Strengthening the Permitting framework under the Industrial Accelerator Act

Executive summary

The Informal Coalition on Permitting (ICP), bringing together a broad cross-section of European industry, was established in response to a growing systemic concern: permitting has become a major barrier to Europe's industrial transformation. Across sectors, project deployment is increasingly constrained not by technology or investment, but by fragmented regulatory frameworks, administrative complexity, inconsistent implementation, and prolonged permitting timelines. Europe's competitiveness, climate objectives, and security of supply will depend on its ability to deploy projects at scale and at speed across the full industrial value chain.

As the EU advances multiple legislative initiatives to accelerate industrial deployment, industry sees a growing risk: without coherence across these instruments, Europe may unintentionally create parallel systems that add complexity rather than reduce it. This is why the Coalition developed a position on the Industrial Accelerator Act (IAA): to help ensure it becomes part of a coherent and scalable European permitting architecture, rather than another standalone framework.

Central to this vision is the concept of *permitability*: moving beyond purely procedural acceleration towards a system that strengthens whether projects can realistically obtain permits, maintain them over time, and operate within a framework of predictability, legal certainty, and legal robustness. For industry, permitting success is not simply about moving faster through procedures, but about ensuring that projects are genuinely capable of progressing from proposal to deployment.

The ambitions related to permitting in the Industrial Accelerator Act is a welcome step forward. Its streamlined procedures, single access points, industrial acceleration areas, and selected acceleration measures reflect important progress. However, in its current form, the IAA does not yet provide the coherent and operational framework needed to support integrated industrial ecosystems across Europe.

To fulfil its potential, five priorities must be addressed. First, the IAA must be embedded within a broader EU permitting architecture, aligned with frameworks such as the Net-Zero Industry Act and Critical Raw Materials Act. Second, accelerated permitting should be expanded beyond narrow sectors or locations to cover a wider category of industrial transition projects. Third, industrial acceleration areas must become fully operational, with baseline permits delivering real

simplification and time savings. Fourth, legal certainty must be strengthened through clear definitions and effective procedural tools. Fifth, single access points must function as genuine coordinators of a single permitting journey across legislative frameworks.

Strengthened in this way, the permitting simplification provisions within the Industrial Accelerator Act can become a practical contribution to Europe's industrial policy, supporting faster investment, greater competitiveness, and a permitting framework better aligned with the scale and urgency of Europe's industrial transition.

Introduction

Europe's industrial transformation will depend on its ability to deploy strategic projects rapidly, predictably, and at scale across increasingly interconnected value chains. Across sectors, permitting frameworks are becoming a decisive factor in investment decisions.

The Industrial Accelerator Act (IAA) represents an important step in recognising this reality. Through measures such as streamlined procedures, single access points, industrial acceleration areas, and the extension of selected acceleration provisions, the Act signals a stronger EU commitment to enabling industrial deployment and decarbonisation.

However, for the IAA to fully deliver on its objectives, it must function not as an isolated legislative instrument, but as part of a broader and coherent European permitting architecture. In its current form, important challenges remain around interoperability with existing frameworks, scope of access to acceleration, operational effectiveness of industrial acceleration areas, legal certainty, and practical coordination across permitting regimes.

In that regard, greater emphasis should be placed on the concept of '*permitability*'. *Permitability* refers to the overall ability of a project not only to move through permitting procedures, *but to realistically secure, retain, and implement a legally robust permit within a predictable timeframe*.

It shifts the focus from procedural speed alone to the broader conditions that determine whether projects are genuinely viable under Europe's regulatory framework. This includes clear and proportionate eligibility criteria, regulatory predictability, consistency across permitting authorities, legal certainty, resilience against unnecessary delays or reversals, and confidence that permits can be maintained over the lifetime of a project.

For developers and investors, the central question is not only how quickly a permit can be processed, but whether a project can obtain approval with sufficient certainty to justify long-term investment. Strengthening permitability is consequently essential to addressing structural barriers that procedural simplification alone cannot resolve.

This paper, therefore, outlines five priority areas where the Industrial Accelerator Act can be strengthened:

1. Embedding the Act within a system-level EU permitting framework,
2. Expanding accelerated permitting to a broader category of industrial transition projects,
3. Making industrial acceleration areas fully operational in practice,
4. Strengthening legal certainty and environmental acceleration mechanisms, and
5. Delivering a genuinely single permitting journey across legislative frameworks.

Addressing these priorities will be essential to ensure that the Industrial Accelerator Act evolves into a practical, scalable, and investment-enabling framework capable of supporting Europe's competitiveness and climate ambitions.

1. System-level approach to Permitting

The Industrial Accelerator Act should be understood not as a standalone instrument, but as part of a broader architecture of EU legislation aimed at supporting industrial transformation. Projects increasingly span multiple regulatory frameworks: raw materials projects under the Critical Raw Materials Act, manufacturing and decarbonisation investments under the Industrial Accelerator Act, and net-zero technology deployment under the Net-Zero Industry Act.

In this context, the primary challenge is no longer the absence of acceleration tools, but the lack of coherence between them. Diverging definitions, parallel permitting procedures, and uncoordinated implementation risk creating additional layers of complexity rather than reducing them.

A strengthened Industrial Accelerator Act should therefore prioritise interoperability with existing frameworks, ensuring that project developers benefit from a single, coherent permitting pathway across the full value chain. This requires alignment of definitions, timelines, procedural requirements, and administrative structures, as well as mutual recognition of project status across legislative instruments.

2. Expanding access to acceleration

While the Industrial Accelerator Act introduces important acceleration features, these remain limited to a relatively narrow subset of projects, notably energy-intensive decarbonisation projects linked to Net-Zero Industry Act provisions and projects located within designated Industrial Manufacturing Acceleration areas (Art. 25) (IMAA).

This approach does not reflect the reality of industrial transformation. Decarbonisation and industrial resilience depend on a wide range of interconnected investments, including process optimisation, electrification, circularity, infrastructure development, and upstream activities such as raw materials extraction and processing industrial manufacturing, as well as downstream industrial costumers – basically, a whole value chain approach.

To ensure that the Act delivers impact at scale, its acceleration mechanisms should be extended to a broader category of "*industrial transition projects.*" This category should encompass covering the entire industrial value chain, including manufacturing and processing, focussing on all methods and measures for reducing GHG, foundational materials, and enabling infrastructure,

regardless of whether they fall within narrowly defined categories or geographic Industrial Manufacturing Acceleration areas.

Expanding the scope of accelerated permitting would ensure that all critical components of industrial value chains can progress in a coordinated and timely manner.

3. Making Industrial Manufacturing Acceleration areas operational

The concept of Industrial Manufacturing Acceleration areas (IMAA), supported by aggregated baseline permits, represents one of the most promising elements of the Industrial Accelerator Act. By enabling area-level planning and assessment, it has the potential to reduce duplication, increase predictability, and accelerate project deployment within industrial clusters.

However, the effectiveness of this tool will depend on ensuring it covers the entire industrial value chain and its practical implementation. At present, significant uncertainty remains regarding the scope and legal effects of baseline permits, particularly in relation to installation-specific permits such as those required under the Industrial Emissions Directive. It should be clarified that Member States can label as IMAA existing industrial sites and that upgrading/extending operations necessary for their modernization are eligible for permitting simplification.

To function as a genuine acceleration tool, baseline permits must be clearly defined and designed for maximum reuse. Area-level assessments should meaningfully reduce the scope, duration, and complexity of subsequent project-level permitting procedures. Installation-specific permits should build on these assessments and follow accelerated timelines, ensuring that baseline permits translate into real time savings along the critical path.

In addition, key enabling elements such as grid connections and shared infrastructure must be integrated into the acceleration logic, including for existing sites comprised by the IMAA. Without this, there is a risk that bottlenecks simply shift from one part of the permitting process to another.

At the same time, the regulatory framework for Industrial Manufacturing Acceleration Areas must remain focused, proportionate, and aligned with the objective of simplification. Criteria that are not directly relevant to the nature and function of industrial clusters should be avoided.

Similarly, requirements to consider climate risks at the level of designating specific Industrial Manufacturing Acceleration Areas will add complexity without delivering meaningful value, as such risks are not confined to particular locations and are already addressed through broader horizontal frameworks. Introducing additional layers of assessment at this stage could undermine the objective of streamlining procedures.

Furthermore, obligations for companies to provide extensive location-specific information, including corporate climate transition plans, targets, investment needs, and policy requirements, should be carefully reconsidered. Imposing new reporting or planning requirements runs counter to the overarching goal of reducing administrative burden and simplifying EU regulatory processes. Industrial Manufacturing Acceleration Areas should facilitate investment, not create additional compliance layers.

Overall, ensuring that Industrial Manufacturing Acceleration Areas deliver real acceleration will require a disciplined approach: limiting criteria to those strictly necessary, avoiding duplication with existing frameworks, and designing baseline permits in a way that provides legal certainty and tangible procedural advantages for subsequent projects.

4. Ensuring legal certainty in environmental acceleration

The Industrial Accelerator Act builds on emerging EU efforts to streamline environmental assessments, including the introduction of mechanisms such as overriding public interest, coordinated procedures, and accelerated timelines.

However, the effectiveness of these tools depends on clear and robust legal texts. Ambiguities in the definition of strategic sectors or in the conditions under which acceleration measures apply risk leading to divergent interpretations across Member States and limiting their practical use.

To address this, the Act should provide explicit and durable definitions of ~~strategic~~ sectors and projects, ensuring that all relevant industrial activities (including those in foundational sectors) are covered. Conditions linked to decarbonisation or resource efficiency should be framed in a way that reflects the systemic nature of industrial transformation and does not inadvertently exclude essential activities.

5. Delivering a single permitting journey

The introduction of single access points is a positive development, but their effectiveness will depend on their ability to function as genuine coordinators of the permitting process.

Industrial projects increasingly combine multiple components, including manufacturing facilities, infrastructure, and upstream or downstream elements. If different parts of a project are subject to separate permitting processes under different legislative frameworks, the benefits of simplification will be lost.

The Industrial Accelerator Act should therefore ensure that single access points are aligned with the single points of contact established under the Net-Zero Industry Act, the Critical Raw Materials Act and the Renewable Energy Directive. For project developers, this should translate into a single, coherent permitting journey, with one authority responsible for coordinating the entire process.

Conclusions

The Industrial Accelerator Act has the potential to become an important cornerstone of Europe's industrial policy framework, supporting the deployment of strategic projects and enabling the transition to a more resilient, low-carbon economy.

To achieve this, it must go beyond targeted simplification and deliver a truly coherent and effective permitting framework across the European Union. This requires expanding the scope of acceleration, ensuring alignment with the Net-Zero Industry Act, the Critical Raw Materials Act, the Renewable Energy Directive and the Environmental Omnibus, strengthening cluster-based approaches, and embedding legal certainty, accountability, and investment towards capacity building for the permitting authorities to enable the system to operate effectively and deliver towards policy and transition goals.

By addressing these elements, the European Union can contribute to a permitting reform that matches the scale and urgency of the industrial transition: one that enables investment, supports competitiveness, and delivers tangible results for Europe's economy and climate objectives.