their impact on supply availability, input costs and delivery timelines, particularly in sectors where European alternatives remain limited in the short term.

### Annexes

The Annexes define the practical scope and thresholds of the measures introduced in the IAA, including the sectors covered by industrial manufacturing acceleration areas, low-carbon and Union origin requirements for selected materials, and vehicle-specific origin rules.

### Key priorities:

- **Ensure an inclusive approach to trusted partners for vehicles (Annex III):** The current framework does not consider vehicles assembled in trusted partner countries as equivalent to Union origin. Eurochambres calls for Annex III to be aligned with the inclusive approach applied to other products and sectors applied in Articles 8 and 9, where content from countries covered by relevant agreements or commitments with the EU (e.g., Free Trade Agreements, Customs Union) is treated as equivalent to Union origin. The “assembled within the Union” criterion for vehicles should therefore be expanded to also include vehicles assembled in trusted partner countries covered by such agreements or commitments.



# EUROCHAMBRES

Eurochambres – the association of European chambers of commerce and industry – represents more than 20 million businesses through its members and a network of 1700 regional and local chambers across Europe. Eurochambres is the leading voice for the broad business community at EU level, building on chambers’ strong connections with the grass roots economy and their hands-on support to entrepreneurs. Chambers’ member businesses – over 93% of which are SMEs – employ over 120 million people.

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