

ERRIN position on the Industrial Accelerator Act

Industrial acceleration must build on Europe's regional innovation ecosystems

The European Regions Research and Innovation Network (ERRIN) welcomes the Industrial Accelerator Act (IAA) as an important step towards strengthening Europe's industrial competitiveness, resilience and decarbonisation, in line with Mario Draghi's report (2024).

The European Commission's proposal rightly recognises the need to accelerate industrial deployment, reduce strategic dependencies, support manufacturing capacity and create lead markets for clean industrial products and technologies. The ambition to reverse the decline of European manufacturing and strengthen strategic value chains is timely and necessary.

ERRIN particularly supports the objective of accelerating permitting procedures, facilitating industrial decarbonisation and supporting strategic sectors through coordinated action at European level. However, the success of the IAA will ultimately depend on its ability to **mobilise and connect Europe's territorial innovation ecosystems, industrial clusters and regional strengths**.

Europe's competitiveness is built bottom-up. **Local and regional authorities** play a crucial role in mobilising businesses, research organisations, investors and civil society actors around shared industrial transformation pathways. They are often best placed to identify industrial opportunities, coordinate stakeholders, support SMEs and create favourable conditions for innovation and industrial deployment. Strong European industrial policy therefore requires strong place-based implementation.

The success of the Industrial Accelerator Act will depend not only on regulatory simplification but also on the availability of a coherent investment framework under the next Multiannual Financial Framework (MFF). Accelerated permitting and strategic project designation must be complemented by adequate support for research, innovation, demonstration, deployment and industrial scale-up. ERRIN therefore calls for **strong alignment between the Industrial Accelerator Act, the future Horizon Europe (FP10), the European Competitiveness Fund (ECF) and future National and Regional Partnership Plans (NRPPs)** to ensure a seamless pathway from innovation to market deployment and territorial impact. This alignment should build on existing regional innovation ecosystems, Smart Specialisation Strategies and ecosystem-based initiatives such as Regional Innovation Valleys and Net-Zero Acceleration Valleys.

1. Recognise regional innovation ecosystems as key enablers of industrial acceleration

The IAA should explicitly acknowledge the role of regional innovation ecosystems and local and regional authorities in delivering industrial decarbonisation and manufacturing growth.

Smart Specialisation Strategies provide a strategic frame for defining the sectors that industrial decarbonisation and manufacturing growth could focus on. Furthermore, experience from Regional Innovation Valleys, Hydrogen Valleys, Net-Zero Acceleration Valleys and other ecosystem-based initiatives demonstrates that industrial transformation is most effective when it builds on regional assets, capabilities and stakeholder networks.

More specifically, Industrial Manufacturing Acceleration Areas should build on existing regional industrial ecosystems, Smart Specialisation Strategies and industrial clusters. Their success will depend on mobilising local and regional actors, existing innovation capacities and industrial strengths. The

designation of acceleration areas should therefore follow a place-based approach and involve regional authorities from the outset.

The designation of Industrial Manufacturing Acceleration Areas should therefore be supported by evidence-based assessments of regional industrial capabilities, innovation assets and ecosystem maturity. Existing regional innovation strategies, or Smart Specialisation strategies, can help ensure that these Acceleration Areas build on genuine territorial strengths and benefit from broad stakeholder ownership, thereby increasing their effectiveness and long-term sustainability.

Across Europe, regions are already developing industrial transformation pathways linked to strategic sectors such as chemicals, clean energy, advanced manufacturing, mobility and net-zero technologies. The IAA should build on these existing territorial assets and reinforce their capacity to deliver industrial decarbonisation and competitiveness objectives.

Moreover, Industrial Manufacturing Acceleration Areas should be supported not only through regulatory acceleration but also through coordinated investment instruments under the next MFF. Future EU funding programmes should strengthen the capacity of regional innovation ecosystems to move strategic projects from research and innovation to deployment and manufacturing. Particular attention should be given to strengthening links between FP10, the ECF, the NRPPs and place-based industrial ecosystems in order to maximise European added value and avoid fragmentation across funding instruments.

ERRIN therefore calls for:

- **A structured role for local and regional authorities** in the designation, governance, monitoring and implementation of Industrial Manufacturing Acceleration Areas
- **Explicit recognition of regional innovation ecosystems** and industrial clusters as key implementation partners of the IAA
- **A genuine place-based approach** to the designation of the Acceleration Areas, ensuring measures build on existing territorial assets, regional industrial capabilities and established stakeholder networks
- **Stronger alignment** between Industrial Manufacturing Acceleration Areas and regional innovation and industrial strategies
- **Coordinated investment under the next MFF** by aligning future EU funding programmes (such as FP10, ECF, NRPPs) to strengthen the capacity of regional ecosystems to scale up strategic projects from research to manufacturing while avoiding fragmentation

The territorial dimension should not be treated as an implementation detail but as a strategic asset for European competitiveness.

2. Build interconnected European industrial ecosystems and value chains

The IAA correctly identifies the need to strengthen resilience and reduce strategic dependencies. However, resilience will not be achieved through isolated industrial projects.

Europe needs connected industrial ecosystems operating across regions and Member States. Industrial Manufacturing Acceleration Areas should not be viewed as isolated industrial zones but as interconnected nodes within European value chains. The European added value of these areas lies in their ability to connect industrial capacities across regions, accelerate technology deployment and facilitate economies of scale. Support should therefore be provided for cooperation between

Acceleration Areas, including through shared innovation infrastructures, joint investment pipelines and coordinated value-chain development.

This approach is particularly important for strategic sectors undergoing major industrial transformation, where cooperation between regions can reduce fragmentation and strengthen Europe's industrial resilience.

Industrial acceleration should build on complementarities between regional ecosystems rather than encourage duplication of capacities. Europe's competitiveness depends on its ability to connect specialised territories into integrated value chains. Smart Specialisation has demonstrated how regions can cooperate around complementary capabilities, creating stronger industrial ecosystems than could be achieved through isolated regional investments. The IAA should therefore support cooperation and co-investment between acceleration areas across Europe.

ERRIN recommends:

- **Positioning Industrial Manufacturing Acceleration Areas as interconnected nodes** within European value chains rather than isolated industrial zones, to accelerate technology deployment and achieve economies of scale
- **Supporting cross-border cooperation** between Industrial Manufacturing Acceleration Areas
- **Encouraging the development of European industrial ecosystem networks** around strategic sectors, reducing fragmentation and strengthening Europe's industrial resilience
- **Facilitating collaboration between regions** with complementary industrial strengths
- **Linking Acceleration Areas with existing initiatives** such as Regional Innovation Valleys, Hydrogen Valleys, Net-Zero Acceleration Valleys and relevant European Partnership to strengthen cooperation across strategic industrial value chains

The European added value of industrial ecosystems lies in their ability to connect capacities across territories, accelerate technology diffusion and achieve economies of scale.

3. Strengthen the role of Net-Zero Acceleration Valleys

ERRIN strongly believes that the IAA should build on and expand the work initiated through the Net-Zero Acceleration Valleys (NZAVs), which provide valuable experience in developing place-based industrial ecosystems that support decarbonisation, innovation and industrial deployment.

NZAVs bring together industrial actors, research organisations, public authorities and investors around shared decarbonisation pathways. They support industrial deployment, clean technology manufacturing, skills development, permitting coordination and investment mobilisation.

NZAVs should be supported not only as industrial deployment areas but also as integrated ecosystems that combine industrial production, energy infrastructure, innovation, skills development and access to finance. Their effectiveness depends on the ability to coordinate investments across multiple policy domains and governance levels.

Europe already supports a growing number of place-based industrial and innovation initiatives, including Net-Zero Acceleration Valleys, Hydrogen Valleys, Regional Innovation Valleys and Renewable Energy Valleys. The Industrial Accelerator Act should avoid creating additional fragmentation by ensuring that Industrial Manufacturing Acceleration Areas build upon and connect these existing ecosystem initiatives through coherent governance and investment frameworks. The IAA should therefore encourage synergies between acceleration areas, NZAVs, Hydrogen Valleys and other ecosystem-based initiatives that support the scale-up of strategic net-zero industries.

A European network of connected valleys would contribute significantly to the development of integrated clean-tech value chains and the strengthening of European industrial sovereignty.

The next MFF should provide dedicated support for ecosystem-based industrial initiatives, including Net-Zero Acceleration Valleys and Industrial Manufacturing Acceleration Areas. Future European Competitiveness Fund instruments should facilitate the scaling and interconnection of these ecosystems across Europe.

Therefore, IAA should:

- **Explicitly recognise Net-Zero Acceleration Valleys (NZAVs)** as implementation vehicles for industrial decarbonisation and clean-tech manufacturing growth
- Enable Industrial Manufacturing Acceleration Areas to build on and cooperate with **existing NZAVs**
- **Promote networking and cooperation** among NZAVs across Europe
- **Encourage synergies** between Industrial Manufacturing Acceleration Areas, NZAVs, Hydrogen Valleys and Regional Innovation Valleys
- **Secure dedicated support under the next MFF instruments** to facilitate the financial scaling, cross-border connection, and investment coordination of these ecosystem-based industrial initiatives

4. Ensure SMEs and innovation actors benefit from the Industrial Accelerator Act

Industrial transformation will only succeed if SMEs, and other small actors, are fully integrated into emerging industrial ecosystems. Many SMEs face barriers related to permitting complexity, access to finance, technology deployment and participation in European value chains. Regional innovation ecosystems play an essential role in addressing these challenges.

Accelerated permitting alone will not deliver industrial transformation. Industrial acceleration must be accompanied by dedicated support for innovation, demonstration facilities, skills, energy infrastructure and access to European funding instruments. SMEs often face barriers related to financing, technological upgrading and access to technology infrastructures.

A comprehensive ecosystem approach is therefore needed to ensure that industrial projects can move from innovation to deployment and manufacturing while creating quality jobs and strengthening regional competitiveness.

The European Competitiveness Fund should play a key role in addressing the financing gap that often prevents strategic industrial projects and SMEs from progressing from demonstration to deployment. In line with [ERRIN's proposal of amendments for the next MFF \(FP10 and ECF\)](#), future funding instruments should support the full innovation journey, including scale-up, infrastructure roll-out, skills development and market uptake, while ensuring strong synergies with FP10 and regional innovation ecosystems.

ERRIN therefore calls for:

- **SME-friendly implementation** of permitting simplification measures
- Dedicated support for **SME participation in strategic industrial EU value chains** through targeted support measures at regional level, ecosystem-based collaboration projects and increased engagement in relevant European Partnerships.

- **A comprehensive framework to facilitate SME access to industrial infrastructures**, including demonstration facilities, testing infrastructures, and innovation services required for technological upgrading
- **Targeted financial mechanisms under the European Competitiveness Fund** to bridge the financing gap that prevents strategic SME projects from moving from the demonstration phase to deployment and manufacturing
- Strong synergies within the next MFF between future funding instruments, ensuring that regional innovation ecosystems work in tandem with FP10 and the European Competitiveness Fund to **support the full innovation journey** and create quality local jobs

5. Coordinate key policies and address the skills needs

The IAA should contribute not only to industrial competitiveness but also to strengthening Europe's long-term skills development, innovation capacity and territorial cohesion. A successful industrial transformation requires a skilled workforce capable of supporting the deployment and scale-up of strategic technologies and manufacturing activities across Europe.

Regional innovation ecosystems provide the framework through which industrial investments can be translated into high-quality jobs, workforce development and sustainable regional growth. Industrial Manufacturing Acceleration Areas should therefore be accompanied by dedicated efforts to develop local and regional skills ecosystems, bringing together industry, universities, vocational education and training providers, research organisations and public authorities.

The IAA should also promote stronger synergies with other key European policy frameworks and initiatives, including research and innovation policy, cohesion policy, skills and education policies, the forthcoming Circular Economy Act and relevant sectoral industrial strategies. Greater policy coherence will be essential to maximise the impact of industrial acceleration measures and support long-term competitiveness.

Circularity should be recognised as a cross-cutting principle underpinning industrial acceleration. The development of circular industrial ecosystems and recycling capacities can strengthen European industrial resilience, reduce strategic dependencies and contribute to decarbonisation objectives. The IAA should therefore encourage synergies with circular economy policies and support the integration of circularity considerations into industrial ecosystem development and strategic value chains.

ERRIN therefore encourages the Commission and the Co-Legislators to:

- **Promote and support skills ecosystems** linked to Industrial Manufacturing Acceleration Areas that build long-term innovation capacity, enabling regional ecosystems to translate industrial investments into high-quality jobs, workforce development, and sustainable growth
- **Encourage collaboration between industry, universities, vocational training providers and research organisations** to drive circular industrial ecosystems, strengthening European industrial sovereignty and long-term innovation capacity through regional frameworks
- **Ensure that less-developed and transition regions can participate in emerging strategic value chains**

The Industrial Accelerator Act should therefore be implemented as part of a broader competitiveness framework that combines regulatory acceleration with long-term investment under the next MFF, ensuring that strategic industrial projects can move efficiently from innovation to deployment while

delivering territorial cohesion, industrial resilience and European competitiveness. To maximise impact, Industrial Manufacturing Acceleration Areas should not operate as isolated zones, but as interconnected nodes within integrated European value chains. They must be developed through a rigorous place-based approach that builds on genuine regional industrial capabilities, multi-level governance and strong multi-actor collaboration, ensuring that industrial investments are rooted in real capabilities and connected across European value chains.

[ERRIN](#) (European Regions Research and Innovation Network) is a Brussels-based platform that gathers over 120 regional organisations from 26 European countries. ERRIN aims to strengthen the regional and local dimension in EU Research and Innovation policy and programmes. ERRIN supports members in enhancing their regional and local research and innovation capacities and further developing their research and innovation ecosystems.

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