

Prepared by DigitalTrade4.EU



Comments and Recommendations on the European Commission's Industrial Decarbonisation Accelerator Act

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About Us

The **DigitalTrade4.EU consortium** envisions a **seamlessly interconnected Europe** and **neighbouring regions** powered by harmonized standards for the digitalisation of trade documents and processes. By fostering the digital transformation of trade, we aim to promote economic integration, enhance cooperation, and ensure long-term trade facilitation across borders.

Our consortium is made up of **experts in their field**, including **105 full partners**—trade associations, logistics providers, shipping lines, banks and insurances, technology innovators, etc.—**from 17 European Union countries** (*France, Belgium, Netherlands, Austria, Estonia, Finland, Italy, Latvia, Spain, Germany, Sweden, Poland, Luxembourg, Lithuania, Slovenia, Denmark, Bulgaria*) and **22 non-EU countries** (*United Kingdom, Switzerland, Montenegro, Japan, Singapore, Hong Kong, Australia, New Zealand, India, Nepal, Canada, United States of America, Cameroon, Morocco, Egypt, Kenya, Pakistan, Nigeria, Brazil, Uzbekistan, Turkey, Ukraine*).

Our consortium is already **aligned with the fundamentals of the EU Competitiveness Compass**. Learn more:

- How DigitalTrade4.EU Can Help Achieve the Objectives of the EU Competitiveness Compass (February 2025)

<https://www.digitaltrade4.eu/how-digitaltrade4-eu-can-help-achieve-the-objectives-of-the-eu-competitiveness-compass/>

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Executive Summary

DigitalTrade4.EU welcomes the European Commission's initiative for an "**Industrial Decarbonisation Accelerator Act**" as a **critical step** towards achieving the **Clean Industrial Deal's objectives**. This submission outlines how the **integration of digital trade solutions and harmonized digital standards** can significantly **enhance** the Act's effectiveness in **accelerating industrial decarbonisation** while **bolstering Europe's competitiveness and resilience**.

Specifically, **digital trade infrastructure** can directly accelerate the Act's three pillars:

- (1) **expediting permitting via automated platforms**,
- (2) **de-risking priority projects through data transparency**, and
- (3) establishing **trusted markets for low-carbon goods** via **Digital Product Passports**.

We believe there is a **strong synergy** between the Commission's goals and the mission of DigitalTrade4.EU—to foster a **seamlessly interconnected Europe** through the **digitalisation of trade**. Our **key recommendations** focus on:

- Leveraging **digital tools**, such as **Digital Product Passports (DPPs)**, to **speed up permitting** and create **transparent, trusted markets for low-carbon products**.
- Prioritizing the adoption of global **digital standards** (e.g., **UNCITRAL Model Law on Electronic Transferable Records (MLETR)**¹, which enables the **legal recognition** of electronic documents across **boundaries**; and **eIDAS 2.0**², which supports **secure digital identity** and **authentication** across the **EU**) to ensure **interoperability** and facilitate **seamless data exchange**.
- Strengthening **international digital trade partnerships** (e.g., through **Digital Economy Partnership Agreement (DEPA)**³ and bilateral agreements like the **EU-Singapore**

¹ UNCITRAL. Model Law on Electronic Transferable Records (2017)

https://uncitral.un.org/en/texts/e-commerce/modellaw/electronic_transferable_records

² European Commission. Discover eIDAS

<https://digital-strategy.ec.europa.eu/en/policies/discover-eidas>

³ Digital Economy Partnership Agreement (DEPA)

<https://www.mti.gov.sg/Trade/Digital-Economy-Agreements/The-Digital-Economy-Partnership-Agreement>

DTA⁴) to promote EU standards and create global demand for European green technologies.

- Strategically investing in digital infrastructure, SME capacity building for digital compliance, and pilot projects that demonstrate the value of green-digital trade solutions.

By embedding a robust digital dimension within the Industrial Decarbonisation Accelerator Act, the EU can unlock new efficiencies, foster innovation, and solidify its leadership in the global green and digital transitions.

Note: In this document, the terms **Small and Medium-sized Enterprises (SMEs)** and **Micro, Small and Medium-sized Enterprises (MSMEs)** are used interchangeably and carry the same meaning and weight. This clarification is important because different sources and contexts may refer to these groups using either acronym, but both encompass the full range of smaller business categories critical for economic development.

⁴ European Commission. EU and Singapore sign landmark digital trade agreement (May 2025)
https://ec.europa.eu/commission/presscorner/detail/en/ip_25_1152

Introduction

DigitalTrade4.EU is **dedicated** to promoting the **digital transformation of trade** through **harmonized standards and processes**. We **commend** the European Commission for launching the "**Industrial Decarbonisation Accelerator Act**" initiative, as outlined in the Call for Evidence (Ref. Ares (2025)3079152). This Act is **pivotal** for Europe's **industrial future**, aiming to **decarbonise Energy-Intensive Industries (EIs)** while ensuring their **global competitiveness** and contribution to the EU's **strategic autonomy**.

This document provides DigitalTrade4.EU's **constructive input**, drawing upon our **expertise** at the intersection of **digital innovation, international trade, and sustainability**. We aim to demonstrate how **digital solutions** can serve as **powerful enablers** for the objectives set forth by the Commission, ensuring that the **decarbonisation journey is efficient, transparent, and economically advantageous** for European industries, including **SMEs**.

Expectations from the Commission's Side: The Objectives

The Commission's Call for Evidence **clearly articulates** the **pressing need** to support EIIs, which represent **19% of the EU's greenhouse gas emissions**. The "**Industrial Decarbonisation Accelerator Act**" is a **key component** of the **Clean Industrial Deal**, designed to address **critical challenges** and achieve **specific objectives**.

Small and medium-sized enterprises (SMEs), which form the **backbone** of many **industrial value chains**, must also be **supported** in their **transition to digital and low-carbon operations** to ensure **equitable progress** across all **segments of industry**.

1. **Political Context and Problem Definition:** The initiative arises from the **urgent need** to **decarbonise EIIs** to meet **climate neutrality goals** without **undermining their competitiveness**. EIIs face **high energy costs**, **unfair global competition**, **complex regulations**, and a **slowdown in demand** in key downstream sectors. The Commission identifies several **specific problems**:

- **Lengthy permit-granting procedures** for decarbonisation projects, including access to energy infrastructure.
- Decarbonisation technologies that are **not yet cost-competitive** due to high capital/operational costs and lack of large-scale deployment.
- A **lack of demand for clean industrial products** at current prices compared to conventional alternatives.

These factors **hinder investments** in clean technologies, risking a **decline in industrial production** and **increased dependency** on non-EU countries.

2. **Specific Objectives of the Industrial Decarbonisation Accelerator Act:** The Commission aims for the Act to **increase sustainable and resilient industrial production** in EIIs by **supporting decarbonisation investments** through **three specific objectives**:

- **Speed up permitting procedures** for industrial access to energy and industrial decarbonisation, while ensuring **high environmental standards**. This includes

improving access to **electricity, hydrogen, and Carbon Capture, Utilization, and Storage (CCUS) infrastructure**.

- **Identify and promote priority industrial decarbonisation projects and clusters.** This involves assessing criteria for priority projects and policy measures to support them, including **facilitating access to funding** and enabling environments for industrial clusters.
- **Create and protect European lead markets for European low-carbon products.** Measures include introducing **sustainability and resilience criteria** in procurement, promoting low-carbon industrial products (e.g., via an **EU label** for steel), incentivizing **clean carbon feedstock**, and protecting single market benefits of investment in innovative technologies.

The initiative will focus on EIIs such as chemicals, steel, pulp and paper, refineries, cement, non-ferrous metals, glass, and ceramics, considering related downstream industries within a **value chain logic**.

Approach and Recommendations

DigitalTrade4.EU firmly believes that the **successful decarbonisation** of European industry is **inextricably linked** to its **digital transformation**. **Digital tools and frameworks** can provide the necessary **efficiency, transparency, and interoperability** to achieve the Commission's objectives for the Industrial Decarbonisation Accelerator Act. Our recommendations are **aligned** with our vision of "**Strengthening EU Leadership in Green-Digital Trade**⁵," as detailed in our May 2025 input to the Commission.

General Approach:

Digitalisation as a Core Enabler *The digitalisation of trade documents and processes, underpinned by harmonized standards, is fundamental to accelerating industrial decarbonisation. This approach enhances supply chain visibility, simplifies compliance, reduces administrative burdens, and builds trust in green products.*

1. **Addressing Objective 1: Speeding Up Permitting**

- **Digital Submission and Processing Systems:** Implement EU-wide interoperable digital platforms for submitting, processing, and monitoring permit applications for decarbonisation projects and energy infrastructure access. This should leverage **secure e-identification (eIDAS 2.0)** and **legally recognized electronic documents (aligned with UNCITRAL MLETR)**.
- **Standardized Data Exchange:** Promote the use of **standardized data sets** for permit applications to facilitate **automated checks** and **faster evaluation**, reducing delays and administrative overhead.
- **Real-time Monitoring:** Utilize **IoT and digital twin technologies** for **real-time monitoring** of project development and compliance, enabling **proactive issue resolution**.
- **Cross-Border Interoperability:** Ensure that digital permitting systems are **interoperable across Member States** to support projects with a cross-border

⁵ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14589-International-Digital-Strategy/F3552794_en

dimension, drawing on principles from the **eFTI Regulation⁶** for freight transport information.

2. **Addressing Objective 2: Identifying and Promoting Priority Projects and Clusters:**

- **Digital Sustainability Criteria:** Incorporate criteria related to the **adoption of digital tools for sustainability tracking and reporting** (e.g., **Digital Product Passports**) in the identification of **priority decarbonisation projects and clusters**.
- **Data-Driven De-risking:** Leverage **digital platforms** to provide investors with **transparent and reliable data** on the environmental performance and technological readiness of priority projects, thereby helping to **de-risk investments**.
- **Facilitating Access to Funding through Digital Platforms:** Streamline access to **public and private funding** for priority projects by creating **digital portals** that simplify application processes and connect projects with potential investors. Digital tools can also facilitate the **tracking of fund utilization and project impact**.
- **Promoting Digital Innovation within Clusters:** Encourage industrial clusters to become **hubs for digital innovation in decarbonisation**, fostering collaboration on the development and deployment of **shared digital infrastructures** for energy management, emissions tracking, and circular economy practices.

3. **Addressing Objective 3: Creating and Protecting European Lead Markets for Low-Carbon Products**

- **Championing Digital Product Passports (DPPs):** Mandate or strongly **incentivize** the use of DPPs for EII products. DPPs, carrying **verifiable data** on carbon footprint, material composition, origin, and recyclability, are **essential** for:
 - i. Creating **consumer and business trust** in low-carbon claims.

⁶ European Union. Electronic freight transport information (eFTI)
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legissum:4470291>

- ii. Enabling **effective green public and private procurement** by providing **auditable sustainability credentials**.
- iii. Supporting the Commission's proposed **EU label** for low-carbon products by providing the **underlying data infrastructure**.
- iv. Aligning with **international trends** like **UNECE Recommendation No. 49** ("Transparency at Scale")⁷.
- **Integrating DPPs with CBAM:** Ensure DPP data can be used for **CBAM compliance, streamlining reporting** for importers and exporters and **enhancing the mechanism's effectiveness**.
- **Digital Standards in Procurement:** Incorporate requirements for **digitally verifiable sustainability data (via DPPs or similar)** and adherence to **EU digital standards** in public procurement criteria for strategic sectors.
- **Leveraging Digital Trade Agreements:** Utilize agreements like the **EU-Singapore DTA** and the **DEPA framework** to promote **international recognition of EU digital sustainability standards (including DPPs)** and create **export opportunities** for European low-carbon products.
- **Digitalisation of Trade Finance for ESG:** Promote the **digitalisation of trade finance** to support companies in meeting **ESG (Environmental, Social, and Governance) targets**. Digital tools can link **access to finance and preferential rates to verifiable ESG performance**, thereby **incentivizing decarbonisation efforts and enhancing the competitiveness** of EU companies. This aligns with the **simplification of CSRD reporting** and the EU's push for a **sustainable and circular economy**.

⁷ United Nations Economic and Social Council. Recommendation No. 49: Transparency at Scale – Fostering Sustainable Value Chains (March 2025)
<https://unece.org/sites/default/files/2025-05/ECE-TRADE-C-CEFACT-2025-03E.pdf>

Cross-Cutting Recommendations for a Green-Digital Industrial Future

1. **Prioritize Digital Standards and Interoperability:** The EU should **continue to champion and adopt global digital standards** such as the **UNCITRAL Model Law on Electronic Transferable Records (MLETR)** and ensure **robust implementation of eIDAS 2.0**. This is **crucial for seamless and secure cross-border data flows, e-identification, and the legal recognition of digital trade documents**, which are **foundational** for efficient decarbonisation efforts.
2. **Strengthen International Digital Trade Partnerships:** **Deepen collaboration** with key international partners, particularly in Asia through **DEPA**, to foster **global interoperability of laws and standards**. This will create **resilient digital supply chains** and **expand markets** for EU's green technologies and low-carbon products.
3. **Strategic Funding and Investment (MFF):** The **Multiannual Financial Framework (MFF)** should allocate **significant resources** to:
 - a. Developing **secure digital corridors** and **interoperable DPP platforms** with international partners.
 - b. Supporting **SMEs in adopting DPPs, carbon accounting tools, and other digital solutions** for decarbonisation through **dedicated programs and capacity building** (e.g., a **Green-Digital Trade Academy**).
 - c. Funding **pilot projects** that demonstrate the **integration of digital tools** in industrial decarbonisation and circular economy models.
4. **Empower SMEs in the Digital Transition:** Ensure that the digital tools and frameworks promoted are **accessible, affordable, and beneficial for SMEs**. Provide **targeted support, guidance, and simplified compliance pathways** to enable their **active participation** in the green-digital transformation.
5. **Foster Platform Interoperability:** Ensure that **dominant online platforms** allow **interoperability** with third-party applications to **avoid vendor lock-in, empowering SMEs and strengthening the EU's digital sovereignty**, complementing initiatives like **DEPA and eIDAS 2.0**.

Conclusion and Next Steps

DigitalTrade4.EU is **convinced** that the **Industrial Decarbonisation Accelerator Act** presents a **unique opportunity** to **embed digital innovation** at the **heart of Europe's industrial strategy**.

By **embracing the recommendations** outlined above, the Commission can **significantly enhance the Act's impact**, ensuring that industrial decarbonisation is achieved **efficiently, transparently**, and in a manner that **strengthens the EU's global competitiveness**.

The **integration of digital solutions** like **Digital Product Passports**, the **adoption of harmonized digital standards**, and the **fostering of international digital trade partnerships** are not merely complementary but **essential** to the success of this **ambitious undertaking**. These elements will **empower businesses, create trusted markets** for low-carbon products, and **streamline regulatory processes**.

To **operationalise** the **strategic alignment** of **digital and green transitions**, DigitalTrade4.EU proposes the following **Green-Digital Trade Leadership Roadmap** (table 1, on page 13), outlining **key activities, objectives, metrics, and tools**.

DigitalTrade4.EU **stands ready to collaborate closely** with the European Commission and other stakeholders in this endeavour. We offer our **collective expertise** to **further develop these concepts**, participate in **targeted consultations**, and contribute to **pilot projects** aimed at **operationalizing green-digital solutions** for European industry. We believe that a **concerted effort**, leveraging the **transformative power of digitalisation**, will pave the way for a **resilient, sustainable, and prosperous industrial future** for the European Union.

EU Green-Digital Trade Leadership Roadmap (DigitalTrade4.EU, 2025)

activity	objective	indicative metrics	tools/enablers
1. EU-Singapore DTA & Expand DEPA Partnerships	Strengthen digital trade diplomacy in Asia through high-standard agreements.	- 5+ new digital trade agreements with key Asian partners (e.g., Japan, India, ASEAN) by 2030 - 15% increase in EU-Asia digital services trade by 2028	DEPA framework, EU-Singapore DTA, Global Gateway Initiative, eIDAS 2.0
2. Implement Digital Product Passports (DPPs)	Ensure traceable, sustainable supply chains aligned with EU Green Deal.	- 50% adoption of DPPs by 2030 - 20% reduction in supply-chain carbon intensity by 2030	EU Sustainable Products Initiative, CBAM incentives, UNECE Recommendation 49
3. Fund Secure Digital Corridors in Asia	Build interoperable digital infrastructure for EU-Asia trade.	- ~€2B allocated via NDICI-Global Europe - 10+ blockchain-based traceability pilots by 2027	NDICI-Global Europe, ASEAN digital customs systems, EU Customs Data Hub
4. Harmonize Digital Standards (MLETR/eIDAS 2.0)	Enable cross-border recognition of e-documents and digital identities.	- 90% mutual recognition of e-signatures by 2028 - 70% SME adoption of eIDAS wallets	MLETR framework, eIDAS 2.0, EU Transport Law updates, UN/UNECE protocols
5. Launch Green-Digital Trade Academy	Upskill SMEs and officials on DPPs and carbon accounting.	- 40% increase in SME participation by 2027 - 60% cost savings for SMEs	Erasmus+ grants, COSME programme, tiered compliance thresholds
6. Integrate ESG into Trade Finance	Link trade finance to sustainability metrics for cheaper capital access.	- €10B/year unlocked for green trade finance - 30% lower Scope 3 emissions by 2030	InvestEU guarantees, CSRD-aligned reporting, FinTech platforms
7. Enforce Platform Interoperability	Prevent vendor lock-in and empower SMEs.	- 100% compliance with CJEU rulings by 2026 - 50% reduction in platform dominance	Court of Justice of the European Union (CJEU) Case C-233/23, DEPA, eIDAS 2.0, Digital Markets Act (DMA)
8. Global Digitalisation Projects with EU Standards	Extend EU digital infrastructure and norms globally.	- 20+ co-funded projects by 2030 - 80% interoperability with EU systems	Digital Europe Programme, CEF funding, EU-Asia Digital Standards Taskforce
9. Advance UNECE Transparency Protocols	Globalize EU sustainability standards for supply chains.	- 100% alignment with UNECE Rec. 49 by 2028 - 30% reduction in greenwashing claims	UNECE CEFACT, W3C Verifiable Credentials, EU CBAM registry
10. Pilot CBAM-DPP Corridors	Link trade finance to verifiable ESG metrics for tariff incentives.	- 20% CBAM compliance cost reduction - 50% DPP adoption by 2030	IoT carbon trackers, CBAM rebate schemes, EU Customs Single Window

Table 1. This table was developed in the context of DigitalTrade4.EU's input to the European Commission's "International Digital Strategy" reflection on Europe's role in global economic governance and digital regulation. It presents a forward-looking Green-Digital Trade Leadership Roadmap that aligns EU digital trade policy with its twin transition goals.