

INDUSTRIAL ACCELERATOR ACT

Proposal COM(2026) 100 of March 4 2026:

Regulation establishing a framework of measures for the acceleration of industrial capacity and decarbonisation in strategic sectors and amending Regulations (EU) 2018/1724, (EU) 2024/1735 and (EU) 2024/3110

cepPolicyBrief No. 1/2026

SHORT VERSION [[Go to long version](#)]

Context| Objectives | Interested Parties

Context: The EU's goal of achieving climate neutrality by 2050 requires massive investment in low-emission production technologies. Their profitability is jeopardized by factors such as high energy costs, fierce global competition and stringent regulatory restrictions. At the same time, there is a lack of domestic production capacity for low-emission technologies. As a result, decarbonization comes at the expense of competitiveness.

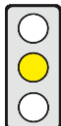
Objectives: Strengthening the competitiveness of European industry on the path to climate-neutral production

Interested Parties: Automotive industry, basic material producers, manufacturers of zero-emission technologies

Brief Assessment

Pro

- ▶ Setting minimum quotas for low-carbon base materials provides a significant boost to the development of lead markets for green technologies.
- ▶ Measures to speed up approval procedures improve the financing conditions for the decarbonization of energy-intensive industries.
- ▶ The establishment of industrial acceleration areas enables the exploitation of new agglomeration benefits and forms of regional specialization.

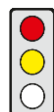


Contra

- ▶ Origin requirements for zero-emission technologies increase the short-term costs of decarbonization.
- ▶ The unequal treatment of different industrial sectors in granting protection is insufficiently justified and distorts investment decisions.
- ▶ Approval criteria for foreign direct investments jeopardize capital inflows from key producer countries.

Industrial value-added goal [Long version A.1, B.1.1]

Commission proposal: The overarching medium-term goal is to achieve a minimum share of 20% for the manufacturing sector in the EU's gross domestic product by 2035.



cep-Assessment: Given the difficulty of predicting technological change, setting political targets for a future sectoral structure is not advisable. As a metric, the industry's share of value added also has only limited significance for progress in decarbonization and thus for the long-term success of the transformation. It would be better to set direct targets for building domestic manufacturing capacity for low-carbon production.

Accelerated permitting of industrial projects [Long version A.3, B.1.2]

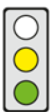
Commission proposal: Permit procedures for projects aimed at decarbonizing energy-intensive industries are to be streamlined and accelerated. To this end, central administrative contact points are to be established, and maximum time limits for the overall duration of the permit procedures are to be defined. In the event of legal disputes, these projects are to be granted the highest priority status provided for under national law.



cep-Assessment: Lengthy and complex government permitting processes pose a significant obstacle to financing industrial manufacturing projects. The streamlining measures included in the proposal address a major gap compared to other sectors. However, they should be applied beyond the sectors covered to climate-friendly investments across all industrial segments.

Low-carbon criteria for public procurement [Long version A.4, B.1.3]

Commission proposal: When using aluminum, concrete, mortar, and steel for civil purposes in buildings, infrastructure, and motor vehicles, public procurement contracts and government subsidy programs shall require that a specific minimum proportion of the materials used be sourced from low-emission production processes.



cep-Assessment: The proposed minimum quotas are a key component in establishing green lead markets for low-emission base materials. They create market opportunities and thus improve the financial viability of investments in decarbonization. Limiting the scheme to publicly directed demand mitigates cost risks for downstream industries. However, a transparent methodological framework for setting quota levels is still lacking.

Origin criteria for public procurement [Long version A.4, B.1.4]

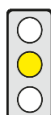
Commission proposal: When using aluminum, concrete, mortar, and steel for civil purposes in buildings, infrastructure, and motor vehicles, public procurement contracts and government subsidy programs shall require that a specific minimum proportion of the materials used shall originate in the Union.



cep-Assessment: Given the additional costs and trade policy risks involved, the introduction of origin-based procurement and funding criteria can only be justified in cases with significant long-term scaling potential and strong unilateral import dependencies. This applies only to a few essential zero-emission technologies. Origin criteria should be limited to this segment.

Approval requirements for foreign direct investments [Long version A.6, B.1.5]

Commission proposal: EU-wide uniform criteria are to apply to the approval of foreign direct investment in sectors identified as emerging strategic sectors. These criteria include requirements regarding maximum ownership stakes by foreign investors, the handling of intellectual property, the safeguarding of domestic jobs, and the procurement of intermediate goods from within the EU. Some of these requirements are interchangeable.



cep-Assessment: The proposed requirements overall strike a fair balance between the EU's need for external capital and the need to prevent undesirable knowledge outflow. However, the scope of the requirements is not sufficiently justified. This applies in particular to the very limited selection of sectors and the link to production capacities in the investors' home countries.

Promotion of industrial acceleration areas [Long version A.7, B.1.6]

Commission proposal: Each Member State shall establish at least one regional cluster ("industrial acceleration area") for industrial manufacturing within its territory, covering sectors from a pre-defined list. It shall adopt specific support measures to foster the development of these clusters. It shall also prepare and issue a blanket permit for each designated cluster, authorizing industrial activities within that zone.



cep-Assessment: Given the importance of agglomeration benefits for knowledge-intensive green technologies, the development of a Europe-wide strategy for regional industrial clusters is a significant step. However, there is a lack of adequate coordination mechanisms for targeted cluster planning across the EU. Furthermore, limiting the strategy to selected industrial sectors is not forward-looking in light of ongoing structural change and the growing importance of cross-cutting technologies.