

TOGETHER FOR A FAIR DEAL FOR WORKERS

LV/BL Brussels. 02 September 2024

To: Permanent Representatives to the European Union
To: Advisors to the Permanent
Representatives to the European
Union covering industry

[Letter sent by e-mail]

Dear Permanent Representatives and advisors on industry,

We are writing to you as the representatives of the European Trade Union Confederation and IndustriALL Europe in relation to the Implementation Act of the Net-Zero Industry Act (NZIA). It is of paramount importance for us that the social conditionalities in the procurement aspect are to be met and monitored in order for the NZIA to achieve its goal of promoting the resilience and competitiveness of the EU value chain. The development of the Implementation Act is the last chance to ensure this goal is achieved.

Our concern is specifically related to Section III, Net-zero strategic projects, Article 13, Selection criteria, Point 1¹ where the list of criteria is outlined. Point (b) (i) states one aspect to be considered is:

putting into place measures to attract, retain, upskill or reskill a workforce required for net-zero technologies, including through apprenticeships, traineeships, continuing education and training in close cooperation with regional and local authorities, education and training institutions, and social partners including trade unions;

While this measure is progressive and essential, having checked with legal experts, our concern is that its inclusion has become redundant as, as point 1 states, only *one* of seven criteria has to be selected. The other points are extremely easy to justify they have been met. To take just one example, e.g. (ii) "contributing to the competitiveness of SMEs as part of the supply chain of net-zero technologies", it is difficult to imagine anything about the NZIA selection that would not meet such a vague aim. This threatens to undermine the likelihood and effectiveness of the implementation of social conditionalities and the only indicator that directly promotes workforce development and quality jobs.

We followed the development of the NZIA very closely and were extremely disappointed to learn that at a very late stage the requirement to meet "three" of the criteria was changed to "one". This was against the will of the text proposed by MEPs with broad backing from numerous political groups.

¹ From page 33 Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724Text with EEA relevance. (europa.eu)





We understand that the Implementation Act is still under development and that the Council meeting of the Working Party on Competitiveness and Growth (Industry) still has the opportunity to ensure the spirit of the aims of the NZIA are achieved in full.

We therefore request that at your next and future meetings regarding the Implementation Act of the NZIA, you develop a plan to ensure that the implementation of this respective criterion of the Act is achieved, that Member States are supported in its consistent application in close consultation with trade unions, and that a detailed plan is developed to monitor the number of Member States that use this criteria in their selection. If too few Member States apply the criterion, adjustments to the Act must be made. This is fundamental to ensure justice in the transition and will also offer a vital knowledge base for future legislation such as the recently announced Clean Industrial Deal.

As one of the main purposes of the NZIA is to strengthen the entire European value chain, ensuring the workforce to achieve these goals is essential. As we have previously written to MEPs during the negotiations of the NZIA such as in November 2023 (attached), Europe currently faces a substantial skills shortage, especially in essential net-zero fields. The Commission's research indicates a need for one million more workers in the renewable energy sector alone in the next six years to meet our REPowerEU targets². The measures outlined in Point (b) (i) listed above have been included to ensure that such challenges can be addressed.

Global competitors such as the United States have already included such requirements for apprenticeships in key policies such as the Inflation Reduction Act over two years ago³. Failure to promote the necessary future skilled workforce will only further hamper efforts to ensure European competitiveness, resilience and security in crucial sectors and for the wider economy.

We look forward to your positive response on this matter.

Yours sincerely,

Ludovic Voet, Confederal Secretary, European Trade Union Confederation Judith Kirton-Darling, General Secretary, industriAll European Trade Union



² Pact for Skills: Launch of large-scale renewable energy skills partnership (europa.eu)

³ Inflation Reduction Act Apprenticeship Resources | Apprenticeship.gov