



EUROPEAN CLUSTER
COLLABORATION PLATFORM

Net-Zero Industry Act: For clean tech manufactured in Europe

Summary



EU Clusters Talks
6 March 2024, 8:30 – 9:45 CET

An initiative of the European Union





Net-Zero Industry Act: For clean tech manufactured in Europe

The European Cluster Collaboration Platform, on behalf of the European Commission, organised the EU Clusters Talk “Net-Zero Industry Act: For clean tech manufactured in Europe” on 6 March, 8:30 – 9:45 CET, to share an update on the Net-Zero Industry Act and discuss cluster activities to enhance the manufacturing of clean tech in Europe.

Agenda of the meeting

Moderation: Chris Burns

1. News from the European Cluster Collaboration Platform
Nina Hoppmann, team member of the European Cluster Collaboration Platform
2. Net-Zero Industry Act
Daniel Gerber, Policy Officer, DG GROW, European Commission
3. Panel debate
Janusz Kahl, Managing Director, South Poland Cleantech Cluster
Katarzyna Balucka-Debska, Senior Policy Advisor, EIT Climate-KIC
Laima Balčiūnė, Head of Cleantech Cluster Lithuania, CEO of Sunrise Tech Park
Massimo da Vià, Senior Policies and Funding Expert, Environment Park, POLO DI INNOVAZIONE – CLEVER
4. Funding opportunities

Key messages

- The Net Zero Industry Act aims to foster the development and supply of net-zero technologies and ramp up EU production on clean technologies.
- Clusters can promote the uptake of clean technology in different ways: for example, through awareness raising, start-up support, or help in the transition to renewable energy sources.
- The current regulatory landscape presents great challenges to the uptake of hydrogen.
- The concept of regulatory sandboxes can be a useful tool for businesses to explore solutions.



1. News from the European Cluster Collaboration Platform

After the introduction by moderator Chris Burns, the following news items were presented:

1. Register now for the [European Cluster Conference](#) on 7-8 May 2024 and the matchmaking event.
2. Register for [Clusters meet Regions in Milan](#), Italy, on 26-27 March 2024.
3. Save the date for [Clusters meet Regions in Graz](#), Austria, on 18-19 June 2024.
4. Free trial of the [Trend Universe](#) for all ECCP users with a profile and new innovation trends

2. Net-Zero Industry Act

Daniel Gerber, Policy Officer, DG GROW, European Commission

Daniel Gerber presented the Net Zero Industry Act, which is a legislative measure by the European Union to foster the **development and supply of net-zero technologies**, aiming to reduce the EU's dependence on technologies, particularly from China, and to enhance strategic autonomy. It seeks to ensure a sustainable supply of net-zero technologies and reduce strategic vulnerabilities, especially highlighted by supply disruptions experienced during the war in Ukraine. The Act was proposed in March 2023, setting ambitious goals such as **ramping up EU production** of clean tech to 40% and aiming for the EU to account for 15% of global production by 2040. It introduces a regulatory framework to stimulate investments in net-zero technologies, with key pillars including permitting, strategic projects, market access, skills development, and regulatory sandboxes.

Daniel Gerber highlighted the planned **one-stop shop** for permits to streamline and speed up the processes. The Act also specifies types of projects covered, focusing on manufacturing facilities and their supply chains, and includes a novel category for energy-intensive industries' decarbonisation projects. It furthermore foresees “**Net Zero Acceleration Valleys**” to help investment and skill development in designated geographic areas. The valleys can foster net-zero industry clusters and streamline administrative procedures. The presentation also included the Act's innovative approaches to market access, promoting non-price criteria in public procurement to favour sustainable and resilient products. Daniel Gerber also spoke about the concept of **regulatory sandboxes** to support start-ups and the establishment of industry academies for skills development.

Regarding the implementation timeline, the Act will take immediate effect in June as a regulation, building on the primacy of EU law over national law to ensure a harmonised regulatory framework for clean tech competitiveness in Europe.



3. Panel debate

The panellists presented their activities to increase awareness and promote clean tech activities in Europe, support the uptake of hydrogen technologies, and their views on the role of clusters and regulatory issues regarding clean tech.

Janusz Kahl presented the activities of South Poland Cleantech Cluster in Krakow that focuses on promoting clean technology. This innovative cluster involves a diverse set of stakeholders, including major universities, businesses of all sizes, local governments, and NGOs. The mission is to **advance clean tech awareness and adoption** across industries, supporting its members in their green and digital transitions to enhance future resilience and sustainability. He presented the **first one-stop-shop model in Poland for building renovations**, which was created under the Interreg-project “RENOWAVE”. In collaboration with municipalities, they offer easy access to information, resources, and support to building owners who are reluctant and need support in enhancing energy efficiency and sustainability of buildings through renovation.

Laima Balčiūnė explained that the focus of the Cleantech Cluster Lithuania is on **start-up support**. In the cluster, they join universities, NGOs, science and research institutions, and SMEs. The main benefit that the cluster delivers to start-ups is collaboration, networking, providing information, raising awareness, consulting on innovation, and access to finance. They also facilitate various events and matchmaking support to nurture the clean tech ecosystem. A significant initiative includes the launch of a Clean Tech Catalyst, Lithuania's first **incubator and accelerator** for clean tech start-ups. Since the ecosystem in Lithuania is relatively small, they support several projects with **international matchmaking** with other countries like Poland, Germany, Italy or the Baltic countries.

Massimo da Vià presented the cluster CLEVER, which is focused on sustainable mobility and hydrogen technologies, reflecting the region's robust industrial heritage and current capabilities in mobility, automotive, aerospace, and chemical sectors. With hydrogen being considered for a wide array of applications across industries, CLEVER aims to leverage this energy carrier to foster broad industrial innovation. Rather than creating new businesses, CLEVER's mission is to facilitate the **transition and conversion of existing industries and skill sets towards green and digital technologies**. A key objective includes marketing renewable fuels, a significant area of focus given the region's involvement of oil companies in transforming conventional fossil production to renewable energy sources.

Regarding **hydrogen**, Massimo da Vià spoke about the challenges in the **regulatory** landscape. The primary barrier lies in adapting existing environmental and safety regulations, designed for traditional fuels like fossil fuels, to accommodate hydrogen's unique characteristics. A specific example of the regulatory hurdles involves the classification of hydrogen under European law as a Renewable Fuel of Non-Biological Origin (RFNBO). This classification complicates the use of hydrogen for purposes other than as a fuel, such as an industrial feedstock in sectors like ICT. He stated that hydrogen requires distinct regulatory considerations from both market and safety perspectives. To address these challenges, efforts are being made to draft a hydrogen strategy for the region, facilitated by the collaborative work of the regional government and the hydrogen sector. He also gave the example of a company initially sceptical about the viability of renewable hydrogen. Through strategic engagement at the management level, the cluster introduced them to the EU's Fit for 55 policy packages, highlighting the regulatory changes and requirements aimed at reducing greenhouse gas emissions by 55% by 2030. This introduction led to a collaborative effort with different partners to explore pathways



for compliance and innovation in renewable energy. The partnership culminated in the company committing to deploy over 30 megawatts of electrolyzers in Northern Italy, marking a significant change towards embracing hydrogen technology.

Katarzyna Balucka-Debska explained that the primary goal of Climate-KIC is to practically implement regulations and foster industry innovation towards systemic change, particularly in the context of climate action. She made a strong advocacy for the cluster model as vital ecosystems for innovation. Clusters are not just beneficial for their networking capabilities but are essential for **fostering ecosystems** where start-ups and technologies can thrive. In her view, regional ecosystems play a critical role in facilitating the practical application of innovations and regulatory frameworks, especially in the domain of climate change and sustainability. While the focus often falls on clean tech and energy transition, it's important to remember that clean technology encompasses also other sectors that require transformation, such as the textile and fashion industry and agriculture, each contributing significantly to global emissions. Climate-KIC supports this **broader approach to clean tech**, advocating for strategic independence while also leveraging existing technologies in innovative ways to reduce emissions.

She highlighted the concept of **regulatory sandboxes** as a very useful tool for overcoming industry's reluctance to change. These sandboxes facilitate the dialogue and cooperation across the value chain and bring together different stakeholders, allowing for a systemic approach to identifying and addressing barriers to innovation and change. She defended regulation, often seen as a burden by businesses, as essential for ensuring a coherent and systemic approach to environmental sustainability. The European Green Deal serves as a comprehensive strategy for systemic changes aimed at reducing CO2 emissions and minimizing environmental damage. She also highlighted the Corporate Sustainability Reporting Directive (CSRD) as not merely a reporting obligation but as a **tool for businesses** to improve their operational sustainability, potentially leading to cost savings and better positioning in a competitive global landscape.

4. Funding opportunities

Closing the EU Clusters Talk, Nina Hoppmann shared the following examples of funding opportunities:

1. [EEN Energy Efficiency Action Call](#); deadline 15 April 2024
2. [Innovation Fund 2023 Net Zero Technologies – General decarbonisation](#) (Small-Scale Projects, Medium-Scale Projects, Large-Scale Projects, Pilots, Manufacturing); deadline 9 April 2024
3. [Emerging energy technologies for a climate neutral Europe](#); deadline 18 April 2024
4. [Energy Data Space](#); deadline 29 May 2024
5. Opportunities for SMEs: Calls from Euroclusters; published on [European Cluster Collaboration Platform](#)