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From:	General Secretariat of the Council
To:	Delegations
Subject:	Regulation for Industrial Accelerator Act: - General comments and questions on annexes by : AT, CZ, DE, DK, EL, FI, FR, IT, MT, PL, SE

Delegations will find in Annex to this note, a consolidation of comments received on Annexes to the Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL 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 .

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Guidelines to be followed

Please kindly provide your contributions in the table below.

Drafting suggestions: you may use '**track changes**'* or formatting (for example **bold-underline** for additions and ~~strike-through~~ for deletions, **where necessary, in a different colour**). *Track changes can only be connected once the cursor is placed in editable areas (Drafting or Comments columns).

To make it feasible to consolidate all contributions, the structure of the table must not be changed, so **no rows can be added or deleted**.

New provisions may only be added in any of the '**existing cells**'.

Name of document: please add the **two initials** of your delegation's country followed by a space (to the MS Word document name), followed by any optional text, for example, for Austria: **AT comments ondocx**

Thank you for your cooperation!

Commission proposal - Annexes	Drafting suggestions and Comments
General Comments	EL (Comments): We have a general scrutiny reservation. In line with our previous written comments, we should discuss the possibility of adding the provisions of the Annexes to the operative part of the proposal. IT (Comments): <i>Italy welcomes the opportunity to provide comments on this version of the text.</i> <i>Drafting suggestions are reported in bold.</i> <i>The absence of any comment does not imply Italy's agreement or disagreement with any proposed new wording.</i>

Commission proposal - Annexes	Drafting suggestions and Comments
	<i>Italy reserves the right to submit further written comments at a later stage.</i>
<i>ANNEX I</i> Strategic sectors for industrial manufacturing acceleration areas	FI (Comments): Finland emphasizes the importance of taking the entire battery value chain into account in the regulation. The list of strategic raw materials in the annexes should also include, among others, nickel and lithium. PL (Drafting suggestions): <i>ANNEX I</i> Strategic sectors for industrial manufacturing acceleration areas PL (Comments): The IAA proposal defines energy intensive industries in Annex I point 1 with reference to sector NACE codes. This definition should not be dependent on whether the industry is situated in an accelerator area or not. Hence, the headline of Annex I should be changed to “Strategic sectors”. We refer to Annex I not only in the context of industrial acceleration areas, but also in relation to the definitions in Article 3 such as “energy-intensive industries” as well as the recitals themselves. For example, Recital 21 provides directional guidance on the low-carbon criterion and its future link to the EU ETS and CBAM, while Recital 64 addresses the digitalisation of permitting procedures and the establishment of a single access point. Annex I is also referenced in Articles 8 and 9, where new rules for public procurement and public support are introduced.

Commission proposal - Annexes	Drafting suggestions and Comments
1. Energy-intensive industries:	
(a) Manufacture of paper and paper products, as classified under NACE Code C17;	
(b) Manufacture of coke and refined petroleum products, as classified under NACE Code C19;	
(c) Manufacture of chemicals and chemical products, as classified under NACE Code C20;	
(d) Manufacture of rubber and plastic products, as classified under NACE Code C22;	
(e) Manufacture of other non-metallic minerals, as classified under NACE Code C23;	
(f) Manufacture of basic metals, as classified under NACE Code C24.	PL (Drafting suggestions): (f) Manufacture of basic metals, as classified under NACE Code C24, including activities directly related or ancillary to carrying out of such manufacturing activities. PL

Commission proposal - Annexes	Drafting suggestions and Comments
	(Comments): The clarification ensures that the scope of activities covered is aligned with the operational reality of industrial manufacturing, where core production processes are inseparable from ancillary and functionally linked activities (eg. scrap processing in steel production). It prevents artificial fragmentation of permitting by ensuring that all activities necessary for the performance of basic metals manufacturing are treated consistently. This enhances legal certainty and enables a more effective and comprehensive application of the aggregated permitting framework.
	PL (Drafting suggestions): (New) (g) Mining of metal ores, as classified under NACE code B07. PL (Comments): In practice, industrial activity is not limited solely to the production stage, but also encompasses upstream stages that are technologically and functionally integrated and which determine the feasibility of carrying out industrial production. In the case of the steel sector, particularly in the context of the blast furnace–basic oxygen furnace (BF-BOF) route, this includes in particular the extraction of metal ores and activities directly related to raw material preparation for subsequent industrial processes, classified under NACE code B07 – Mining of metal ores. Including NACE code B07 among the strategic sectors in Annex I would enable these activities to be covered by industrial acceleration areas, which is of key importance for their continued development within the European Union.

Commission proposal - Annexes	Drafting suggestions and Comments
2. Automotive industry: Manufacture of motor vehicles, trailers and semi-trailers, as classified under NACE Code C29;	
3. Net-zero technologies, as referred to in Article 4(1) of Regulation (EU) 2024/1735;	
<i>ANNEX II</i> Low-carbon and Union origin requirements for energy intensive industries	FI (Comments): Finland emphasizes the importance of taking the entire battery value chain into account in the regulation. The list of strategic raw materials in the annexes should also include, among others, nickel and lithium. FR (Comments): French authorities strongly encourage rapid progress on associated label workstreams (ESPR and CPR) in order to be able to assess the effectiveness of requirements set out in Annex II and III. MT (Comments): The requirements of Annexes II and III of the IAA within the context of Public Procurement Procedures are deemed as rather restrictive, especially for a small Member States, like Malta, because they may limit access to a sufficiently broad and competitive pool of bidders, thereby increasing the risk of reduced competition, higher bid prices, and, in some cases, unsuccessful procedures due to a lack of compliant tenders. Lastly, a simplified Guidance Document would be of help for MSs thus mitigating different interpretations and non-uniform adoption. Having said this, it is also very important that

Commission proposal - Annexes	Drafting suggestions and Comments
	Member States are given the relevant flexibility in the IAA's implementation within Public Procurement Procedures With respect to "steel, cement and aluminium" industries, we would require a confirmation that these are limited to the production of relevant raw material and not any of their subsequent products such as steel fittings, concrete or aluminium apertures. This is being requested since the environmental permitting requirements would greatly differ from one process to another.
Part I – Public procurement procedures	CZ (Drafting suggestions): I EL (Drafting suggestions): Public procurement procedures EL (Comments): As a general remark on the article, we note that, even though it is titled "Public Procurement Procedures," in essence, it does not address the regulation of public procurement procedures, that is, how the procurement takes place. Rather, it addresses the substantive regulation of the relevant market, that is, the technical specifications of what the contracting authorities will procure, which does not fall within the jurisdiction of our DG.
Where, in the context of public procurement procedures launched on or after 1 January 2029 falling within the scope of Directives 2014/23/EU, 2014/24/EU or 2014/25/EU,	AT (Drafting suggestions):

Commission proposal - Annexes	Drafting suggestions and Comments
where the contracts, works contracts or work concessions include the procurement of products from energy intensive industries, contracting authorities shall require the following minimum percentage shares:	For Where, in the context of public procurement procedures commenced launched on or after 1 January 2029 falling within the scope of Directives 2014/23/EU, 2014/24/EU or 2014/25/EU <u>with the exception of lots falling within the scope of Art. 5(10) of Directive 2014/24/EU or Art. 16(10) of Directive 2014/25/EU</u>, where the contracts have products from energy intensive industries as part of their subject matter, or in the case of works contracts or work concessions including the procurement of said products from energy intensive industries, contracting authorities and contracting entities shall require the following minimum percentage shares: AT (Comments): The terminology used is not fully aligned with that of the Public Procurement Directives. In particular, the term “launched” should be replaced with “commenced” in line with the terminology used in the procurement acquis (see for example Art. 5(4) of Directive 2014/24/EU). Furthermore, in order to make the scope of application clearer, AT considers that, with regard to “contracts”, the wording should refer to contracts having products from energy intensive industries as part of their subject matter. As regards “works contracts” and “works concessions”, the wording “include” could be retained (cf. Art. 25(1) NZIA). A reference to contracting entities is missing in the text. Since “small” lots of contracts falling within the scope of the PP Directives are excluded from applying the procedures provided for under the PP Directives [see for ex Art. 5(10) of Dir 2014/24/EU], such lots should also not fall within the regime of the IAA. AT assumes that the Union origin requirements and low-carbon requirements constitute technical specifications rather than contract performance conditions (c.f. Recital 23). In this regard, AT refers to the judgments of the ECJ of 16 January 2025 in Case C-424/23, DYKA Plastics, and of 16 April 2026 in Case C-568/24, Sof Medica SA, according to which technical

Commission proposal - Annexes	Drafting suggestions and Comments
	specifications require the obligatory addition of the words “or equivalent”. AT would therefore welcome clarification from COM as to how the Union-origin and low-carbon requirements are intended to operate in light of that case law and, in particular, how the requirement to include the wording “or equivalent” is to be addressed in practice. Could COM clarify which types of documents contracting authorities and contracting entities may request, in addition to self-declarations, in order to verify compliance with the applicable requirements and thresholds under the Annex? CZ (Drafting suggestions): Where, in the context of public procurement procedures launched on or after 1 January 2029 falling within the scope of Directives 2014/23/EU, 2014/24/EU or 2014/25/EU, where the contracts, works contracts or work concessions include the procurement of the following products from energy intensive industries, contracting authorities and contracting entities shall require the following minimum percentage shares: CZ (Comments): CZ comments: The contracts will not include “procurement of” <i>per se</i>. Such drafting would be unusual with regards to PP legislation.

Commission proposal - Annexes	Drafting suggestions and Comments
	products from energy intensive industries: indeed confusing as it could be interpreted to mean that the obligation under Part I (Public Procurement Procedures) applies only to products that from energy intensive industries, as defined in Annex I. Adding of “contracting entities”: coherence with Art 11(2) At present, there is no established methodology for defining low-emission steel and aluminum. For this reason, it is not currently possible to set binding targets for manufacturers regarding the use of these materials in their products. Market analysis should precede the setting of binding targets. If there is not enough material on the market that meets the future specifications, or if its price does not allow the industry to pass on the cost to the final product, it will not be possible to meet these conditions. DE (Drafting suggestions): Where, in the context of public procurement procedures launched on or after 1 January 2029 falling within the scope of Directives 2014/23/EU, 2014/24/EU or 2014/25/EU, where the contracts, works contracts or work concessions include the procurement of products from energy intensive industries mentioned under points (a) to (c), contracting authorities shall require the following minimum percentage shares: DE (Comments): Scrutiny reservation. Regarding Union origin requirements in public procurement, there is no initial DE position yet. In any case, feasible and low-cost implementation is essential.

Commission proposal - Annexes	Drafting suggestions and Comments
	It is essential that additional provisions will be included that facilitate the implementation in public procurement in practice. The following comments are based on the assumption that questions regarding implementation will be resolved and practicability guaranteed. It is unclear why “works contracts” are mentioned separately here; in our view, “works contracts” are already included in “contracts.” In our view, the reference to the “energy intensive industries” is unnecessary (as the specific products are already listed) and increases the complexity of the provision without adding any value. It should therefore be deleted. DK (Drafting suggestions): Where, in the context of public procurement procedures launched on or after 1 January 2029 falling within the scope of Directives 2014/23/EU, 2014/24/EU or 2014/25/EU, <u>where the estimated contract value of works contracts is above [X] EUR</u>, and where the contracts, works contracts or work concessions include the procurement of products from energy intensive industries, contracting authorities shall require the following minimum percentage shares: <u>or a total re-draft:</u> <u>“Contracting authorities shall include contract clauses following a)-c) in their public contracts, where:</u> - the public procurement procedure fall within the scope of Directives 2014/23/EU, 2014/24/EU or 2014/25/EU and the procedure is launched after 1 January 2029 and - the contracts, works contracts or work concessions include the procurement of buildings, infrastructure and motor vehicles for civil purposes falling under the

Commission proposal - Annexes	Drafting suggestions and Comments
	Common Procurement Vocabulary (CPV) codes: 34000000 - Transport equipment and auxiliary products to transportation, 44000000 - Construction structures and materials / auxiliary products to construction, 45000000 - Construction work, 14622000 - Steel, 14721000 - Aluminium and - the estimated contract value of work contracts is above [X] EUR” DK (Comments): DK propose a threshold in order to reduce the administrative burden for contracting authorities and economic operators entering into small public contracts. The threshold suggested is aligned with the threshold for works in the International Procurement Instrument (IPI). In Denmark, this entail that 20 pct. of the contract value of works contracts will fall out of scope, while 76 pct. of number of contracts fall out. In general, the para should be redrafted to make it easier to read and more accesible for contracting authorities. DK notes, that an early, leaked version of the IAA, the Annex II had refereres to CPV-code. Why are no CPV-codes use in the Annex II to define scope of the requirements. EL (Comments): In any case, we strongly advocate against the fragmentation of the institutional framework for public procurement, as this would create practical difficulties and additional administrative burdens for contracting authorities. Consequently, we express our reservations about the suitability of incorporating the procedural and substantive requirements of the core elements of public procurement into a regulatory text outside the scope of the traditional Directives, as this could have unintended consequences that would go against the intended results regarding their

Commission proposal - Annexes	Drafting suggestions and Comments
	smooth transposition and ultimate implementation. To address these issues, it is proposed that the relevant provisions be incorporated into the PP Directives, as these comprehensively regulate matters of exclusion, technical specifications, exceptions and proof. IT (Comments): For Parts 1 and 2, it is requested that the provisions set out in Annex II enter into force within three months of the finalisation of the Industrial Accelerator Act framework. MT (Comments): , PL (Comments): The lack in the Act of direct indication of a methodology for defining low-carbon products makes it difficult to assess the impact of these provisions. References to delegated acts (that are to be issued under different EU legislation, the ESPR and CPR) and which have not yet been adopted do not ensure regulatory stability. SE (Drafting suggestions): Where, in the context of public procurement procedures launched on or after 1 January 2029 falling within the scope of Directives 2014/23/EU, 2014/24/EU or 2014/25/EU, <u>excluding procurement procedures pertaining to vehicles operated by emergency services</u>, where the contracts, works contracts or work concessions include the procurement of products from energy intensive industries, contracting authorities shall require the following minimum percentage shares SE (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	Emergency vehicles are important for public safety. Therefore, vehicles operated by emergency services should be excluded from the procurement procedures in Article 11.
(a) Steel, and any product the performance of which depends mainly on steel, intended for use in buildings, infrastructure and motor vehicles for civil purposes: at least 25% of the total volume of steel used shall be low-carbon;	AT (Drafting suggestions): (a) Steel <u>intended for use in works contracts covered by Annex II of Directive 2014/24</u> and motor vehicles for civil purposes: at least 25% of the total volume of steel used shall be low-carbon <u>and of Union origin</u>; AT (Comments): AT requests a Union origin criteria for low carbon steel within the scope of the IAA. There must be a genuine incentive for investment in green steel made in the EU. AT would welcome further clarification regarding the wording “the performance of which depends mainly on steel/concrete and mortar/aluminium” in the text. The absence of objective criteria (e.g. value share, weight or functional relevance) makes it difficult to determine when such dependence exists. During the meeting of the CWP on 27 April, COM explained that the wording “depends mainly on” was intentionally chosen in order to refer to essential structural components of a building, infrastructure or motor vehicle (“permanently integrated”) rather than to removable or ancillary components. According to COM, the provision is intended to cover elements that cannot easily be separated e.g. from a building (an example might be elevators, window frames, external staircases a.s.o.). Where a works contract also includes the furnishing or equipment of a building (for example in “turn-key contracts”), the requirements would not apply to such furnishings or equipment, as these can be removed without difficulty.

Commission proposal - Annexes	Drafting suggestions and Comments
	AT takes the view that this interpretation does not follow clearly from the wording of the Annex and therefore suggests that an explicit clarification be included in the text. CZ (Drafting suggestions): a) Steel, and any product the performance of which depends mainly on steel, intended for use in buildings, non-energy infrastructure and motor vehicles for civil purposes: at least 25% of the total volume of steel used shall be low-carbon; CZ (Comments): The notion of “infrastructure” for “civil purposes” must be clarified. Based on the information we have, the Commission did not intend to include energy infrastructures here, but it would require a clearer definition. The inclusion of energy infrastructure (including power grids) would have direct impacts on power prices and would risk slowing down the transition. DE (Drafting suggestions): (a) Steel, and any product the performance of which depends mainly on steel, intended for use in buildings and infrastructure and motor vehicles for civil purposes: <u>in cases where the total quantity of steel procured is [...] tonnes or more,</u> at least 25% of the total volume of steel used shall be low-carbon <u>and of Union origin;</u> DE (Comments): Need definition of steel. Could refer to NACE code 24.3 Quantitative threshold (tonnes) is introduced; the numerical value of the threshold needs to be chosen as to ensure that the rules focus on significant projects and that smaller contracts

Commission proposal - Annexes	Drafting suggestions and Comments
	awarded by typically small and medium-sized contracting authorities are excluded. This would allow capacities to be focused on relevant projects. It would prevent, in particular, small-scale construction contracts from municipalities and small contracting authorities without sufficient expertise from being included. Low carbon requirements should be implemented only for those procurement contracts which have a high volume and thus a high impact to justify the associated bureaucratic costs. Such a targeted approach strikes a balance between impact and administrative burden. This will help in particular municipalities and small and medium-sized contracting authorities, which usually award smaller projects and might lack sufficient capacity or expertise to deal with complex public procurement regulations. It remains unclear what is meant by products whose performance mainly depends on such a substance mentioned and who determines this. There remains a wide scope for assessment, which might be critical in practice. DK (Drafting suggestions): (a) steel, and any product the performance of which depends mainly on steel, intended for use in <u>the main subject of the contract must contain</u> at least 25% of the total volume of steel used shall be low-carbon; DK (Comments): DK propose clarifying the text and stress, that only the main subject of the contract in question should live up to the Union Origin and low carbon-requirements, otherwise the administrative burden would be left disproportionate. EL (Comments): To the extent that the relevant evidence is to be submitted to a tenders evaluation committee, it should be clear and straightforward and should not create an additional administrative burden.

Commission proposal - Annexes	Drafting suggestions and Comments
	Attention is drawn to potential for administrative circumvention of the proposed system, which would allow for the procurement of products that do not meet the Union origin requirements. FI (Drafting suggestions): Steel, and any product the performance of which depends mainly on steel, intended for use in buildings, infrastructure and motor vehicles for civil purposes: at least 25% of the total volume of steel used shall be low-carbon <u>and of Union origin</u>; FI (Comments): Finland sees a risk that the low-carbon requirements imposed on steel may lead to a shift of steel procurement outside Europe if EU origin requirements are not also applied. We also think “infrastrucutre” should be defined clearly – what infrastructure projects are intended to fall within the scope of these requirements? This concerns also points (b) and (c) as well as part II of this Annex. FR (Drafting suggestions): Iron and steel, and any product the performance of which depends mainly on iron or steel, intended for use in buildings, infrastructure including water pipes and motor vehicles for civil purposes: at least 25% <i>[the appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination of low-carbon]</i> of the total volume of steel used in buildings and infrastructure, including the total volume of iron used in water pipes, and 25% of the total volume of steel used in motor vehicles for civil purposes shall be low-carbon and of Union origin ; FR (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	The appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination low-carbon. For this reason, we call for the introduction of a review mechanism to adjust the threshold, where necessary, once the relevant methodologies are established. A local content requirement is key for the effectiveness of the lead market on iron (that French authorities ask to be included) and steel, as it was initially proposed in the early drafts of the text. Introducing a low-carbon requirement alone would be particularly detrimental to European flat steel: given that 95% of flat steel is still produced in blast furnaces in Europe, the IAA would then favour steel produced via the direct reduction process (DRI-EAF) from non-European countries such as China, India, Japan, South Korea and Turkey. This would undermine investment in electric arc furnaces by European players, most of which are not yet in construction. The new trade defence proposal will not be sufficient to mitigate this risk, contrary to what is stated in the latest version of the text. The threshold on tax-exempted quotas – 13 Mt for flat steel – is in fact well above the volumes to which the current IAA requirements would apply, meaning that without a local content requirement, lead market demand could entirely be met by imported low-carbon steel. Downstream sectors, such as infrastructure or motor vehicles, are not exposed to the same delocalisation risks. Moreover, the share they represent in total steel consumption is not the same. As a consequence, treating their required percentages (25% as of now) separately will facilitate further discussions. In the same way, the production of ductile cast iron is also energy-intensive, and decarbonising it requires replacing blast furnaces with electric arc furnaces similarly to steel. Annex II Part I should therefore include iron. Low-carbon and Union origin requirements should then apply to water pipes, the main market for ductile cast iron and a highly exposed market to public procurement.

Commission proposal - Annexes	Drafting suggestions and Comments
	The economic impact of low-carbon and Union origin requirements on downstream sectors must be analysed sector by sector, while maintaining the objective of unlocking new investments in domestic decarbonisation IT (Drafting suggestions): (a) Steel, cast iron, and any product the performance of which depends mainly on steel, intended for use in buildings, infrastructure and motor vehicles for civil purposes: at least 25% of the total volume of steel used shall be low-carbon and of Union Origin IT (Comments): The integration of cast iron products aims to boost markets - such as urban furniture (manhole covers) or infrastructure (pipes) - which, at both national and European levels, see the participation of an extremely small, if not non-existent, number of manufacturing companies. Moreover, robust Union origin requirements are necessary also for steel. Without a minimum share of low-carbon steel of Union origin, public procurements and support schemes will most likely be met by imported steel, thus jeopardising the decarbonisation efforts in Europe. The Commission wrongly justifies the absence of combining low-carbon requirements with EU origin requirement in light of the proposed post-safeguard steel measure, which is meant to restore the viability of EU steel production and its capacity utilization after years of dumped imports pushed by global overcapacity. Both measures are needed to maintain the viability of the sector in the continent and enhance the EU strategic autonomy. Finally, mandatory green public procurement criteria on steel, shall be also define under a delegated act of ESPR regulation. Considering the many sectoral rules in public procurement legal framework, it's auspicious that EC clarifies in a guideline sectoral mandatory gpp criteria and the correlated means of prove for all the products service and works covered by sectoral legislation. It's also not clear why is not present the origin criterion for steel. MT

Commission proposal - Annexes	Drafting suggestions and Comments
	(Comments): <u>Clarification:</u> Subprovision (a) states: ‘... any product the performance of which depends mainly on steel...’. How shall a Contracting Authority decipher the extent of ‘depends mainly on steel’? – Would this mean a product whereby at least 70% (or 60% or 80%) of its performance depends on steel? It is understood that if the steel or the relevant product will not be used in buildings, infrastructure or motor vehicles for civil purposes, this low-carbon requirement does not apply. Please advise whether this interpretation is correct. PL (Comments): To enable effective lead markets, the IAA must ensure that demand for low-carbon footprint steel supports production in the EU. Minimum shares of low-carbon footprint steel for public procurement and public support schemes are a positive step, but without Union origin requirements, they risk being met by imports. The phrase ‘depends mainly’ in this provision does not provide clarity for participants in public procurement procedures. This phrase should be further clarified in the annex, in the definitions in Article 3, or in a recital. It should not be subject to interpretation at the level of Commission guidelines due to its normative function, determining the scope of application of the IAA requirements. It is also important also to estimate the impact of the mandatory requirements. SE (Drafting suggestions): (a) Steel, and any product the performance of which depends mainly on steel, intended for use in buildings, infrastructure and new motor vehicles for civil purposes: at least 25% of the total volume of steel used shall be low-carbon;

Commission proposal - Annexes	Drafting suggestions and Comments
	SE (Comments): The percentage for a) can only be set after the finalisation of wording in Article 10 1. b). and the relevant delegated act under ESPR. EU currently produces around 75% of the steel it consumes. Of this, approximately 55% is produced via blast furnaces and about 45% via electric arc furnaces (EUROFER). The percentage needs to be carefully calibrated to incentivize the significant transition required in this sector. To note, that many standard construction products, especially reinforcing steel, often contain more than 90% recycled steel already today. To clarify that requirements cover “new” veichles rather than used veichles.
	DE (Drafting suggestions): <u>(b) steel, and any product the performance of which depends mainly on steel, intended for use in motor vehicles for civil purposes: the total number of motor vehicles assembled by a single vehicle manufacturer using at least 25 % low-carbon steel during a predefined period time</u> DE (Comments): Scrunity reservation regarding steel used in automotive General remark: For the procurement of steel intended for use in motor vehicles, a fleet-based approach should be pursued in order to reduce the administrative burden of documentation requirements in individual procurement procedures. The proposed wording is based on the verification system set out in Annex III, Part I. The specific approach is put forward for

Commission proposal - Annexes	Drafting suggestions and Comments
(b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and infrastructure for civil purposes: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin;	discussion; what is essential is that a fleet-based approach is adopted and that no separate verification is required for individual vehicles. AT (Drafting suggestions): (b) concrete and mortar intended for use in works contracts covered by Annex II of Directive 2014/24: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin; AT (Comments): c.f. comment above. Regarding the quota for cement, we question the 5% figure in terms of its actual incentive effect. We are hearing from the industry that more could be provided at reasonable costs. CZ (Drafting suggestions): (b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and non-energy infrastructure for civil purposes: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin; CZ (Comments): The notion of “infrastructure” for “civil purposes” must be clarified. Based on the information we have, the Commission did not intend to include energy infrastructures here, but it would require a clearer definition.

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	The inclusion of energy infrastructure (including power grids) would have direct impacts on power prices and would risk slowing down the transition. DE (Drafting suggestions): (bc) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and infrastructure for civil purposes: <u>in cases where the total quantity of concrete procured is [...] t/ cubic metres or more,</u> at least 5% of the total volume of the concrete <u>and at least 5 % of the total volume of the mortar used or at least 5 % of the mortar used, including the clinker and</u> cement used to produce the <u>used concrete and mortar</u>, shall be low-carbon and of Union origin. DE (Comments): Scrutiny reservation regarding the concrete quantity of thresholds for low carbon. Regarding Union origin requirements Germany sees no need to adopt union origin for concrete and mortar. Quantitative threshold (cubic metres) is introduced; the numerical value of the threshold needs to be chosen as to ensure that the rules focus on significant projects and that smaller contracts awarded by typically small and medium-sized contracting authorities are excluded. This would allow capacities to be focused on relevant projects. It would prevent, in particular, small-scale construction contracts from municipalities and small contracting authorities without sufficient expertise from being included. Low carbon requirements should be implemented only for those procurement contracts which have a high volume and thus a high impact to justify the associated bureaucratic costs. Such a targeted approach strikes a balance between impact and administrative burden. The low-carbon requirement for mortar is linked to reaching the quantitative threshold value for concrete, irrespective of the quantity of mortar used. If the t or cubic meter threshold value for concrete is met, the % requirement must be complied with separately for both the mortar

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	and the concrete used. Alternatively, compliance with the % requirement may be demonstrated for the cement used in the production of the concrete and mortar. It remains unclear what is meant by products whose performance mainly depends on such a substance mentioned and who determines this. There remains a wide scope for assessment, which might be critical in practice DK (Drafting suggestions): (b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in <u>the main subject of the contract must contain</u> buildings and infrastructure for civil purposes: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin; EL (Comments): Same comment FR (Drafting suggestions): concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and infrastructure for civil purposes: at least 5% <u>[the appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination of low-carbon]</u> of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin; FR (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	The appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination low-carbon. For this reason, we call for the introduction of a review mechanism to adjust the threshold, where necessary, once the relevant methodologies are established. The economic impact of low-carbon and Union origin requirements on downstream sectors must be analysed sector by sector, while maintaining the objective of unlocking new investments in domestic decarbonisation. IT (Drafting suggestions): (b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and infrastructure for civil purposes: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin; (b) Clinker, cement, and any product the performance of which depends mainly on clinker and cement, intended for use in buildings and infrastructure for civil purposes: 1. Low-carbon: at least 5% of the total volume of used concrete and cement, shall be low-carbon; 2. Origin: the total volume of clinker in cement, in concrete, and in mortar used, shall originate in countries within the Emissions Trading System (ETS) framework or in countries that apply systems recognized by the European Commission as equivalent to the ETS; IT (Comments): Imposing an EU-origin requirement for concrete and mortar in Annex II would be ineffective. Concrete, in particular, is a product with short setting times which, for technical and logistical reasons, must be supplied from plants located close to the construction site (approximately within a ~30 km radius). In practice, even in cross-border procurement contexts, the EU origin

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	of concrete is inherently ensured, and the introduction of a formal “Union origin” requirement would not generate any real additional benefit in terms of economic security. By contrast, the NACE 23 products for which European resilience against extra-EU competition needs to be strengthened are cement (the main component of concrete and mortar) and its precursor clinker, which is characterized by high energy intensity and whose production is associated with the cement plant’s direct CO₂ emissions. Accordingly, the proposed amendment applies the EU-origin requirement to cement clinker. This is also consistent with the wording already used in the Green Public Procurement (GPP) criteria for buildings and roads, issued by the Italian Ministry of the Environment and Energy Security. The provision of a minimum 5% share of concrete and mortar produced with “made in EU” materials would have no concrete impact and would, in fact, represent a missed opportunity. It is therefore proposed: • to recalibrate the “EU origin” requirement by focusing the measure on the parts of the value chain that are genuinely vulnerable and by applying the requirement only to clinker as the precursor, as explained above; • to require that all clinker contained in cement, in concrete and in mortar used in public works or falling under other forms of public intervention originate in countries within the ETS framework or applying systems recognized by the European Commission as equivalent to the ETS; • to apply the low-carbon requirement to cement and concrete, but not to clinker, in line with the work of European and Italian technical standardization bodies; referring to low-carbon clinker is technically incorrect. The low-carbon requirement is defined for cement and concrete, and is determined by numerous factors, including the clinker content of cement. For clinker, again in line with what is already provided for under the Italian GPP, origin is required from countries falling within the ETS or equivalent systems, because the definition of “EU origin” under the IAA also includes third countries with which the European Union concludes agreements for public procurement, including major European importers of cement and clinker such as Turkey. In this way, the measure is ineffective in protecting European

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	cement manufacturing. Origin from ETS countries or equivalent systems, by contrast, protects industry that is investing to achieve the greenhouse-gas reduction objectives shared in Europe. In addition, the request is for 100% ETS-origin clinker (with tolerance down to 90%). Reducing it below this threshold would be equally ineffective and could even be interpreted as an invitation to use extra-EU/non-ETS supplies for the remaining quantities. For this reason, rather than imposing values lower than 100% clinker originating from ETS countries, it would be preferable to eliminate the requirement. Finally, mandatory green public procurement criteria on these products, shall be also define under a delegated act of the recent Regulation EU 2024/3110. Considering the many sectoral rules in public procurement legal framework, it's ausplicable that EC clarifies in a guideline sectoral mandatory gpp criteria and the correlated means of prove for all the products service and works covered by sectoral legislation. It's not clear how the EC made the assessment, without knowing exactly the paramether corrispondent to "low carbon" (therefore, it is not possible to express a view on the proposed 5% threshold). MT (Comments): <u>Clarification:</u> Subprovision (b) states: '... any product the performance of which depends mainly on concrete and mortar...'. How shall a Contracting Authority decipher the extent of 'depends mainly on concrete and mortar'? – Would this mean a product whereby at least 70% (or 60% or 80%) of its performance depends on concrete and mortar? It is understood that if the concrete and mortar or the relevant product will not be used in buildings, infrastructure for civil purposes, the low-carbon and EU-Origin requirements do not apply. Please advise whether this interpretation is correct. PL (Drafting suggestions):

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	b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and infrastructure for civil purposes: at least 525% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin by 2029, including products classified from Near Zero to Band C under the low-carbon cement classification system. Near Zero cement products shall count double towards the target. Member States may include Band D products under the conditions set out in Article 11(3). Targets shall be reviewed and progressively updated at least every five years based on technological progress and market availability. EU origin shall be limited to clinker produced in EU ETS installations and in countries linked to the EU ETS. PL (Comments): The current wording lacks clarity regarding the treatment of cement, despite cement being explicitly identified in the IAA impact assessment as a strategic sector for decarbonisation and lead market creation. Cement should be explicitly included within the scope of Annex II as a standalone product category alongside concrete and mortar. Public procurement represents approximately 31% of the cement market and can therefore provide the demand signal necessary to support investment in low-carbon cement technologies, including CCS and the increased use of supplementary cementitious materials (SCMs). A dedicated cement target of

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	25% by 2029 better reflects the decarbonisation investment pipeline and creates sufficient financial leverage for first-of-a-kind projects. Furthermore, the definition of “Union origin” should support EU industrial competitiveness and carbon leakage prevention by limiting eligibility to clinker produced in installations covered by the EU ETS or linked ETS systems, rather than extending eligibility to all GPA, FTA or customs union partners. Consistency should also be ensured between procurement methodologies for cement and concrete where cement and SCMs are supplied separately during concrete production. Additionally, we underline that the phrase ‘depends mainly’ in this provision does not provide clarity for participants in public procurement procedures. This phrase should be further clarified in the annex, in the definitions in Article 3, or in a recital. It should not be subject to interpretation at the level of Commission guidelines due to its normative function, determining the scope of application of the IAA requirements. SE (Drafting suggestions): (b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and infrastructure for civil purposes: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin; SE (Comments): Sweden does not believe that union origin requirements for concrete and mortar are justified. The supply chain is diversified and there is no harmful dependency.
(c) aluminium, and any product the performance of which depends mainly on aluminium, intended for use in buildings, infrastructure and motor vehicles for civil	AT (Drafting suggestions):

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purposes: at least 25% of the total volume of aluminium used shall be low-carbon and of Union origin.	(c) aluminium <u>intended for use in works contracts covered by Annex II of Directive 2014/24</u> and motor vehicles for civil purposes: at least 25% of the total volume of aluminium used shall be low-carbon and of Union origin. AT (Comments): c.f. comment above. CZ (Drafting suggestions): (c) aluminium, and any product the performance of which depends mainly on aluminium, intended for use in buildings, <u>non-energy</u> infrastructure and motor vehicles for civil purposes: at least 25% of the total volume of aluminium used shall be low-carbon and of Union origin. CZ (Comments): The notion of “infrastructure” for “civil purposes” must be clarified. Based on the information we have, the Commission did not intend to include energy infrastructures here, but it would require a clearer definition. The inclusion of energy infrastructure (including power grids) would have direct impacts on power prices and would risk slowing down the transition. DE (Comments): Scrutiny reservation. Regarding Union origin and low carbon requirements in public procurement, there is no initial DE position yet. In any case, feasible and low-cost

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	implementation is essential. Only in case the low-carbon requirement can be easily implemented, there could be room for a Union origin requirement. A stand-alone Union origin requirement would not help to establish lead markets for low-carbon aluminium. It remains unclear what is meant by products whose performance mainly depends on such a substance mentioned and who determines this. There remains a wide scope for assessment, which might be critical in practice. DK (Drafting suggestions): (c) aluminium, and any product the performance of which depends mainly on aluminium, intended for use in <u>the main subject of the contract must contain</u> buildings, infrastructure and motor vehicles for civil purposes: at least 25% of the total volume of aluminium used shall be low-carbon and of Union origin. EL (Comments): Same comment FR (Drafting suggestions): aluminium, and any product the performance of which depends mainly on aluminium, intended for use in buildings, infrastructure and motor vehicles for civil purposes: at least 25% <u>[the appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination of low-carbon]</u> of the total volume of aluminium used in buildings and infrastructure, and 25% of the total volume of aluminium used in motor vehicles for civil purposes shall be low-carbon and of Union origin. FR (Comments): The appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination low-carbon. For this reason, we call for the

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	introduction of a review mechanism to adjust the threshold, where necessary, once the relevant methodologies are established. The economic impact of low-carbon and Union origin requirements on downstream sectors must be analysed sector by sector, while maintaining the objective of unlocking new investments in domestic decarbonisation. IT (Comments): Mandatory green public procurement criteria on steel, shall be also define under a delegated act of ESPR regulation. Considering the many sectoral rules in public procurement legal framework, it's ausplicable that EC clarifies in a guideline sectoral mandatory gpp criteria and the correlated means of prove for all the products service and works covered by sectoral legislation. It's not clear how the EC made the assessment, to decide at least 25% of the total volume aluminium used shall be low-carbon and of Union origin, without knowing exactly the paramether corrispondent to "low carbon". MT (Comments): <u>Clarification</u>: Subprovision (b) states: '... any product the performance of which depends mainly on aluminium...'. How shall a Contracting Authority decipher the extent of 'depends mainly on aluminium? – Would this mean a product whereby at least 70% (or 60% or 80%) of its performance depends on aluminium? It is understood that if the aluminium or the relevant product will not be used in buildings, infrastructure or motor vehicles for civil purposes, the low-carbon and EU-Origin requirements do not apply. Please advise whether this interpretation is correct. PL

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	(Comments): The wording ‘depends mainly’ in this provision does not provide clarity for participants of public procurement procedure as to the scope of the requirement in the particular public procurement procedure. This wording should be explained in detail, either in the Annex or in the definitions of Article 3 or in a recital. It should not be subject to interpretation at the level of Commission’s guidances because of normative function determining the scope of application of the IAA requirements. SE (Drafting suggestions): (c) aluminium, and any product the performance of which depends mainly on aluminium, intended for use in buildings, infrastructure and new motor vehicles for civil purposes: at least 25% of the total volume of aluminium used shall be low-carbon and of Union origin. SE (Comments): To clarify that requirements cover “new” veichles rather than used veichles. Sweden requests more information and analysis on the inclusion of union origin requirements for aluminium given that the supply chain is diversified and there are no harmful dependencies.
	DE (Drafting suggestions): <u>By [date], the Commission shall provide a report on the application and effectiveness of the provisions set in Annex II, Part I. The review of the Regulation (Article 29) shall assess, in particular, whether the minimum percentage set out in Annex II Part I shall be altered to sustain their effectiveness.</u> IT

Commission proposal - Annexes	Drafting suggestions and Comments
	(Comments): We would like to introduce binding low-emission and EU-origin requirements for glass, in addition to cement, steel and aluminium. SE (Drafting suggestions): <u>Upon request of a vehicle manufacturer, all motor vehicles for civil purposes from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the requirements in a) and c) if the manufacturer demonstrates that at least [x]% of the total steel and [x]% of the total aluminium used in all vehicles that were assembled by that vehicle during the period comprised between 1 January and 31 December (included) of the previous year fulfil the requirements in a) and c).</u> SE (Comments): Introduce flexibility for vehicle manufacturers, similar to the request option in Annex III. Manufacturers can, on a voluntary basis, request that all motor vehicles shall be deemed to meet the steel and aluminum requirements if the manufacturer achieves a certain percentage of required steel and aluminum for the entire fleet. This would both provide flexibility for manufacturers to have different percentages of required material in different vehicles/models, as well as reward manufacturers that use more than 25% in individual models. At the same time, since the request option is not based on all vehicle, not just vehicles for public procurement and schemes, it would increase the total demand for low-carbon steel and aluminium. The exact percentages can be discussed. Further, the process for the request and verifications needs to be clarified in conjunction with the similar request option in Annex III.

Commission proposal - Annexes	Drafting suggestions and Comments
Part II – Other forms of public intervention	CZ (Drafting suggestions): Add to Annex II, General framework or follow-on measures: "Member States shall take appropriate measures to ensure and retain secondary raw material inputs on the EU internal market, in particular steel scrap, aluminium scrap and black mass from batteries, in order to support the EU recycling sector. The Commission shall assess, within 12 months of entry into force, the need for legislative measures to prevent the export of these secondary raw materials to third countries in order to maintain European recycling capacity."
For schemes established or updated on or after 1 January 2029 that benefit households or companies and that primarily aim to support the construction or renovation of buildings for residential and commercial purposes and infrastructure and the lease and purchase of motor vehicles for civil purposes, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, shall ensure that only beneficiaries that comply with the following minimum requirements, are eligible.	CZ (Comments): At present, there is no established methodology for defining low-emission steel and aluminum. For this reason, it is not currently possible to set binding targets for manufacturers regarding the use of these materials in their products. Market analysis should precede the setting of binding targets. If there is not enough material on the market that meets the future specifications, or if its price does not allow the industry to pass on the cost to the final product, it will not be possible to meet these conditions. FR (Drafting suggestions): For schemes established or updated on or after 1 January 2029 that benefit households or companies and that primarily aim to support the construction or renovation of buildings for residential and commercial purposes and infrastructure including water pipes and the lease and purchase of motor vehicles for civil purposes, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, shall ensure that only beneficiaries that comply with the following minimum requirements, are eligible.

Commission proposal - Annexes	Drafting suggestions and Comments
	PL (Comments): The term “infrastructure” in this paragraph is used in an imprecise and undefined way, which may potentially broaden the scope of the provisions beyond their intended purpose. We would like to understand whether it refers specifically to buildings (including their structural components such as walls, foundations, etc.), as well as sidewalks, roads, highways, bridges, and similar types of physical infrastructure. For the term “primarily aim” explanation is also needed. Clarification in both cases is necessary for transparency purposes, for instance in the proposed way. SE (Drafting suggestions): For schemes established or updated materially changed on or after 1 January 2029 that benefit households or companies and that primarily aim to support the construction or renovation of buildings for residential and commercial purposes and infrastructure and the lease and purchase of new motor vehicles for civil purposes, <u>excluding procurement procedures pertaining to vehicles operated by emergency services</u>, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, shall ensure that only beneficiaries that comply with the following minimum requirements, are eligible. SE (Comments): Even small technical changes or minor formalities can require a formal decision. The proposal to replace “update” with “materially change” clarifies that the change needs to be significant in character to trigger the below requirements.

Commission proposal - Annexes	Drafting suggestions and Comments
	To clarify that requirements cover “new” vehicles rather than used vehicles. Exclusion for emergency services.
(a) steel, and any product the performance of which depends primarily on steel : at least 25% of the total volume of steel used in the product or project that receives support shall be low-carbon;	DE (Drafting suggestions): (a) steel, and any product the performance of which depends primarily on steel : at least 25% of the total volume of steel used in the product or project that receives support shall be low-carbon and of Union origin DE (Comments): Need union origin for steel with respect to support European lead markets for low-carbon steel Need definition of steel. Could refer to NACE code 24.3 FI (Drafting suggestions): steel, and any product the performance of which depends primarily on steel : at least 25% of the total volume of steel used in the product or project that receives support shall be low-carbon and of Union origin; FI (Comments): Finland sees a risk that the low-carbon requirements imposed on steel may lead to a shift of steel procurement outside Europe if EU origin requirements are not also applied. FR

Commission proposal - Annexes	Drafting suggestions and Comments
	(Drafting suggestions): Iron and steel, and any product the performance of which depends mainly on iron or steel, intended for use in buildings, infrastructure including water pipes and motor vehicles for civil purposes: at least 25% [the appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination of low-carbon] of the total volume of steel used in buildings and infrastructure, including the total volume of iron used in water pipes, and 25% of the total volume of steel used in motor vehicles for civil purposes shall be low-carbon and of Union origin ; FR (Comments): The appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination low-carbon. For this reason, we call for the introduction of a review mechanism to adjust the threshold, where necessary, once the relevant methodologies are established. A local content requirement is key for the effectiveness of the lead market on iron (that French authorities ask to be included) and steel, as it was initially proposed in the early drafts of the text. Introducing a low-carbon requirement alone would be particularly detrimental to European flat steel: given that 95% of flat steel is still produced in blast furnaces in Europe, the IAA would then favour steel produced via the direct reduction process (DRI-EAF) from non-European countries such as China, India, Japan, South Korea and Turkey. This would undermine investment in electric arc furnaces by European players, most of which are not yet in construction. The new trade defence proposal will not be sufficient to mitigate this risk, contrary to what is stated in the latest version of the text. The threshold on tax-exempted quotas – 13 Mt for flat steel – is in fact well above the volumes to which the current IAA requirements would apply, meaning that without a local content requirement, lead market demand could entirely be met by imported low-carbon steel. Downstream sectors, such as infrastructure or motor vehicles, are not exposed to the same delocalisation risks. Moreover, the share they represent in total steel consumption is not the

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	same. As a consequence, treating their required percentages (25% as of now) separately will facilitate further discussions. In the same way, the production of ductile cast iron is also energy-intensive, and decarbonising it requires replacing blast furnaces with electric arc furnaces similarly to steel. Annex II Part I should therefore include iron. Low-carbon and Union origin requirements should then apply to water pipes, the main market for ductile cast iron and a highly exposed market to public procurement.), a sector considered to be at lower risk of relocation. The economic impact of low-carbon and Union origin requirements on downstream sectors must be analysed sector by sector, while maintaining the objective of unlocking new investments in domestic decarbonisation IT (Drafting suggestions): (a) steel, cast iron, and any product the performance of which depends primarily on steel : at least 25% of the total volume of steel used in the product or project that receives support shall be low-carbon and of Union Origin IT (Comments): The integration of cast iron products aims to boost markets - such as urban furniture (manhole covers) or infrastructure (pipes) - which, at both national and European levels, see the participation of an extremely small, if not non-existent, number of manufacturing companies. Moreover, robust Union origin requirements are necessary also for steel. Without a minimum share of low-carbon steel of Union origin, public procurements and support schemes will most likely be met by imported steel, thus jeopardising the decarbonisation efforts in Europe. The Commission wrongly justifies the absence of combining low-carbon requirements with EU origin requirement in light of the proposed post-safeguard steel measure, which is meant to restore the viability of EU steel production and its capacity utilization after years of dumped

Commission proposal - Annexes	Drafting suggestions and Comments
	imports pushed by global overcapacity. Both measures are needed to maintain the viability of the sector in the continent and enhance the EU strategic autonomy. SE (Comments): The percentage for a) can only be set after the finalisation of wording in Article 10 1. b). and the relevant delegated act under ESPR. EU currently produces around 75% of the steel it consumes. Of this, approximately 55% is produced via blast furnaces and about 45% via electric arc furnaces (EUROFER). The percentage needs to be carefully calibrated to incentivize the significant transition required in this sector. To note, that many standard construction products, especially reinforcing steel, often contain more than 90% recycled steel already today.
(b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, in the product or project that receives support shall be low-carbon and of Union origin;	DE (Comments): Scrutiny reservation. We still assess if “union origin” is needed with respect to economic data, like trade intensity. FR (Drafting suggestions): concrete and mortar, and any product the performance of which depends mainly on concrete and mortar, intended for use in buildings and infrastructure for civil purposes: at least 5% [the appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination of low-carbon] of the total volume of concrete and mortar used, including the clinker and cement used to produce them, shall be low-carbon and of Union origin; FR (Comments):

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	The appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination low-carbon. For this reason, we call for the introduction of a review mechanism to adjust the threshold, where necessary, once the relevant methodologies are established. The economic impact of low-carbon and Union origin requirements on downstream sectors must be analysed sector by sector, while maintaining the objective of unlocking new IT (Drafting suggestions): (b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, in the product or project that receives support shall be low-carbon and of Union origin; (b) Clinker, cement, and any product the performance of which depends mainly on clinker and cement: 1) Low-carbon: at least 5% of the total volume of concrete and cement used in the product or project that receives support shall be low-carbon; 2) Origin: the total volume of clinker in cement, in concrete and in mortar used in the product or project that receives support shall originate in countries within the Emissions Trading System (ETS) framework or in countries that apply systems recognized by the European Commission as equivalent to the ETS; IT (Comments): Imposing an EU-origin requirement for concrete and mortar in Annex II would be ineffective. Concrete, in particular, is a product with short setting times which, for technical and logistical reasons, must be supplied from plants located close to the construction site (approximately within a ~30 km radius). In practice, even in cross-border procurement contexts, the EU origin

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	of concrete is inherently ensured, and the introduction of a formal “Union origin” requirement would not generate any real additional benefit in terms of economic security. By contrast, the NACE 23 products for which European resilience against extra-EU competition needs to be strengthened are cement - the main component of concrete and mortar - and its precursor clinker, which is characterized by high energy intensity and whose production is associated with the cement plant’s direct CO₂ emissions. Accordingly, the proposed amendment applies the EU-origin requirement to cement clinker. This is also consistent with the wording already used in the Green Public Procurement (GPP) criteria for buildings and roads, issued by the Italian Ministry of the Environment and Energy Security. The provision of a minimum 5% share of concrete and mortar produced with “made in EU” materials would have no concrete impact and would, in fact, represent a missed opportunity. It is therefore proposed: • to recalibrate the “EU origin” requirement by focusing the measure on the parts of the value chain that are genuinely vulnerable and by applying the requirement only to clinker as the precursor, as explained above; • to require that all clinker contained in cement, in concrete and in mortar used in public works or falling under other forms of public intervention originate in countries within the ETS framework or applying systems recognized by the European Commission as equivalent to the ETS; • to apply the low-carbon requirement to cement and concrete, but not to clinker, in line with the work of European and Italian technical standardization bodies; referring to low-carbon clinker is technically incorrect. The low-carbon requirement is defined for cement and concrete, and is determined by numerous factors, including the clinker content of cement. For clinker, again in line with what is already provided for under the Italian GPP, origin is required from countries falling within the ETS or equivalent systems, because the definition of “EU origin” under the IAA also includes third countries with which the European Union concludes agreements for public procurement, including major European importers of cement and clinker such as Turkey. In this way, the measure is ineffective in protecting European cement manufacturing. Origin from ETS countries or equivalent systems, by contrast, protects industry that is investing to achieve the greenhouse-gas reduction objectives shared in Europe.

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	In addition, the request is for 100% ETS-origin clinker (with tolerance down to 90%). Reducing it below this threshold would be equally ineffective and could even be interpreted as an invitation to use extra-EU/non-ETS supplies for the remaining quantities. For this reason, rather than imposing values lower than 100% clinker originating from ETS countries, it would be preferable to eliminate the requirement. SE (Drafting suggestions): (b) concrete and mortar, and any product the performance of which depends mainly on concrete and mortar: at least 5% of the total volume of concrete and mortar used, including the clinker and cement used to produce them, in the product or project that receives support shall be low-carbon and of Union origin; SE (Comments): Sweden does not believe that union origin requirements for concrete and mortar are justified. The supply chain is diversified and there is no harmful dependency.
(c) aluminium, and any product the performance of which depends mainly on aluminium: at least 25% of the total volume of aluminium used in the product or project that receives support shall be low-carbon and of Union origin.	FR (Drafting suggestions): aluminium, and any product the performance of which depends mainly on aluminium, intended for use in buildings, infrastructure and motor vehicles for civil purposes: at least 25% [the appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination of low-carbon] of the total volume of aluminium used in buildings and infrastructure, and 25% of the total volume of aluminium used in motor vehicles for civil purposes shall be low-carbon and of Union origin. FR (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	The appropriate threshold can only be defined once there is sufficient clarity regarding methodologies underpinning the determination low-carbon. For this reason, we call for the introduction of a review mechanism to adjust the threshold, where necessary, once the relevant methodologies are established. The economic impact of low-carbon and Union origin requirements on downstream sectors must be analysed sector by sector, while maintaining the objective of unlocking new investments in domestic decarbonisation. SE (Comments): Sweden requests more information and analysis on the inclusion of union origin requirements for aluminium given that the supply chain is diversified and there are no harmful dependencies.
	DE (Drafting suggestions): <u>By [date], the Commission shall provide a report on the application and effectiveness of the provisions set in Annex II, Part II. The review of the Regulation (Article 29) shall assess, in particular, whether the minimum percentage set out in Annex II Part II shall be altered sustain their effectiveness.</u> IT (Comments): We would like to introduce binding low-emission and EU-origin requirements for glass, in addition to cement, steel and aluminium. SE (Drafting suggestions):

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	<u>Upon request of a vehicle manufacturer, all motor vehicles for civil purposes from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the requirements in a) and c) if the manufacturer demonstrates that at least [x]% of the total steel and [x]% of the total aluminium used in all vehicles that were assembled by that vehicle during the period comprised between 1 January and 31 December (included) of the previous year fulfil the requirements in a) and c).</u> SE (Comments): Introduce flexibility for vehicle manufacturers, similar to the request option in Annex III. Manufacturers can, on a voluntary basis, request that all motor vehicles shall be deemed to meet the steel and aluminum requirements if the manufacturer achieves a certain percentage of required steel and aluminum for the entire fleet. This would both provide flexibility for manufacturers to have different percentages of required material in different vehicles/models, as well as reward manufacturers that use more than 25% in individual models. At the same time, since the request option is not based on all vehicle, not just vehicles for public procurement and schemes, it would increase the total demand for low-carbon steel and aluminium. The exact percentages can be discussed. Further, the process for the request and verifications needs to be clarified in conjunction with the similar request option in Annex III.
<i>ANNEX III</i> Union origin requirements for vehicles	FI (Comments): The requirements in Annex III risk to be too complicated especially for small contracting authorities.

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Part I – Public procurement procedures of electric vehicles	AT (Comments): AT notes that Chapter III of the IAA aims at creating “lead markets” for certain products. In the field of vehicle procurement, however, the public sector does not appear to constitute a major source of demand. By way of example, in Austria, public authorities procured only 5,266 cars between August 2021 and December 2025, whereas approximately 990,000 cars were registered during the same period. This corresponds to a market share of approximately 0,5%. AT therefore questions what concrete market effects the IAA is expected to generate in this sector and whether the administrative and compliance burdens imposed on public procurement are proportionate to the expected effects. EL (Drafting suggestions): Public procurement procedures of electric vehicles EL (Comments): Same comment as under Annex II – Part I Public procurement procedures IT (Drafting suggestions): Part I – Public procurement procedures of electric vehicles
	DE (Drafting suggestions): New pure electric vehicles (PEV) <u>models</u>, off-vehicle charging hybrid electric vehicles (OVC-HEV) <u>models</u> or fuel cell vehicles (FCV) <u>models</u> purchased, leased, rented or hire-purchased in public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU, launched on or after [OP: Please insert the date = six months after the date of entry <u>guidelines of the Commission have been published</u> into force of this Regulation] shall comply with the Union origin requirements set out in this Annex.

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	DE (Comments): Scrutiny reservation. Regarding Union origin requirements in public procurement, there is no initial DE position yet. Therefore, the technical changes do not imply that Germany agrees with the proposed criteria. it has to be clear that not every single vehicles has to fulfill the requirements but the vehicle models the timeperiod for companies to comply with the requirements can only start after the guidelines that define these requirements have been published
New pure electric vehicles (PEV), off-vehicle charging hybrid electric vehicles (OVC-HEV) or fuel cell vehicles (FCV) purchased, leased, rented or hire-purchased in public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU, launched on or after [OP: Please insert the date = six months after the date of entry into force of this Regulation] shall comply with the Union origin requirements set out in this Annex.	AT (Drafting suggestions): New pure electric vehicles (PEV), off-vehicle charging hybrid electric vehicles (OVC-HEV) or fuel cell vehicles (FCV), insofar as they constitute motor vehicles within the meaning of Article 3(21), purchased, leased, rented or hire-purchased in public procurement procedures that fall within the scope of Directives 2014/23/EU, 2014/24/EU, or Directive 2014/25/EU, commenced launched on or after [OP: Please insert the date = six twelve months after the date of entry into force of this Regulation] shall comply with the Union origin requirements set out in this Annex. AT (Comments): Annex III, Part I refers to Directives 2014/24/EU and 2014/25/EU, but not to Directive 2014/23/EU. AT considers the reference to be missing in the text. Could COM clarify which vehicle categories are covered by the procurement-related requirements under Annex III, Part I? The proposal uses the term “vehicle”, which is not

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	defined in the proposal itself. If the intention is to cover only “motor vehicles” (c.f. the definition in Art. 3[21], referring to vehicle categories M and N), this should be clarified explicitly in the text. AT points out, that all types of vehicles belonging to category M (including buses under M3) are covered by Annex III. However, the CVD (Directive 2009/33/EC) only covers certain types of category M3 vehicles (excluding so called “coaches”). If “transport services with coaches” are procured, AT would like to have a clarification, that Annex III is not to be understood as requiring contracting authorities or entities to require from the contractors to use electric buses for such services (which ultimately do not exist for long distance transport). The provision stipulates that “new” pure electric vehicles (PEV), off-vehicle charging hybrid vehicles (OVC-HEV) or fuel cell vehicles (FCV) procured through public procurement procedures by means of purchase, lease, rental or hire-purchase must comply with the Union-origin requirements laid down in the Annex. However, the proposal does not define when a vehicle is to be considered “new” for the purposes of Annex III, Part I. It therefore remains unclear whether vehicles with temporary registrations or demonstration vehicles would fall within the scope of the provision. For example, in AT there is a practice whereby vehicles are formally registered by the dealer for a very short period of time (“day registrations”) – often for administrative, marketing or sales purposes – and subsequently sold with minimal or no actual use at a reduced price. Would such vehicles still qualify as “new” within the meaning of the Annex? AT would furthermore welcome clarification as to whether the “new” character of the vehicle must be part of the subject matter of the contract in order for the requirements to apply. AT notes that the terminology used is not fully aligned with that of the Public Procurement Directives. The term “launched” should be replaced with “commenced” in line with the terminology used in the procurement acquis (see for example Art. 5(4) of Directive 2014/24/EU).

Commission proposal - Annexes	Drafting suggestions and Comments
	AT considers that a transitional period of six months under para 1 would be too ambitious in practice. In this context, AT would welcome clarification as to whether COM has assessed whether the European industry is in a position to comply with the envisaged requirements within such a short timeframe. EL (Comments): Same comment as under Annex II – Part I Public procurement procedures FI (Comments): The requirements must not retroactively restrict the use of clean vehicles in public procurement that have already been acquired within the EU or will be acquired before the entry into force of the regulation. From the manufacturer’s perspective, we also consider “new” should refer to vehicles of which manufacturing has not yet started, not to vehicles that have already been manufactured but have not yet been sold. This would risk the already manufactured fleet becoming subject to requirements that did not exist when they were manufactured, especially if the implementing period is only six months. This should be clarified in e.g., the definitions of Art. 3. IT (Drafting suggestions): New pure electric vehicles (PEV), off-vehicle charging hybrid electric vehicles (OVC-HEV), or fuel cell vehicles (FCV) or VEEFs (veichles running exclusively on eligible fuels, as per RED Directive) purchased, leased, rented or hire-purchased in public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU, launched on or after [OP: Please insert the date = six months after the date of entry into force of this Regulation] shall comply with the Union origin requirements set out in this Annex. IT (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	The regulation currently applies only to electric, plug-in hybrid, and hydrogen vehicles. It is essential for Italy to support this annex that its scope recognises in full the principle of technological neutrality to include vehicles powered exclusively by renewable fuels (so-called VEEFs), while maintaining consistency with the existing European regulatory framework and enhancing all European industrial solutions contributing to the decarbonization of mobility MT (Comments): It is opined that 6 months might not be sufficient for the market to adapt and align itself to the EU Origin requirements.
	DE (Drafting suggestions): New PEV, OVC-HEV and FCV models that are used for the provision of services sourced through public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU, shall comply with the Union origin requirements set out in this Annex. DE (Comments): see above
New PEV, OVC-HEV and FCV that are used for the provision of services sourced through public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU, shall comply with the Union origin requirements set out in this Annex.	AT (Drafting suggestions): New PEV, OVC-HEV and FCV, insofar as they constitute motor vehicles within the meaning of Article 3(21), that are used for the provision of services sourced through public procurement procedures that fall within the scope of Directives 2014/23/EU, 2014/24/EU, or Directive 2014/25/EU, shall comply with the Union origin requirements set out in this Annex. AT (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	AT would welcome further clarification concerning the application of the provision in the context of service contracts. In particular, it remains unclear how the provision applies where the service provider uses an already existing electric vehicle fleet. AT asks whether the provision applies only where the procurement documents or the service contract require the service provider to procure new vehicles for the performance of the contract. More generally, AT would welcome clarification as to the intended scope and purpose of para 2. AT also notes that Annex III, Part I refers to “<i>new vehicles (PEV ...) used for the provision of services sourced through public procurement procedures</i>”. According to explanations provided by COM during the meetings of the CWP on Public Procurement on 27 March and the CWP on Industry on 28 April, the provision is <u>not</u> limited to transport services. This could therefore potentially cover all types of services involving the use of vehicles in a very broad sense, including catering services, electrical services or other operational services. AT considers the scope of this provision to be excessively broad. In AT’s view, the scope should be limited to transport services, as only in the context of such services the use of vehicles constitutes a central element of the contract. An alignment with the scope of the CVD might be considered (see Table 1 of the Annex to the CVD). EL (Comments): To the extent that the relevant evidence is to be submitted to a tenders evaluation committee, it should be clear and straightforward and should not create an additional administrative burden. Attention is drawn to the potential for administrative circumvention of the proposed system, which would allow for the procurement of products that do not meet the Union origin requirements. FI (Comments): It is unclear what procurement procedures are covered by this obligation. This should be defined clearly in a manner ensuring uniform application of contracting authorities. IT

Commission proposal - Annexes	Drafting suggestions and Comments
	(Drafting suggestions): New PEV, OVC-HEV and, FCV, and VEEFs that are used for the provision of services sourced through public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU, shall comply with the Union origin requirements set out in this Annex. MT (Comments): <u>Clarification:</u> It is understood that the previous provision relates mostly to Supply Public Contracts, whereas the adjacent provision is targeted to Services Public Contracts. In view that, contrary to subparagraph 1, subparagraph 2 does not have an applicability date, does this mean that it applies from the date of entry into force of the IAA? It is also opined that a transitory period is necessary so that the market may adapt and align itself to the EU Origin requirements.
	DE (Drafting suggestions): Vehicles models referred to in subparagraphs 1 and 2 shall include the following Union origin requirements: DE (Comments): Scrutiny reservation to the listed criteria. Regarding Union origin requirements in public procurement, there is no initial DE position yet. In any case, feasible and low-cost implementation is essential.
Vehicles referred to in subparagraphs 1 and 2 shall include the following Union origin requirements:	AT (Drafting suggestions): Motor vehicles referred to in subparagraphs 1 and 2 shall include the following Union origin requirements:

Commission proposal - Annexes	Drafting suggestions and Comments
	AT (Comments): AT assumes that the different requirements set out in Annex III, Part I are intended to apply cumulatively and would welcome confirmation from COM in this regard. EL (Comments): Same comment MT (Comments): It is highly recommended that the IAA introduces a proviso whereby the CION commits to publish a simplified <u>Guidance Document</u> vis-a-vis the interpretation and application of the Public Procurement Annexes of the IAA in relation to the respective Articles (namely Articles 7, 8, and 11) as well as Recitals. It is believed that such a document would be of help for Member States thus mitigating the possibility of different interpretations and non-uniform adoption. Having said this, it is also very important that Member States are given the relevant flexibility in the IAA's implementation within Public Procurement Procedures. Accordingly, such flexibility needs to be clearly explained in the Guidance Document. It is opined that, if possible, the Simplified <u>Guidance Document</u> should include practical case-scenarios of the applicability of the specified percentages and relevant conditions. Member States - especially their Contracting Authorities - require clear, unequivocal direction on how to assess and determine compliance from a hands-on (rather than theoretical) perspective. Such case-scenarios would also need to include examples of the different applicability arrangements which are possible. Furthermore, it is believed that <u>Specimen</u> Technical Specifications Templates would also assist Contracting Authorities when drafting the Procurement Document.

Commission proposal - Annexes	Drafting suggestions and Comments
	It is acknowledged that the EU Origin Requirements have the scope of protecting strategic industries as well as to entice reciprocal access from Third Countries. However, specifying minimum percentages and ratios as well as identifying the items to originate in the EU may narrow the availability of Economic Operators that would bid for a Procurement Procedure as well as limits supply per se in small markets. The requirements of Annexes III of the IAA within the context of Public Procurement Procedures are deemed as rather restrictive, especially for small Member States - like Malta - because they may limit access and increase the risk of reduced competition, higher bid prices, and, in some cases, unsuccessful procedures due to a lack of compliant tenders. Actual on-the-ground verification, even if it is only for the Successful Tenderer is deemed intricate, laborious, and challenging as well as involves competencies outside the expertise of Contracting Authorities.
(a) the vehicle is assembled within the Union;	AT (Drafting suggestions): (a) the motor vehicle is assembled within the Union; DE (Drafting suggestions): (a) the vehicle model is assembled within the Union; EL (Comments): Same comment FI (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	We consider agreements with third countries and international commitments shall be respected also in this regard. FR (Comments): French authorities recall their amendment proposal of the article 3 (29) of the present regulation to provide a clearer definition of the vehicle assembly, which should be defined as “<i>the process of the final assembly of the vehicle carrying out: body parts stamping, body-in-white assembly, body protection and painting, and final assembly of the vehicle in the manufacturing site</i>”. This amendment is necessary to prevent circumvention of the requirement through ‘Completely Knocked Down’(CKD) or ‘Semi-Knocked Down’ (SKD) re-assembly practices. MT (Comments): The definition of ‘assembled’ is ‘the process of the final assembly of the vehicle’. It is understood that by assembled within the EU implies that in line with Article 8 (Content equivalent to Union origin in Public Procurement) of the IAA, vehicles assembled in certain Third Countries is also allowed. Thus, to ascertain legal certainty and unequivocal interpretation, it is recommended that the adjacent provision is reflective of Article 8 and Article 11. Accordingly, all such provisions should incorporate and reference all the applicable Agreements and their applicability vis-a-vis ‘assembled within the Union’. SE (Drafting suggestions): (a) the vehicle is assembled within the Union <u>within countries included in the definition of union origin in accordance with article 8;</u> SE (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	Sweden believes that assembly of vehicles within partner countries such as the UK and Norway should also be included in this requirement in order to protect international relations and to be consistent with the rest of the criteria.
(b) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all components – excluding the battery – is at least 70%;	AT (Comments): AT considers the inclusion of a definition of the term “total ex-works price” in the IAA itself as necessary (c.f. the glossary used by DG Trade on the Access2Markets website), as the concept is not self-explanatory for public procurement practitioners. CZ (Drafting suggestions): (b) the ratio between the total ex-works price of vehicle components (provenance from contracted supplier based in EU) - excluding the vehicle battery - originating in the Union and the total ex-works price of all components – excluding the battery – is at least 70%; CZ (Comments): To avoid confusion, as the term “origin” is primarily associated with FTA rules of origin—requiring specific percentage thresholds and defined production processes for each item—it is recommended to use the term “provenance.” This term is intended to indicate the Tier-1 country of manufacturing and will also simplify the calculation methodology. DE (Drafting suggestions): (b) the ratio between the total ex-works price of vehicle components <u>used for manufacturing the vehicle model</u>- excluding the vehicle battery - originating in the Union and the total ex-works price of all components – excluding the battery – is at least 70%; EL (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	Same comment FI (Comments): We request clarification for the calculation of ex-works price and how the contracting authorities will be able to monitor this. FR (Comments): French authorities reaffirm their support for this requirement, which is of crucial importance as it provides a safety net for suppliers by ensuring that the value of European-origin components in electric vehicles is equivalent to the value in internal combustion engine vehicles. It is essential that this requirement remains focused on the value generated by traditional suppliers. Including the value of the battery and/or activities carried out at manufacturer level (assembly, R&D) in the 70% threshold would significantly reduce the positive impact of this provision on the subcontractor sector and risks overlapping with other requirements of the definition (particularly requirement (a)) . IT (Drafting suggestions): (b) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery, but including research and development activities and, for commercial vehicles, bodywork/upfitting activities – is equal to or greater than 70%; or IT (Comments): With reference to the provision establishing that the ratio between the total ex-works price of vehicle components, excluding the vehicle battery, originating in the Union and the total ex-works price of all vehicle components, excluding the battery, shall be equal to or greater than 70%, Italy requests that the Regulation provide greater clarity and a precise definition of the methodology to be applied for the calculation of the ex-works price of vehicle components.

Commission proposal - Annexes	Drafting suggestions and Comments
	MT (Comments): It is generally understood that ‘ex-works’ price refers to the price prior to incurring any costs for loading the goods, transportation, customs, and other similar costs. However, the inclusion of a definition would ascertain uniform interpretation. <u>Clarification:</u> The definition of ‘Vehicle Components’ is ‘any part of a vehicle, including processed material’. Therefore, does ‘Vehicle Components’ refer to each and every component within a Vehicle. What does ‘processed material’ mean? - The inclusion of a definition would ascertain uniform interpretation. SE (Comments): Has the Commission considered whether the requirements in Annex III should take into account EU value-creating activities beyond the cost of components? In particular, research and innovation, software development, and assembly costs could be considered. These are very important and value-creating parts of the vehicle production process. Has the Commission considered whether it could be beneficial to align the requirements to an existing concept such as value added as defined in the UCC instead of creating a parallel set of criteria that will lead to increased complexity and administrative burdens? Sweden requests more information and analysis on the inclusion of union origin requirements that target components in general, without requiring the existence of a dependency. How has the Commission arrived at the figure 70%?

Commission proposal - Annexes	Drafting suggestions and Comments
	CZ (Drafting suggestions): c) the ratio between R&D and labor costs costs of eligible type approved vehicles shall be at least 70 % invested in the EU CZ (Comments): European OEMs account for a significant portion of total R&D investment, which is not addressed in the current proposal. At the same time, this is the only activity outside of manufacturing that manufacturers can directly influence. Furthermore, OEMs account for a significant percentage of European jobs, which, in the case of manufacturers, are rated above average.
(c) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union;	CZ (Drafting suggestions): (d) (c) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union; DE (Drafting suggestions): (c) the vehicle's model traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union; DE (Comments): see above EL (Comments): Same comment

Commission proposal - Annexes	Drafting suggestions and Comments
	IT (Drafting suggestions): c) the vehicle's traction battery contains at least one of the three main specific components of batteries, among which the battery cells assembly, cathode active material, and the Battery Management System (BMS), originating in the Union. IT (Comments): Mandatory green public procurement criteria on battery, shall be also define under delegated act of sectoral EU regulation. Considering the many sectoral rules in public procurement legal framework, it's ausplicable that EC clarifies in a guideline sectoral mandatory gpp criteria and the correlated means of prove for all the products service and works covered by sectoral legislation MT (Comments): For ease of reference, it is recommended that ththe 'main specific components' of batteries as listed in the Annex to Commission Implementing Regulation 2025/1178 (presumably the below) are included as a footnote. — Battery packs — Battery modules — Battery cells — Cathode active materials — Anode active materials — Electrolytes — Separators — Current collectors (including thin copper, aluminium, nickel and carbon foils) — Battery management systems (BMS) — Battery thermal management systems (BTMS). SE (Comments): Sweden requests more information and analysis on which stages of the battery value chain that are targeted through this requirement. Has the Commission considered targeting earlier stages in the battery value chain?

Commission proposal - Annexes	Drafting suggestions and Comments
(d) the vehicle's traction battery contains at least five main specific components of batteries, among which the battery cells, the cathode active material, and the battery management system, originating in the Union;	CZ (Drafting suggestions): (e) (d) the vehicle's traction battery contains at least five main specific components of batteries, among which the battery cells, the cathode active material, and the battery management system, originating in the Union; DE (Drafting suggestions): (d) the vehicle's model traction battery contains at least five main specific components of batteries, among which the battery cells, the cathode active material, and the battery management system, originating in the Union; DE (Comments): see above EL (Comments): Same comment IT (Drafting suggestions): (d) the vehicle's traction battery contains at least five three main specific components of batteries (including battery cells), among which the battery cells, the cathode active material, and the battery management system, originating in the Union; IT (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	Italy requests that this threshold be reduced to three out of five main battery components (including battery cells). Italy considers that the minimum requirements as currently proposed are not aligned with the present state of the battery value chain within the Union. The imposition of a five-component EU origin threshold would be likely to generate significant cost increases for battery components, which would in turn substantially affect the final vehicle price. Such price increases could, in practice, create barriers to the purchase of European-produced vehicles in public procurement tenders, thereby undermining the very objectives the Regulation seeks to pursue Italy therefore recommends that the threshold be calibrated to reflect the current industrial reality of the battery supply chain, while providing for a gradual and progressive increase in the number of required EU-origin components, subject to periodic review in line with the evolving state of the Union's battery manufacturing capacity. As an alternative to the provisions in the proposal, it is suggested to adopt an approach allowing manufacturers the freedom to choose which battery components may qualify as made in EU. MT (Comments): Same comment as subparagraph c.
(e) the ratio between the total ex-works price of e-powertrain components originating in the Union and the total ex-works price of all e-powertrain components is at least 50%;	CZ (Drafting suggestions): (f) (e)-the ratio between the total ex-works price of e-powertrain components originating in the Union and the total ex-works price of all e-powertrain components is at least 50%; DE (Drafting suggestions):

Commission proposal - Annexes	Drafting suggestions and Comments
	(e) the ratio between the total ex-works price of e-powertrain components originating in the Union and the total ex-works price of all e-powertrain components <u>used in the vehicle model</u> is at least 50%; DE (Comments): see above EL (Comments): Same comment FR (Comments): French authorities recall their willingness to use this requirement to foster the developpment of a European value chain for permanent magnets, for which dependence on China remains significant. To this aim, they propose to amendment article 3(26) of the present regulation to explicitly include permanent magnets in the list of electric powertrain components : “e-powertrain components’ means power electronics, transport propulsion electric motors and e-axles and their components, rotors and stators, permanent magnets”. Magnets will have to be manufactured or recycled in Europe to be taken into account in the calculation of the 50% ratio of components Made in the EU in the e-powertrain. MT (Comments): Same comment as subparagraph b.
(f) the ratio between the total ex-works price of main electronic systems originating in the Union and the total ex-works price of all main electronic systems is equal to or greater than 50%.	CZ (Drafting suggestions):

Commission proposal - Annexes	Drafting suggestions and Comments
	(g) (f) the ratio between the total ex-works price of main electronic systems originating in the Union and the total ex-works price of all main electronic systems is equal to or greater than 50%. DE (Drafting suggestions): (f) the ratio between the total ex-works price of main electronic systems originating in the Union and the total ex-works price of all main electronic systems <u>used in the vehicle model</u> is equal to or greater than 50%. DE (Comments): see above EL (Comments): Same comment FR (Comments): French authorities are carefully considering the question of how far upstream in the supply chain the traceability of components should be extended for the purposes of calculating this ratio. In particular, how will Tier 2 and higher-level components (such as chips, semiconductors, and other electronic components embedded within subassemblies systems) be treated? MT (Comments): Same comment as subparagraph b.
	SE (Drafting suggestions):

Commission proposal - Annexes	Drafting suggestions and Comments
	<u>The requirement set out in point a) shall not apply to vehicles classified as M2 or M3 as defined in Article 4 of Regulation (EU) 2018/858 that are assembled in a third country with which the Union has concluded an agreement establishing a free trade area or a customs union, or that that is party to the Agreement on Government Procurement, where relevant obligations of the Union exist under that agreement.</u> SE (Comments): Manufacturing of buses is typically carried out by producing a chassis within the EU and then exporting it to a third country (often a partner country) for the installation of the body. If the requirement for final assembly in the Union is maintained in its current form, it will mean that the majority of “European” buses cannot be procured within the EU, which runs counter to the objective of the IAA. This amendment disapplies point a) for buses where assembly takes place in a partner country.
The requirements set out in points d), e) and f) apply from [OP: please insert date 3 years after the date of entry into force of this Regulation].	CZ (Drafting suggestions): The requirements set out in points d) apply from [OP: please insert date 3 years after the date of entry into force of this Regulation]. <u>The requirements set out in points e), f) and g) apply from [OP: please insert date 5 years after the date of entry into force of this Regulation]</u> CZ (Comments): Battery production and rare-earth processing are still in their early stages; along with nonexistence or lack of certain rare earth materials; pressure to invest quickly without sufficient industrial support will create additional upward pressure on the final price of the vehicle. EL (Comments): Same comment

Commission proposal - Annexes	Drafting suggestions and Comments
	IT (Comments): Italy expresses significant reservations regarding the rigidity of the cumulative six-criteria structure set out in points (a) through (f) of Annex III, Part I. While Italy acknowledges the importance of establishing robust EU origin requirements for PEV, OVC-HEV, FCV, and VEEFs in public procurement procedures, it considers that the imposition of all six criteria on a cumulative basis may not adequately reflect the evolving state of the European industrial value chain. In particular, with reference to the enhanced requirements set out in points (d), (e) and (f) — which apply from a date three years after the entry into force of the Regulation— Italy requests that these provisions be made subject to a mandatory review clause, to be triggered prior to their entry into application. MT (Comments): <u>Clarification:</u> Is one to understand that the requirements set out in points a), b) and c) apply from the date of entry into force of the IAA? SE (Drafting suggestions): <u>The requirements set out in point c) apply from [OP: please insert date 4 years after the date of entry into force of this Regulation].</u> The requirements set out in points d), e) and f) apply from [OP: please insert date <u>3</u> <u>5</u> years after the date of entry into force of this Regulation]. SE (Comments): The timeframe envisaged for the development of a european battery supply chain including european-manufactured battery cells is overly ambitious and does not reflect current and planned capacity in the Union. Sweden notes that that the requirements for Annex II and III

Commission proposal - Annexes	Drafting suggestions and Comments
	are cumulative, such that if a vehicle manufacturer is unable to fulfill one requirement there is no incentive to meet any other requirements, as their vehicle will anyway not qualify as “union origin”. Therefore, care needs to be taken to avoid an overly ambitious timetable for battery components undermining incentives to take positive steps in other domains (e.g. other vehicle components of Union origin, low-carbon steel and aluminium).
By way of derogation to the requirements set out above, small electric vehicles of subcategory M1E, as defined in Regulation (EU) 2018/858, shall include the following Union origin requirements:	DE (Comments): <i>Scrutiny reservation to the listed criteria. Therefore, the technical changes do not imply that Germany agrees with the proposed criteria.</i> EL (Comments): Same comment IT (Drafting suggestions): By way of derogation to the requirements set out above small electric vehicles of subcategory M1E and M1ZE (including VEEFs), as defined in Regulation (EU) 2018/858, shall include the following Union origin requirements: IT (Comments): Italy requests as a precondition to accept this provision that the EU origin requirements, currently foreseen only for subcategory M1E, be applied uniformly to all small zero-emission vehicle categories (VEEFs, as described within the Salini report). MT (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	For ease of reference and to ascertain uniform understanding, the actual definition of small electric vehicles of subcategory M1E (as defined in Regulation (EU) 2018/858) would best be included as a footnote in the IAA and/or its annexes. SE (Drafting suggestions): By way of derogation to the requirements set out above, small electric vehicles of subcategory M1E, as defined in Regulation (EU) 2018/858, shall include the following Union origin requirements: SE (Comments): Sweden opposes incentives for a specific vehicle category through supercredits for small electric cars (M1E), as such incentives distort competition between manufacturers. If these incentives are introduced into the CO2 emission performance standards for new passenger cars and new light commercial vehicles, Sweden does not consider it appropriate to apply differentiated requirements for vehicles of subcategory M1E as it will create unnecessary complexity and administrative burdens, and also further distort competition in the market. Therefore, we propose removing this derogation in its entirety.
1. the vehicle is assembled within the Union;	DE (Drafting suggestions): the vehicle <u>model</u> is assembled within the Union; DE (Comments): see above EL (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
	Same comment FI (Comments): We consider agreements with third countries and international commitments shall be respected also in this regard. MT (Comments): Same comment as subparagraph a (above). SE (Drafting suggestions): 1. the vehicle is assembled within the Union;
2. and one of the two criteria below:	EL (Comments): Same comment FR (Drafting suggestions): and complies with one of the two criteria below: FR (Comments): French authorities regret that small vehicles are subject to less stringent criteria, which weakens the impact of the requirements. Given that origin requirements for M1E vehicles are already more lenient than for large vehicles, and given that M1E market shares are expected to grow in the coming years, it is important to ensure a significant level of EU content for these vehicles. Ultimately, we will need to work towards harmonising IAA's requirements for small and large vehicles. Meanwhile, French authorities do not support the proposed optional approach, which

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	would require only (i) assembly within the EU and (ii) a choice between a 70% European content rate excluding batteries or the integration of European components, including battery cells. These two criteria should at least be made mandatory, as the 70% threshold is necessary to provide a safety net for suppliers, while the battery requirements will help to ensure the development of this emerging value chain. M1E Made in the EU are also intended to benefit from greater public support and regulatory incentives (e.g. the CO2 Regulation super-credit), which will more than offset any additional costs arising from MiEU requirements. SE (Drafting suggestions): 2. and one of the two criteria below:
(a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or	DE (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components used for manufacturing the vehicle model - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or DE (Comments): see above EL (Comments): Same comment FR (Drafting suggestions):

Commission proposal - Annexes	Drafting suggestions and Comments
	the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or IT (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery, but including research and development activities and, for commercial vehicles, bodywork/upfitting activities– is equal to or greater than 70%; or IT (Comments): Italy requests that the 70% ex-works price threshold for vehicle components, excluding the battery, be amended to explicitly include R&D activities and, specifically for commercial vehicles, bodywork and upfitting activities in the calculation of component value. SE (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components – excluding the vehicle battery – originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or SE (Comments): If the derogation were to remain, this requirement would need to be adjusted to reflect the amended requirement b) in this part of the annex, with the emphasis on all inputs of Union origin as a proportion of overall value added rather than just physical components.

Commission proposal - Annexes	Drafting suggestions and Comments
(b) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union.	DE (Drafting suggestions): (b) the vehicle's model traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union. DE (Comments): see above EL (Comments): Same comment IT (Drafting suggestions): (b) the vehicle's traction battery contains at least one of the three main specific components of batteries, among which the battery cells assembly, cathode active material, and the Battery Management System (BMS), originating in the Union. IT (Comments): Italy requests that the threshold be set at 1 out of 3 main battery components, and that the list of qualifying components be revised as follows: battery cells should be excluded, while assembly, cathode active material, and the Battery Management System (BMS) should be included as the three main qualifying components SE (Drafting suggestions): (b) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union.

Commission proposal - Annexes	Drafting suggestions and Comments
	IT (Comments): As an alternative to the provisions in the proposal, it is suggested to adopt an approach allowing manufacturers the freedom to choose which battery components may qualify as made in EU.
Upon request of a vehicle manufacturer, all PEV, OVC-HEV or FCV from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that the total number of all PEV, OVC-HEC or FCV vehicles compliant with the Union origin requirements that were assembled by that vehicle manufacturer during the period comprised between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 85% of the total number of PEV, OVC-HEV or FCV from the same vehicle manufacturer that were registered within the Union in the same period.	AT (Comments): AT asks for clarification as to the scope of application of the penultimate subpara, in particular whether it applies to all vehicles or only to M1E vehicles. CZ (Drafting suggestions): Upon request of a vehicle manufacturer, all PEV, OVC-HEV or FCV from that vehicle manufacturer or can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that the total number of all PEV, OVC-HEC or FCV vehicles compliant with the Union origin requirements that were assembled by that vehicle manufacturer during the period comprised between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 70 % 85% of the total number of PEV, OVC-HEV or FCV from the same vehicle manufacturer that were registered within the Union in the same period. <u>Vehicle manufacturers may fulfill requirements at the level of individual OEMs and or, in the case of affiliated companies, at the level of a group of OEMs/brands.</u> CZ (Comments):

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	Vehicle manufacturing is a complex process that requires flexibility in production in the event of downtime, renovations, or parts shortages. Granting manufacturers greater flexibility will not diminish the impact of regulations; on the contrary, This will allow OEMs to plan the allocation of production capacity in time and in advance. EL (Comments): Same comment FI (Comments): To whom a vehicle manufacturer should present evidence that all of its PEV (pure electric vehicles), OVC-HEV (off-vehicle charging hybrid electric vehicles) and FCV (fuel cell vehicles) should be considered compliant? It does not seem appropriate that the contracting authority should assess this. The process should be clarified in the text. FR (Drafting suggestions): Upon request of a vehicle manufacturer, all PEV, OVC-HEV or FCV assembled within the Union from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that the total number of all PEV, OVC-HEC or FCV vehicles compliant with the Union origin requirements that were assembled by that vehicle manufacturer during the period comprised between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 85% of the total number of PEV, OVC-HEV or FCV from the same vehicle manufacturer that were registered within the Union in the same period. FR (Comments): French authorities have scrutiny reservations on this provision, which could undermine the credibility of the “Made in the EU” label by allowing vehicles that do not comply with IAA’s requirements to benefit from public supports and be marketed to consumers as “Made in the

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	EU” vehicles. While it is important to reward efforts of manufacturers who play by the “Made in the EU” rules, our citizens would not understand that vehicles assembled outside the Union benefits associated with MiEU requirements. French authorities are therefore proposing an amendment to ensure that vehicles considered MiEU under this “fleet flexibility” have at least been assembled within the EU. They have reservations regarding the 85% threshold and point out that granting such flexibility would be meaningless if the geographical scope is not limited to the EEE, as the threshold could then be easily met. Any amendment designed to facilitate manufacturers’ access to this flexibility should be accompanied by new commitments regarding ‘Made in the EU’. French authorities are also asking the Commission to clarify how this flexibility is to be applied: can the 85% target be met by counting all MiEU vehicles together, regardless of engine type and category (light and heavy vehicles)? IT (Drafting suggestions): Upon request of a vehicle manufacturer, all PEV, OVC-HEV-or, FCV and VEEFs from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that the total number of all PEV, OVC-HEC or, FCV, and VEEFs vehicles compliant with the Union origin requirements that were assembled by that vehicle manufacturer during the period comprised between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 85% 70% of the total number of PEV, OVC-HEV, or FCV, and VEEFs from the same vehicle manufacturer that were registered within the Union in the same period. IT (Comments): With reference to the fleet-level compliance mechanism provided for in Annex III , whereby a vehicle manufacturer may be deemed compliant with the EU origin requirements for a period of twelve months upon demonstration that vehicles meeting such requirements represent a percentage equal to or greater than 85% of the total number of PEV, OVC-HEV

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	and FCV registered within the Union during the preceding calendar year, Italy requests that the said threshold be reduced from 85% to 70%. This adjustment is considered necessary in order to ensure greater industrial sustainability and to facilitate a gradual and effective implementation of the new provisions, particularly in light of the significant structural investments required from manufacturers to meet EU origin requirements across their vehicle fleets MT (Comments): It is opined that explicit correlation within the context of Public Procurement Procedures is essential. It is understood that, where the 85% threshold is met at manufacturer level, a vehicle which would otherwise not comply with the Union origin requirements may be deemed compliant for a limited period of 12 months. However, the provision does not clarify from when this 12-month period is to be calculated (e.g. from the date of the declaration, from the end of the reference calendar year, or from the procurement stage), and further guidance would be required to ensure uniform application. Furthermore, while a self-declaration by the vehicle manufacturer appears to be envisaged as a form of documentary evidence, reliance solely on such declarations raises practical concerns. In particular, Contracting Authorities may not have the capacity or technical means to verify complex production data underlying the 85% threshold. Clarification would therefore be required as to whether additional supporting documentation or centralised verification mechanisms are expected. <u>Clarification:</u> Is a Self-Declaration from the Vehicle Manufacturer deemed appropriate to demonstrate that the 85% threshold was reached?

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	Further to the submission of a a Self-Declaration, actual on-the-ground verification, even if it is only for the Successful Tenderer is deemed intricate, laborious, and challenging as well as involves competencies outside the expertise of Contracting Authorities.
	EL (Comments): Same comment
Where public procurement procedures concern public service contracts referred to in subparagraph 2, vehicles already registered in the Union shall be deemed to comply with the requirements set out in this Annex until 31 December 2035.	AT (Comments): AT notes that the last subpara refers to “vehicles already registered”, whereas para 2 appears to concern only the use of new vehicles. The relationship between these provisions therefore remains unclear and would require further clarification. EL (Comments): Same comment MT (Comments): <u>Clarification:</u> Is one to understand that the applicable date of ‘already registered in the Union’ implies the entry into force date of the IAA? <u>Clarification:</u> To which ‘public service contracts’ is one referring to? - New PEV, OVC-HEV and FCV that are used for the provision of services sourced through public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU. OR

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	- Small electric vehicles of subcategory M1E (as defined in Regulation (EU) 2018/858) that are used for the provision of services sourced through public procurement procedures that fall within the scope of Directive 2014/24/EU, or Directive 2014/25/EU. Explicit reference would ascertain uniform interpretation. SE (Drafting suggestions): Where public procurement procedures concern public service contracts referred to in subparagraph 2, vehicles already registered in the Union shall be deemed to comply with the requirements set out in this Annex until 31 December 2035. SE (Comments): Sweden considers this proposal does not give proper consideration to the lifespan of different vehicles. For example, a bus has an economic lifespan of up to 15 years. The provision as drafted would lead to a destruction of capital and force companies to phase out well-functioning vehicles prematurely. Vehicles procured and registered before the end of the transition period must be allowed to be used throughout their full technical and economic lifespan, including in new and extended service contracts after 2035.

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Part II – Other forms of public intervention and financial support for corporate vehicles	DE (Comments): Scrutiny reservation. Regarding Union origin requirements for electrical vehicles in, there is no initial DE position yet. In any case, feasible and low-cost implementation is essential. Therefore, the technical changes do not imply that Germany agrees with the proposed criteria. We ask to ensure that a clear reference is made to vehicle models and not single vehicles DK (Comments): The commission has previously stated: " The requirements set out in Part II of Annex II apply to support schemes primarily aimed at the “construction or renovation of residential and commercial buildings, infrastructure”, as well as the “lease and purchase of motor vehicles for civil purposes”. Under Part II of Annex III, the requirements apply to schemes supporting the “purchase, lease, rental or hire-purchase of relevant new vehicles”. The scope is therefore broader than housing and e-mobility." What does “rented, hire-purchased” entail for public purchasers? Is a public purchaser covered by the directive if they procure public works contracts where there are contractors operating on the construction site? That is, the main service is the public works contract, but in order to perform the main service, the winning tenderer has construction machinery on the authority’s construction site.
For schemes established or updated after [OP: Please insert the date = six months after the date of entry into force of this Regulation] that support the purchase, lease, rent or hire-purchase of new PEV, OVC-HEV or FCV, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public	IT (Drafting suggestions): For schemes established or updated after [OP: Please insert the date = six months after the date of entry into force of this Regulation] that support the purchase, lease, rent or hire-purchase of new PEV, OVC-HEV, or FCV, and VEEFs, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one

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law shall ensure that only vehicles that comply with the below minimum Union origin requirements are eligible under the scheme.	or more such bodies governed by public law shall ensure that only vehicles that comply with the below minimum Union origin requirements are eligible under the scheme. IT (Comments): The Regulation currently applies only to electric, plug-in hybrid, and hydrogen vehicles. It is essential for Italy to support this annex that its scope recognises in full the principle of technological neutrality to include vehicles powered exclusively by renewable fuels (so-called VEEFs), while maintaining consistency with the existing European regulatory framework and enhancing all European industrial solutions contributing to the decarbonization of mobility SE (Drafting suggestions): For schemes established or updated materially changed after [OP: Please insert the date = six months after the date of entry into force of this Regulation] that support the purchase, lease, rent or hire-purchase of new PEV, OVC-HEV or FCV, Member States, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law shall ensure that only vehicles that comply with the below minimum Union origin requirements are eligible under the scheme. SE (Comments): Even small technical changes or minor formalities can require a formal decision. The proposal to replace “update” with “materially change” clarifies that the change needs to be significant in character to trigger the below requirements.

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For the purpose of considering corporate cars and vans 'made in the European Union' in accordance with Article 4 of the [Proposal for a Regulation of 16 December 2025 on clean corporate vehicles], the below requirements apply.	IT (Comments): Italy's support for the "made in the European Union" criteria in the Proposal for a Regulation of 16 December 2025 on clean corporate vehicles is conditional upon the withdrawal of binding targets and, in parallel, the recognition—within Annex III, Part II—of the principle of technological neutrality through the inclusion of the VEEFs vehicle category.
(a) the vehicle is assembled within the Union;	FR (Comments): French authorities recall their amendment proposal of the article 3 (29) of the present regulation to provide a clearer definition of the vehicle assembly, which should be defined as <i>"the process of the final assembly of the vehicle carrying out: body parts stamping, body-in-white assembly, body protection and painting, and final assembly of the vehicle in the manufacturing site"</i>. This amendment is necessary to prevent circumvention of the requirement through 'Completely Knocked Down'(CKD) or 'Semi-Knocked Down' (SKD) re-assembly practices. SE (Drafting suggestions): (a) the vehicle is assembled within the Union <u>or within countries included in the definition of union origin in accordance with article 9;</u> SE (Comments): Sweden believes that assembly of vehicles within partner countries such as the UK and Norway should also be included in this requirement in order to protect international relations and to be consistent with the rest of the criteria.
(a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in	CZ

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the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%;	(Drafting suggestions): (b) (a)–the ratio between the total ex-works price of vehicle components (provenance from contracted supplier based in EU) - excluding the vehicle battery - originating in the Union and the total ex-works price of all components – excluding the battery – is at least 70%; CZ (Comments): To avoid confusion, as the term “origin” is primarily associated with FTA rules of origin—requiring specific percentage thresholds and defined production processes for each item—it is recommended to use the term “provenance.” This term is intended to indicate the Tier-1 country of manufacturing and will also simplify the calculation methodology. FR (Comments): The French authorities reaffirm their support for this requirement, which is of crucial importance as it provides a safety net for suppliers by ensuring that the value of European-origin components in electric vehicles is equivalent to the value in internal combustion engine vehicles. It is essential that this requirement remains focused on the value generated by traditional suppliers. Including the value of the battery and/or activities carried out at manufacturer level (assembly, R&D) in the 70% threshold would significantly reduce the positive impact of this provision on the subcontractor sector and risks overlapping with other EU origin requirements in the definition (particularly requirement (a)). IT (Drafting suggestions): the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery, but including research and development activities and, for commercial vehicles, bodywork/upfitting activities– is equal to or greater than 70%; or IT

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	(Comments): Italy requests that the 70% ex-works price threshold for vehicle components, excluding the battery, be amended to explicitly include R&D activities and, specifically for commercial vehicles, bodywork and upfitting activities in the calculation of component value. SE (Comments): Has the Commission considered whether the requirements in Annex III should take into account EU value-creating activities beyond the cost of components? In particular, research and innovation, software development, and assembly costs could be considered. These are very important and value-creating parts of the vehicle production process- Has the Commission considered whether it could be beneficial to align the requirements to an existing concept such as value added as defined in the UCC instead of creating a parallel set of criteria that will lead to increased complexity and administrative burdens? Sweden requests more information and analysis on the inclusion of union origin requirements that target components in general, without requiring the existence of a dependency. How has the Commission arrived at the figure 70%?
	CZ (Drafting suggestions): c) the ratio between R&D and labor costs costs of eligible type approved vehicles shall be at least 70 % invested in the EU CZ (Comments): European OEMs account for a significant portion of total R&D investment, which is not addressed in the current proposal. At the same time, this is the only activity outside of manufacturing that manufacturers can directly influence. Furthermore, OEMs account for a

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	significant percentage of European jobs, which, in the case of manufacturers, are rated above average.
(b) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union;	CZ (Drafting suggestions): (d) (b) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union; IT (Drafting suggestions): b) the vehicle's traction battery contains at least one of the three main specific components of batteries, among which the battery cells assembly, cathode active material, and the Battery Management System (BMS), originating in the Union. IT (Comments): Italy requests that the threshold be set at 1 out of 3 main battery components and that the list of qualifying components be revised as follows: battery cells should be excluded, while assembly, cathode active material, and the Battery Management System (BMS) should be included as the three main qualifying components SE (Drafting suggestions): (b) (c) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union; SE (Comments): Correction to numbering of bullet points

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	Sweden requests more information and analysis on which stages of the battery value chain that are targeted through this requirement. Has the Commission considered targeting earlier stages in the battery value chain?
	IT (Comments): As an alternative to the provisions in the proposal, it is suggested to adopt an approach allowing manufacturers the freedom to choose which battery components may qualify as made in EU.
(c) the vehicle's traction battery contains at least five main specific components of batteries, among which the battery cells, the cathode active material, and the battery management system, originating in the Union;	CZ (Drafting suggestions): (e) (c) the vehicle's traction battery contains at least five main specific components of batteries, among which the battery cells, the cathode active material, and the battery management system, originating in the Union; IT (Drafting suggestions): (c) the vehicle's traction battery contains at least five three main specific components of batteries (including battery cells) , among which the battery cells , the cathode active material, and the battery management system, originating in the Union; IT (Comments): Italy requests that the requirement for the vehicle's traction battery be reduced from five to three main specific components including battery cells, cathode active material, and the battery management system SE (Drafting suggestions):

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	(e) (d) the vehicle's traction battery contains at least five main specific components of batteries, among which the battery cells, the cathode active material, and the battery management system, originating in the Union; SE (Drafting suggestions): Correction to numbering of bullet points
(d) the ratio between the total ex-works price of e-powertrain components originating in the Union and the total ex-works price of all e-powertrain components is equal to or greater than 50%;	CZ (Drafting suggestions): (f) (d) the ratio between the total ex-works price of e-powertrain components originating in the Union and the total ex-works price of all e-powertrain components is at least 50%; FR (Drafting suggestions): French authorities recall their willingness to use this requirement to foster the developpment of a European value chain for permanent magnets, for which dependence on China remains significant. To this aim, they propose to amendment article 3(26) of the present regulation to explicitly include permanent magnets in the list of electric powertrain components : “e-powertrain components’ means power electronics, transport propulsion electric motors and e-axles and their components, rotors and stators, permanent magnets”. Magnets will have to be manufactured or recycled in Europe to be taken into account in the calculation of the 50 % ratio of components Made in the EU in the e-powertrain. SE (Drafting suggestions): (d) (e) the ratio between the total ex-works price of e-powertrain components originating in the Union and the total ex-works price of all e-powertrain components is equal to or greater than 50%; SE

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	(Comments): Correction to numbering of bullet points
(e) the ratio between the total ex-works price of main electronic systems originating in the Union and the total ex-works price of all main electronic systems is equal to or greater than 50%.	CZ (Drafting suggestions): (g) (e) the ratio between the total ex-works price of main electronic systems originating in the Union and the total ex-works price of all main electronic systems is equal to or greater than 50%. FR (Comments): French authorities are carefully considering the question of how far upstream in the supply chain the traceability of components should be extended for the purposes of calculating this ratio. In particular, how will Tier 2 and higher-level components (such as chips, semiconductors, and other electronic components embedded within subassemblies systems) be treated? IT (Comments): Furthermore, Italy requests that the concept of "main electronic systems" be clearly and exhaustively defined directly within the text of the Regulation, in order to ensure legal certainty and uniform application across Member States SE (Drafting suggestions): (e) (f) the ratio between the total ex-works price of main electronic systems originating in the Union and the total ex-works price of all main electronic systems is equal to or greater than 50%. SE (Comments):

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	Correction to numbering of bullet points
	SE (Drafting suggestions): <u>The requirement set out in point a) shall not apply to vehicles classified as M2 or M3 as defined in Article 4 of Regulation (EU) 2018/858 that are assembled in a third country with which the Union has concluded an agreement establishing a free trade area or a customs union.</u>
	SE (Comments): Manufacturing of buses is typically carried out by producing a chassis within the EU and then exporting it to a third country (often a partner country) for the installation of the body. If the requirement for final assembly in the Union is maintained in its current form, it will mean that the majority of “European” buses cannot be purchased using EU support schemes, which runs counter to the objective of the IAA. The proposed amendment allows for final assembly in partner countries specifically for buses.
The requirements set out in points d), e) and f) apply from [OP: please insert date three years after the date of entry into force of this Regulation].	CZ (Drafting suggestions): The requirements set out in points d) apply from [OP: please insert date 3 years after the date of entry into force of this Regulation]. <u>The requirements set out in points e), f) and g) apply from [OP: please insert date 5 years after the date of entry into force of this Regulation]</u>
	CZ (Comments): Battery production and rare-earth processing are still in their early stages; along with nonexistence or lack of certain rare earth materials; pressure to invest quickly without sufficient industrial support will create additional upward pressure on the final price of the vehicle.
	IT

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	(Comments): Italy expresses significant reservations regarding the rigidity of the cumulative six-criteria structure set out in points (a) through (f) of Annex III, Part I. While Italy acknowledges the importance of establishing robust EU origin requirements it considers that the imposition of all six criteria on a cumulative basis may not adequately reflect the evolving state of the European industrial value chain. In particular, with reference to the enhanced requirements set out in points (d), (e) and (f) — which apply from a date three years after the entry into force of the Regulation— Italy requests that these provisions be made subject to a mandatory review clause, to be triggered prior to their entry into application. SE (Drafting suggestions): <u>The requirements set out in point c) apply from [OP: please insert date 4 years after the date of entry into force of this Regulation].</u> The requirements set out in points d), e) and f) apply from [OP: please insert date three 5 years after the date of entry into force of this Regulation]. SE (Comments): The timeframe envisaged for the development of a european battery supply chain including european-manufactured battery cells is overly ambitious and does not reflect current and planned capacity in the Union. SE notes that that the requirements for Annex II and III are cumulative, such that if a vehicle manufacturer is unable to fulfill one requirement there is no incentive to meet any other requirements, as their vehicle will anyway not qualify as “union origin”. Therefore, care needs to be taken to avoid an overly ambitious timetable for battery components undermining incentives to take positive steps in other domains (e.g. other vehicle components of Union origin, low-carbon steel and aluminium).

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By way of derogation to the requirements set out above, small electric vehicles of subcategory M1E, as defined in Regulation (EU) 2018/858, shall include the following Union origin requirements:	IT (Drafting suggestions): By way of derogation to the requirements set out above, small electric vehicles of subcategory M1E, and M1ZE (including VEEFs), as defined in Regulation (EU) 2018/858, shall include the following Union origin requirements: IT (Comments): Italy requests that the definition applicable for the purposes of super credits and European preference schemes under this category be aligned with a broader vehicle category inclusive of Vehicles running Exclusively on Eligible Fuels (VEEFs), as defined under the Renewable Energy Directive (RED), rather than being confined to subcategory M1E Italy further requests that simplification measures be extended to cover all "small" vehicle categories as to be defined under the forthcoming Omnibus Regulation, and not be limited solely to subcategory M1E. SE (Drafting suggestions): By way of derogation to the requirements set out above, small electric vehicles of subcategory M1E, as defined in Regulation (EU) 2018/858, shall include the following Union origin requirements: SE (Comments): Sweden does not consider it appropriate to apply differentiated requirements for vehicles of subcategory M1E as it will create unnecessary complexity and administrative burdens while distorting competition in the small vehicle segment. Therefore we propose removing this derogation in its entirety.

Commission proposal - Annexes	Drafting suggestions and Comments
1. the vehicle is assembled within the Union;	SE (Drafting suggestions): 1. the vehicle is assembled within the Union;
2. one of the two criteria below:	FR (Drafting suggestions): and complies with one of the two criteria below: FR (Comments): French authorities regret that small vehicles are subject to less stringent criteria, which weakens the impact of the requirements. Given that origin requirements for M1E vehicles are already more lenient than for large vehicles, and given that M1E market shares are expected to grow in the coming years, it is important to ensure a significant level of EU content for these vehicles. Ultimately, we will need to work towards harmonising IAA's requirements for small and large vehicles. Meanwhile, French authorities do not support the proposed optional approach, which would require only (i) assembly within the EU and (ii) a choice between a 70% European content rate excluding batteries or the integration of European components, including battery cells. These two criteria should at least be made mandatory, as the 70% threshold is necessary to provide a safety net for suppliers, while the battery requirements will help to ensure the development of this emerging value chain. M1E Made in the EU are also intended to benefit from greater public support and regulatory incentives (e.g. the CO2 Regulation super-credit), which will more than offset any additional costs arising from MiEU requirements. SE (Drafting suggestions): 2. one of the two criteria below:

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(a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or	FR (Drafting suggestions): the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or IT (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery, but including research and development activities and, for commercial vehicles, bodywork/upfitting activities– is equal to or greater than 70%; or IT (Comments): Italy requests that the 70% ex-works price threshold for vehicle components, excluding the battery, be amended to explicitly include R&D activities and, specifically for commercial vehicles, bodywork and upfitting activities in the calculation of component value. SE (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components – excluding the vehicle battery – originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or
(b) the vehicle’s traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union.	IT (Drafting suggestions):

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	b) the vehicle's traction battery contains at least one of the three main specific components of batteries, among which the battery cells assembly, cathode active material, and the Battery Management System (BMS), originating in the Union. IT (Comments): Italy requests that the threshold be set at 1 out of 3 main battery components and that the list of qualifying components be revised as follows: battery cells should be excluded, while assembly, cathode active material, and the Battery Management System (BMS) should be included as the three main qualifying components SE (Drafting suggestions): (b) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union.
	IT (Comments): As an alternative to the provisions in the proposal, it is suggested to adopt an approach allowing manufacturers the freedom to choose which battery components may qualify as made in EU.
Upon request of a vehicle manufacturer, all PEV, OVC-HEV or FCV from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that all PEV, OVC-HEV or FCV compliant with the Union origin requirements that were assembled by that vehicle manufacturer during the period comprised	CZ (Drafting suggestions): Upon request of a vehicle manufacturer, all PEV, OVC-HEV or FCV from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that the total number of all PEV, OVC-HEC or FCV vehicles compliant with the Union origin requirements that were assembled by

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between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 85% of the total number of PEV, OVC-HEV or FCV from the same vehicle manufacturer that were registered within the Union in the same period.	that vehicle manufacturer during the period comprised between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 70 % 85% of the total number of PEV, OVC-HEV or FCV from the same vehicle manufacturer that were registered within the Union in the same period. <u>Vehicle manufacturers may fulfill requirements at the level of individual OEMs and or, in the case of affiliated companies, at the level of a group of OEMs/brands.</u> CZ (Comments): Vehicle manufacturing is a complex process that requires flexibility in production in the event of downtime, renovations, or parts shortages. Granting manufacturers greater flexibility will not diminish the impact of regulations; on the contrary, This will allow OEMs to plan the allocation of production capacity in time and in advance. FR (Drafting suggestions): Upon request of a vehicle manufacturer, all PEV, OVC-HEV or FCV assembled within the Union from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that the total number of all PEV, OVC-HEC or FCV vehicles compliant with the Union origin requirements that were assembled by that vehicle manufacturer during the period comprised between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 85% of the total number of PEV, OVC-HEV or FCV from the same vehicle manufacturer that were registered within the Union in the same period. FR (Comments): French authorities have scrutiny reservations on this provision, which could undermine the credibility of the “Made in the EU” label by allowing vehicles that do not comply with IAA’s

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	requirements to benefit from public supports and be marketed to consumers as “Made in the EU” vehicles. While it is important to reward efforts of manufacturers who play by the “Made in the EU” rules, our citizens would not understand that vehicles assembled outside the Union benefits associated with MiEU requirements. French authorities are therefore proposing an amendment to ensure that vehicles considered MiEU under this “fleet flexibility” have at least been assembled within the EU. They have reservations regarding the 85% threshold and point out that granting such flexibility would be meaningless if the geographical scope is not limited to the EEE, as the threshold could then be easily met. Any amendment designed to facilitate manufacturers’ access to this flexibility should be accompanied by new commitments regarding ‘Made in the EU’. French authorities are also asking the Commission to clarify how this flexibility is to be applied: can the 85% target be met by counting all MiEU vehicles together, regardless of engine type and category (light and heavy vehicles)? IT (Drafting suggestions): Upon request of a vehicle manufacturer, all PEV, OVC-HEV or , FCV and VEEFs from that vehicle manufacturer can be considered compliant, for a period of twelve months, with the Union origin requirements if the manufacturer demonstrates that the total number of all PEV, OVC-HEC or , FCV, and VEEFs vehicles compliant with the Union origin requirements that were assembled by that vehicle manufacturer during the period comprised between 1 January and 31 December (included) of the previous year represent a percentage equal or greater than 85% 70% of the total number of PEV, OVC-HEV, or FCV, and VEEFs from the same vehicle manufacturer that were registered within the Union in the same period. IT (Comments): With reference to the fleet-level compliance mechanism provided for in Annex III , whereby a vehicle manufacturer may be deemed compliant with the EU origin requirements for a period of twelve months upon demonstration that vehicles meeting such requirements

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	represent a percentage equal to or greater than 85% of the total number of PEV, OVC-HEV and FCV registered within the Union during the preceding calendar year, Italy requests that the said threshold be reduced from 85% to 70%. This adjustment is considered necessary in order to ensure greater industrial sustainability and to facilitate a gradual and effective implementation of the new provisions, particularly in light of the significant structural investments required from manufacturers to meet EU origin requirements across their vehicle fleets

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Part III – Super credits for small zero-emission vehicles	DE (Comments): Scrutiny reservation. Regarding Union origin requirements for electrical vehicles in, there is no initial DE position yet. In any case, feasible and low-cost implementation is essential. Germany does not support super credits for small ZEV. FR (Comments): French authorities welcome the introduction of a super-credit for ‘small electric vehicles’ (M1E) ‘Made in the EU’ in the proposed revision of Regulation 2019/631 on CO₂ emissions from light-duty vehicles. However, as these vehicles only account for 12.5% of the market according to the Commission, <u>they reiterate their call for this super-credit to be extended to all MiEU electric vehicles, regardless of their size, in a proportionate approach that maintains a higher credit value for small electric vehicles. This requires implementing the amendments listed below.</u> SE (Drafting suggestions): Part III – Super credits for small zero-emission vehicles SE (Comments): Sweden does not consider it appropriate to apply differentiated requirements for the assessment of Union origin in the context of administering super credits as it will create unnecessary complexity and administrative burdens. Therefore Sweden proposes removing Part III in its entirety.
For the purpose of considering vehicles as “made in the EU” in accordance with Article 5 of Regulation (EU) 2019/631 [as amended by the Proposal for a Regulation of	IT (Comments):

Commission proposal - Annexes	Drafting suggestions and Comments
16 December 2025 amending Regulation (EU) 2019/631 as regards CO2 emission performance standards for new light duty vehicles and vehicle labelling], the following criteria apply:	Any European preference or local content clauses within the supercredits mechanism is conditioned to the previous recognition of the principle of full technological neutrality, through the inclusion of the VEEFs vehicle category, both under Article 14 of the IAA and across all automotive dossiers currently under negotiation. SE (Drafting suggestions): For the purpose of considering vehicles as “made in the EU” in accordance with Article 5 of Regulation (EU) 2019/631 [as amended by the Proposal for a Regulation of 16 December 2025 amending Regulation (EU) 2019/631 as regards CO2 emission performance standards for new light duty vehicles and vehicle labelling], the following criteria apply:
	FR (Drafting suggestions): (a) the vehicle is assembled within the Union; (a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; (b) the vehicle’s traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union; (c) the vehicle’s traction battery contains at least five main specific components of batteries, among which the battery cells, the cathode active material, and the battery management system, originating in the Union; (d) the ratio between the total ex-works price of e-powertrain components originating in the Union and the total ex-works price of all e-powertrain components is equal to or greater than 50%;

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	(e) the ratio between the total ex-works price of main electronic systems originating in the Union and the total ex-works price of all main electronic systems is equal to or greater than 50%. The requirements set out in points d), e) and f) apply from [OP: please insert date three years after the date of entry into force of this Regulation]. By way of derogation to the requirements set out above, small electric vehicles of subcategory M1E, as defined in Regulation (EU) 2018/858, shall include the following Union origin requirements:
1. the vehicle is assembled within the Union;	SE (Drafting suggestions): 1. the vehicle is assembled within the Union;
2. and one of the two criteria below:	FR (Drafting suggestions): 2. and complies with one of the two criteria below: FR (Comments): French authorities regret that small vehicles are subject to less stringent criteria, which weakens the impact of the requirements. Given that origin requirements for M1E vehicles are already more lenient than for large vehicles, and given that M1E market shares are expected to grow in the coming years, it is important to ensure a significant level of EU content for these vehicles. Ultimately, we will need to work towards harmonising the IAA requirements for small and large vehicles. Meanwhile, French authorities do not support the proposed optional approach, which would require only (i) assembly within the EU and (ii) a choice between a 70% European content rate excluding batteries or the integration of European components, including battery cells. These two criteria should at least be made mandatory, as the 70% threshold is necessary to provide a safety net for suppliers, while the battery requirements will help to ensure the

Commission proposal - Annexes	Drafting suggestions and Comments
	development of this emerging value chain. MIE Made in the EU are also intended to benefit from greater public support and regulatory incentives (e.g. the CO2 Regulation super-credit), which will more than offset any additional costs arising from MiEU requirements. SE (Drafting suggestions): 2. and one of the two criteria below:
(a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or	CZ (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components (provenance from contracted supplier based in EU) - excluding the vehicle battery - originating in the Union and the total ex-works price of all components – excluding the battery – is at least 70%; CZ (Comments): To avoid confusion, as the term “origin” is primarily associated with FTA rules of origin—requiring specific percentage thresholds and defined production processes for each item—it is recommended to use the term “provenance.” This term is intended to indicate the Tier-1 country of manufacturing and will also simplify the calculation methodology. FR (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components – excluding the battery – is equal to or greater than 70%; or IT (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components - excluding the vehicle battery - originating in the Union and the total ex-works price of all vehicle components –

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	excluding the battery, but including research and development activities and, for commercial vehicles, bodywork/upfitting activities— is equal to or greater than 70%; or IT (Comments): Italy requests that the 70% ex-works price threshold for vehicle components, excluding the battery, be amended to explicitly include R&D activities and, specifically for commercial vehicles, bodywork and upfitting activities in the calculation of component value. SE (Drafting suggestions): (a) the ratio between the total ex-works price of vehicle components—excluding the vehicle battery—originating in the Union and the total ex-works price of all vehicle components—excluding the battery—is equal to or greater than 70%; or
(b) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union.	IT (Drafting suggestions): b) the vehicle's traction battery contains at least one of the three main specific components of batteries, among which the battery cells assembly, cathode active material, and the Battery Management System (BMS), originating in the Union. IT (Comments): Italy requests that the threshold be set at 1 out of 3 main battery components and that the list of qualifying components be revised as follows: battery cells should be excluded, while assembly, cathode active material, and the Battery Management System (BMS) should be included as the three main qualifying components. SE

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		(Drafting suggestions):	
		(b) the vehicle's traction battery contains at least three main specific components of batteries, among which the battery cells, originating in the Union.	
<i>ANNEX IV</i> Amendment to Regulation (EU) 2018/1724			
Annexes I and II are amended as follows:			
1. Annex I is amended as follows:			
(a) the following row 'Permit-granting procedures' is added in the table for 'Areas of information related to businesses' before the row 'AJ. Critical raw materials projects':			
'Permit granting processes	Information on permit-granting procedures for industrial manufacturing projects including Net-zero technology manufacturing and critical raw material projects.';		
(b) in row 'R. Net-zero technology manufacturing projects', in the second column, point 1 is deleted;			

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(c) in row 'AJ. Critical raw materials projects', in the second column, point 2 is deleted;	
2. Annex II is amended as follows:	
(a) row 'Starting, running, and closing business' is amended as follows:	
(a) in the second column, the following second subparagraph is added:	
'Permission for exercising a business activity, including procedures related to all relevant permits to build and operate critical raw materials projects ¹ , procedures for all relevant permits to build, expand, convert and operate net-zero technology manufacturing projects ² , and procedures related to industrial manufacturing projects.';	
(b) in the third column, the following second subparagraph is added:	

¹ Procedure related to all relevant permits to build and operate critical raw materials projects, including building, chemical and grid connection permits and environmental assessments and authorisations where these are required, and encompassing all applications and procedures from the acknowledgment that the application is complete to the notification of the comprehensive decision on the outcome of the procedure by the single point of contact concerned pursuant to Article 9 of Regulation (EU) 2024/1252.

² Procedures for all relevant permits to build, expand, convert and operate netzero technology manufacturing projects, and net-zero strategic projects, including building, chemical and grid connection permits, environmental assessments and authorisations where required, and encompassing all applications and procedures.

Proposal for a Regulation on establishing a framework of measures for accelerating industrial capacity and decarbonisation in strategic sectors (Industrial Accelerator Act) - Annexes

Deadline: 3 June 2026

From: AT, CZ, DE, DK, EL, FI, FR, IT, MT, PL, SE

Updated: 02/07/2026 17:47

Commission proposal - Annexes	Drafting suggestions and Comments
‘Confirmation of the request for permission for business activity, as well as all outputs pertaining to the procedures related to critical raw material, net-zero technology manufacturing and manufacturing industry projects (ranging from the acknowledgement that the application is complete to the notification of the comprehensive decision on the outcome of the procedure, including by the designated contact point).’;	
(b) rows ‘Critical raw materials projects’ and ‘Net-zero technology manufacturing projects’ are deleted.	