

17 February 2025

Net Zero Industry Act – Implementing Legislation

Response to European Commission Public Consultations:

- Draft Delegated Act on primarily used components [Ref. Ares (2025)528655 - 23/01/2025]
- Draft Implementing Act list of net-zero technology final products and their main specific components (resilience criterion) [Ref. Ares (2025)545490 - 23/01/2025]

This paper gives our position towards both the above consultations

KEY POINT – “MOUNTING STRUCTURES” MUST BE INCLUDED ALONGSIDE THE ENTRY FOR TRACKER SYSTEMS

EGGA has supported Solar Power Europe’s proposal to include “solar mounting structures, including trackers” in both Acts. Our industry provides sub-contract galvanizing services to the manufacturers of solar PV mounting structures and trackers.

The Draft Delegated Act on primarily used components and the Draft Implementing Act on specific components (resilience criterion) include only the PV trackers - but excludes the more widely used **PV mounting structures**, apparently on the **mistaken basis** that:

- There is not a specific manufacturing process/facility to produce the component.
- They do not contribute significantly to the value of the overall final product, based on the Commission’s 5% threshold.

These above points are not accurate, because:

Evidence confirms that the manufacturing process for solar mounting structures is highly specific, tailored for durability, strength, and environmental resilience. These structures are **primarily used** in solar technologies: they must adhere to industry standards for material quality and corrosion resistance, and they are tailored (designed and installed) to optimize panel positioning, ensuring maximum sunlight capture.

Manufacturers of these structures are dedicated to their production and these structures are not general steel constructions.

Evidence is available that the contribution of the specially-designed mounting structures for PV systems is well above 5% threshold – being in the range 10-20% for typical installations.

EGGA urges the Commission to amend the ANNEXES to both Acts to include the “mounting structures” by amending entries for primarily used and main specific components for 3 final products as follows:

Solar photovoltaic systems

PV trackers **and mounting structures** for large-scale plants

Concentrated solar power (CSP) plants

CSP trackers **and mounting structures**

Solar thermal systems

Solar thermal trackers **and mounting structures**

OVERVIEW

EGGA calls upon the Commission to also include the “solar mounting structures” in both Acts. Their exclusion is not logical and will be a lost opportunity to ensure resilience of EU manufacturing of these components. The imports of these products from a single third country is already reaching unprecedented levels and is leading to a decline in EU manufacturing capacity.

In the Draft Delegated Act, the Commission explains the methodology used to define the list of “primarily used components” which requires the following criteria: ‘specific’, ‘commercial availability’, ‘primarily used’ and ‘essential’.

In the Draft Implementing Act, the Commission indicates that primarily used components can be considered essential to ensure the effective implementation of the resilience contribution in public procurement, renewable energy auctions and other forms of public intervention, if they contribute significantly to the final product's value¹, or if they are critical to support the resilience of the overall supply chain.

The importance of including solar mounting structures is clear and these components unquestionably meet these requirements.

Regarding the Draft Delegated Act, we welcome the inclusion of “PV trackers for large scale plants” in the list of “primarily used components” for Photovoltaic (PV) technologies; “CSP trackers” in the list of “primarily used components” for Solar thermal electric technologies and the inclusion of “Solar thermal trackers” in the list of “primarily used components” for Solar thermal technologies.

Concerning the Draft Implementing Act list of main specific components (resilience criterion), we welcome that the trackers have also been included in the list of main specific components for the purposes of assessment of the contribution to resilience.

After reviewing the **Draft Implementing Act on non-price criteria for renewable energy auctions [Ref. Ares (2025)558456 - 24/01/2025]**, we are concerned that the proposed measures may not be sufficient to meaningfully enhance the Union's resilience. Our response to this draft Act will be submitted separately.

MOUNTING STRUCTURES ARE PRIMARILY USED COMPONENTS - ESSENTIAL FOR EFFECTIVE IMPLEMENTATION OF THE RESILIENCE CONTRIBUTION

Solar mounting structures must be included because they:

Meet requirements set out in the draft **Delegated Act**

- Are **essential**, indispensable and irreplaceable **primarily used** components, **specifically** constructed for the production and operation of **different solar PV systems** (agro-photovoltaic, photovoltaic car shelters, etc.)

¹ A threshold of 5% of the overall value of the final product is given in the EC Staff Working Paper accompanying the draft legislation

- Are **used in many solar technologies**, including solar PV, solar thermal, concentrated solar power systems, etc.
- Play a **critical role** in solar technologies, as they are **essential** for their proper function by providing the necessary support. They must be sturdy enough to withstand extreme weather conditions while providing the structure needed to hold the panels in place at their optimal angles, allowing them to increase the energy yield.
- Are **specific** components, **commercially available**, **designed and manufactured by specialist companies**, which are **exclusively dedicated to their production**, and **selected** for solar technologies. They are not generic or multi-purpose structures. Instead, they are **primarily used for solar technologies**; they are tailored (designed and installed) to optimize panel positioning, ensuring maximum sunlight capture.
- **Play a key role in determining the reliability, performance and sustainability** of solar technologies because of their structural and technological function.

Meet requirements set out in the draft **Implementing Act**

- **Represent a significant share of the final product's overall value:** Solar mounting structures are essential to the installation and performance of photovoltaic (PV) systems, **significantly influencing their overall cost**. In large-scale projects, such as utility-scale solar power plants, these structures **can account for a substantial portion of the total project value, representing approximately 10-20% of the cost of the solar photovoltaic system**.
- **Have a key role in the product functionality:** The performance of a solar PV system also depends on its mounting structures. Without a well-designed system, energy capture and durability are compromised. Mounting structures also protect the system from environmental factors, ensuring long-term reliability.
- **Are critical to support the resilience of the overall supply chain:** Threats to the manufacturing, investment and employment capacity of these components **jeopardises the scale-up of solar PV technologies**.
- **Can support the resilience of public procurement and auction processes:** Diversifying mounting structure suppliers can help procurement processes reduce risks such as supply chain vulnerabilities, quality control issues, economic dependency, environmental concerns, and market distortion, ultimately strengthening the resilience of the solar industry.

THE IMPORTANCE OF MOUNTING STRUCTURES TO THE NZIA IMPLEMENTING LEGISLATION

The application of resilience and sustainability criteria in public procurement and auctions is the aspect that has the highest importance:

- The inclusion of solar mounting structures in the Delegated Act, Art. 46(7) is necessary in order **to be included in the list of main specific components of Implementing Act, Art. 29(2)** on which the Commission and contracting authorities/entities will conduct resilience assessments.
- All key components in the supply chains of the net-zero technologies, especially those that are heavily, or increasingly, **dependent on imports/threatened by imports**, such as the mounting structures, should be eligible for the Commission and contracting

authorities/entities' **resilience assessment so that the resilience criterion can apply to them, if conditions are met.**

- EGGA's evaluations and evidence from certain large-scale solar PV installations indicates that the proportion of mounting structures **originating from China accounts for more than 50% of the supply** of those components. This should be **sufficient to justify** their inclusion in the list of components.
- A lack of official data on imports of mounting structures, due to the **current unavailability of a specific custom code for those components and their parts does not justify their exclusion**. We encourage the timely development of a specific custom code for mounting structures to facilitate implementation and we note that other steel components that are not covered by specific customs codes, e.g. electricity transmission towers, have been included in the Commission's proposals.
- If EU production of mounting structures becomes increasingly uncompetitive because of the massive import of cheaper mounting structures from a single source, the resilience objectives of the Act cannot be achieved as investment in EU production of these components will be constrained and will create **growing situations of dependency**.
- The **application of the sustainability criterion** in public procurement and auctions for solar mounting structures also **depends on the inclusion of those components**.



The general (batch) galvanizing industry provides the most effective long-term corrosion protection for steel products, through the application of a metallurgically-bonded coating of zinc metal. It is a service that is applied after manufacture of the product and normally on a sub-contract basis. The coating ensuring many decades of maintenance-free durability for vital net-zero technologies, such as solar power installations and wind energy equipment. A galvanized coating is sufficiently durable and robust to provide corrosion protection across more than one product lifecycle. Both zinc and steel are recovered at eventual end-of-life.

The European General Galvanizers Association (EGGA) is the federation of the national galvanizers associations within Europe. The industry comprises about 700 general galvanizing plants (mostly SMEs) employing an estimated 40,000 people in Europe. EGGA monitors and responds to issues affecting the general galvanizing industry in Europe, in particular environmental, technical and regulatory matters. EGGA also provides a platform for coordination of marketing and other initiatives for the industry.

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