Brussels, 13 March 2025

Subject: Cross-industry call for Recognition of Cogeneration in the Net-Zero Industry Delegated Act

Dear Executive Vice-President Stéphane Séjourné,

Representing EU energy intensive industries, local energy companies, the district heating sector, EU based manufacturers, including SMEs, the signatories of this letter ask for the recognition of future-proof and renewable-based cogeneration technologies in the final draft of the European Commission's Delegated Act on primarily used components under the Net-Zero Industry Act (NZIA DA).

A range of future-proof and renewables-based cogeneration solutions are produced in Europe, with significant potential to boost energy efficiency, decarbonise energy and accelerate renewable energy uptake. Key industrial sectors and district heating rely on cogeneration today and need these technologies in the future to stay competitive and decarbonise at the same time, in line with Clean Industrial Deal objectives. In addition to securing competitive energy supply, distributed cogeneration embedded in the local economy reduces the need for expensive power grids investments and supports energy system flexibility.

With a strong manufacturing base in Europe, cogeneration stands for a range of mature and future-proof clean energy solutions at the heart of Europe's economy and communities (see more details in the annex). **The cogeneration sector is creating more than 100,000 direct jobs across Europe and supports well-established and highly skilled supply chains at local level, including numerous SMEs.** EU-based manufacturers are actively investing in innovative, renewables-based and future-proof cogeneration technologies, in line with EU's energy, climate and competitiveness objectives.

Cogeneration is the most efficient way to use any thermal energy source, including solar thermal, geothermal, hydrogen, bioenergy and RNFBOs. Moreover, cogeneration supports system energy efficiency and reduces the need for costly power grid expansion, in line with energy efficiency first principle. **High efficiency cogeneration is recognised across EU legislation and its applications are clearly defined[1] with direct correspondence to the following categories outlined in the draft NZIA DA: solar thermal, geothermal energy technologies, hydrogen fuel cells, hydrogen, sustainable biogas, sustainable biomethane, sustainable biomass and system-related energy efficiency technologies.**

Our industries are committed to EU competitiveness, innovation and clean technology leadership. To safeguard and grow the sectors' footprint in the European Union, as well as ensure its contribution towards competitive industrial decarbonisation and competitiveness, cogeneration technologies must be integrated in the NZIA Delegated Act under all relevant categories.

Yours sincerely,

Hans Korteweg
Managing Director
COGEN Europe

On behalf of Bioenergy Europe, CEDEC, COGEN Europe, ETN Global, Eugine, EUTurbines and Hydrogen Europe.

[1] High efficiency cogeneration is defined in the Energy Efficiency Directive and referenced in the Renewable Energy Directive, EU SET Plan, as well as EU Taxonomy, EU State Aid framework and the EIB Energy Lending Criteria. See list of cogeneration technologies, applications and energy sources, including various renewable sources in the European Commission Delegated Act on Harmonised Reference Values (EU) 2023/2104.

Bioenergy Europe

Bioenergy Europe is the voice of European bioenergy. It aims to develop a sustainable bioenergy market based on fair business conditions. Founded in 1990, Bioenergy Europe is a non-profit, Brussels-based international organisation bringing together associations and companies, as well as academia and research institutes from across Europe.
https://bioenergyeurope.org/

CEDEC

CEDEC is the European Federation of local energy companies, representing the interests of 2000 local and regional energy and broadband companies across Europe, close to citizens and businesses, serving 100 million electricity, gas and district heating customers and broadband connections.

Active in every part of the value chain – local generation, distribution grids and supply - these companies provide products and services which are reliable, sustainable and close to the customer, making a significant contribution to local and regional economic development.
http://www.cedec.com/en/about-us

COGEN Europe

COGEN Europe, the European Association for the Promotion of Cogeneration, is the cross-sectoral voice of the cogeneration industry. We have 56 members: 17 national associations and 39 corporate members spanning the entire value chain from technology manufacturers to consultancies.
www.cogeneurope.eu

ETN Global

Energy & Turbomachinery Network (ETN Global) is a non-profit membership association bringing together the entire value chain of the gas turbine technology. Through cooperative efforts and by initiating common activities and projects, ETN Global encourages and facilitates information exchange and cooperation to accelerate research, development, demonstration, and deployment of safe, secure, affordable and dispatchable carbon-neutral energy solutions.
https://etn.global/

EUGINE

EUGINE is the voice of Europe's engine power plant industry. Our members are the leading European manufacturers of engine power plants and their key components.
https://www.eugine.eu/

EU Turbines

EUTurbines represents the interests of the whole sector of the gas and steam turbine industry. As a recognised and respected voice of the sector, it aims at integrating all European manufacturers of the sector, covering all relevant applications.
https://www.euturbines.eu/

Hydrogen Europe

Hydrogen Europe is the European association representing the interest of the hydrogen industry and its stakeholders and promoting hydrogen as an enabler of a zero-emission society.
https://hydrogeneurope.eu/