EuLA
European
Lime
Association

EuLA Feedback on the European Commission's public consultation on the Net Zero Industry Act

Brussels, 27 June 2023

EuLA, the European Lime Association, represents European non-captive lime production through its 24 covered Member States (companies & national associations). Lime is one of the essential building blocks of modern industry. It is used in many essential processes, such as making construction buildings, producing iron and steel, treating contaminated land, purifying drinking water, making sugar and even cleaning gases from powers stations. Lime and its derivatives are also important additives for making paper, glass, and agricultural products.

The European Commission published the Net Zero Industry Act (NZIA) as a key element of the Green Deal Industrial Plan. The European Lime Association welcomes the proposal, as the NZIA recognizes that energy intensive industries, such as lime, require access to technologies such as carbon capture and storage to remain competitive and reach decarbonisation goals. It is encouraging to see the NZIA recognize that the lack of CO_2 infrastructure is the '*single largest bottleneck for CO2 capture investments to materialize*,' which compliments the objective set in Article 16 of the proposal, defining an annual injection capacity of at least 50 million tonnes of CO_2 by 2030 in storage sites across the EU. The NZIA will be instrumental for the improvement of the whole European industry's competitiveness, and for that reason, EuLA calls on legislators to consider the following proposals on how to further enhance the deployment of renewable and low-carbon technologies to help support the resilience of the EU industry.

Lime: essential to the value-chain

Lime plays a vital role in the production chain of many critical raw materials, making it an essential component in various net-zero technologies and products. For instance, lime is a crucial component in steel production, as it is used to remove impurities while refining iron ore into iron. Lime is a critical element in the development of net-zero technologies, such as carbon capture and storage (CCS) systems. Therefore, lime's indispensable role in the production chain of critical raw materials and its contribution to net-zero technologies highlight its significance in supporting a sustainable value chain. It is critical that the Commission highlight the importance of energy-intensive industries such as lime by referring to all available technologies that will put the EU on track to climate neutrality.

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Expanding the list of Strategic Technologies

The NZIA's list of strategic net-zero technologies include solar photovoltaic and solar thermal, onshore wind and offshore renewables, batteries and storage, heat pumps and geothermal energy, electrolysers and fuel cells, sustainable biogas and biomethane, carbon capture and storage (CCS) and grid technologies. CCS technologies offer an indispensable tool to mitigate CO_2 emissions from hard to abate sectors such as lime, where approximately 70% of emitted CO_2 is unavoidably released by the chemical process (limestone decarbonation). By capturing and storing CO_2 emissions, CCS will be a key element to enabling the lime industry to continue operations while minimizing emissions. In fact, it is estimated that by 2050, thanks to the deployment of CCS technologies, the European lime sector will become carbon negative. CCS is thus crucial for achieving carbon neutrality targets and offsetting hard-to-abate emissions.

However, this limited scope may unintentionally exclude other critical sectors and technologies, such as carbon capture utilisation (CCU). It is important that the NZIA highlight the importance of energy intensive industries such as lime by referring to all available technologies that will put the EU on track to climate neutrality. CCS technologies can be used in combination with carbon utilization, where captured CO_2 is converted into valuable products. CO_2 can be utilised in the production of chemicals, fuels, building materials, and other commodities. This approach not only reduces emissions, but also promotes resource efficiency and the transition towards a circular economy.

In order to create a fully functioning CO_2 market, a system based on market-based incentives and value-chain approaches is necessary. Yet, it is a missing piece of the current NZIA proposal. Including transport and storage infrastructures within NZIA would signal the importance of establishing a robust infrastructure network to support low-carbon technologies and solutions. It enables the development of efficient and reliable transportation systems for captured CO_2, facilitating its safe and effective storage or utilization. By addressing these infrastructural needs, we can remove barriers to large-scale deployment of CCS and CCU technologies, fostering the growth of a viable market for carbon management.

Permitting across the value-chain

A comprehensive and coordinated approach to permitting, in collaboration with Member States, should extend beyond renewable energy initiatives or the proposed Net Zero Industry Act (NZIA) to encompass all decarbonization projects. While labelling permitting as "overriding public interest" in both the Renewable

Energy Directive III and the NZIA can expedite the development of renewable assets, including on-site industrial plants, it is important not to neglect the importance of addressing permitting barriers throughout the entire project value chain. The call for a streamlined process, encompassing a one-stop-shop approach, single permits, simplified appeal proceedings, and shorter assessment and approval times, holds relevance for all project stages. Therefore, these measures should be implemented consistently across the value chain rather than limiting their application solely to the manufacturing sector.

Conclusion

The implementation of the NZIA presents an opportunity to establish a regulatory framework that facilitates the transformation of European industries such as lime. Expanding the list of strategic technologies to include CCU, and facilitating a comprehensive approach to permitting across technological value chains will strengthen the NZIA. EuLA asks for the support of EU regulators in adopting a strategic approach that spans various policies, aiming to safeguard the competitiveness of our industry and maximize its contribution to the ongoing energy transition.

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