



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL  
ENVIRONMENT  
Directorate C – Zero Pollution  
ENV.C.4 – Industrial Emissions & Safety

Brussels  
ENV.C.4

**TO THE MEMBERS AND OBSERVERS OF THE INDUSTRIAL EMISSIONS DIRECTIVE (IED)  
ARTICLE 13 FORUM**

**Subject: Call for evidence - IED Transformation plans and Investment gap for the transformation of the installations covered by the IED 2.0 towards a clean, circular and climate neutral industry**

*1.1.1. Introduction and context*

The EU policy is geared towards a deep industrial transformation over the coming decades. This involves decarbonisation<sup>1</sup>, decoupling economic growth from resource use and shifting to circular systems<sup>2</sup>, and reducing pollution to levels no longer considered harmful to health and natural ecosystems<sup>3</sup>.

The revised Industrial and Livestock Rearing Emissions Directive (Directive 2010/75/EU or 'IED 2.0', as amended by Directive 2024/1785), is the main EU instrument for regulating pollution and emissions from approximately 75,000 livestock rearing and industrial installations.

The IED 2.0 recognises the need for a deep transformational change and the time and investment that may be necessary for installations to achieve this. It encourages implementing BAT or emerging techniques that involve major changes in design and/or technology, which should contribute to substantial GHG reductions and optimised environmental co-benefits. This may present significant costs to industry making it necessary to optimise synergies between all environmental objectives to deliver the transition cost-effectively.

A wide range of private and public sources exist to finance the transition. Each funding route will have different eligibility criteria, focus sectors and geographies, and will offer

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<sup>1</sup> The European Green Deal, FitFor 55 package

<sup>2</sup> The Circular Economy Action Plan

<sup>3</sup> The Zero Pollution Action Plan

financing in a variety of different forms. Furthermore, access to financial resources may vary for different companies within a given industrial sector, and across sectors.

### *1.1.2. Transformation plans*

Article 27d of the IED 2.0 stipulates that installations must include in their environmental management system (EMS) an indicative transformation plan with information on how the installation will transform through 2030 to 2050 to be sustainable, circular, resource efficient, climate-neutral and clean, including where relevant deep industrial transformation (see article 3(9a) and article 27e of the IED 2.0).

Transformation plans should be made public within the EMS of an installation (Article 27d). The transformation plans of energy-intensive installations are required to be drafted by 30th June 2030 (Article 27d para 1); installations undertaking other activities will be required to produce transformation plans as part of the permit reconsideration and update following the publication of decisions on BAT conclusions published after 1 January 2030 (Article 27d para 2). Where two or more installations are under the control of the same operator, or if the installations are under the control of different operators that are part of the same company, in the same Member State, those installations may be covered by one transformation plan. The European Commission must adopt a delegated act specifying the content for the transformation plans by 30 June 2026 (Article 27d para 5).

### *1.1.3. Call for evidence to support two European Commission studies*

The European Commission DG Environment has commissioned **two** studies in relation to IED 2.0 and transformation plans. Both are running in parallel and are being led by Logika Group with supporting partners (Environment Agency Austria, Seeds and Ökopool).

The **first study** aims to *assess the investment gap for the transformation of the installations covered by the IED 2.0 to achieve carbon neutrality, zero pollution and a circular economy ambitions*. The study will:

- collate and synthesise information on key technologies for decarbonisation, zero pollution and circular economy objectives applicable to IED 2.0 sectors.
- develop transformation scenarios which project the necessary uptake of technologies to meet environmental ambitions, and estimate their costs.
- review funding options for IED 2.0 installations to finance the take-up of technologies, comparing this to the costing of sectoral transformation plans to assess the investment gap.

The **second study** will support the European Commission with the development of the content of the transformation plans which will be set out in the delegated act described above. The project will first establish the ideal contents for transformation plans based on the IED 2.0 as well as wider EU policy objectives. It will also review similar requirements under other EU legislation to ensure consistency and avoid duplication. Based on this analysis, a draft content will be developed and shared with stakeholders to gather feedback. The draft will then be refined accordingly to support the finalization of the delegated act.

Due to the complementarities between the projects, this preliminary call for evidence is being issued jointly and asks key stakeholders to provide evidence and information to inform both projects where possible. A small number of questions are set out below for each project to invite any initial views and supporting evidence.

*1.1.4. Call for evidence – questions related to investment gap for the transformation of the installations covered by the IED 2.0 towards a clean, circular and climate neutral industry*

For the study assessing the potential investment gap, we ask for you to share relevant studies, data and other information relevant to the scope of work to inform the evidence base for the study. The responses and the information provided will ensure that no key sources are missed within our evidence review process and therefore will enable a thorough and more accurate assessment to take place. Please can you share any studies, data or other information which:

- (1) Define transformation pathways for one or more industrial sectors covered by the IED 2.0 to meet decarbonisation, depollution and circularity goals up to 2050, and describe the key underlying technologies and techniques which will drive the transformation;
- (2) Assess the costs of sectoral transformation in terms of depollution, decarbonisation and circularity;
- (3) Identify relevant funding sources and financing options available to IED 2.0 installations to support implementation of depollution, decarbonization and pro-circular techniques (including any analysis of funding sources accessed to date, and the potential of different sources to contribute going forward);
- (4) Explore how the costs of transformation and access to funding may vary by size of business (in particular assessing potential implications for SMEs).

*1.1.5. Call for evidence – questions related to transformation plans*

For the study developing the content of the transformation plans we are seeking initial views and inputs to inform the development of the first draft content of the plans. A small

number of open-ended questions are set out below to invite any initial views and supporting evidence.

An initial proposal for the overall content of the transformation plans is set out below. Please provide any feedback in relation to these headings, including scope and any concerns or challenges.

- General objectives: the general objectives should articulate the overarching aims of the transformation plan, aligning with the goals of IED 2.0 and EU policies such as climate neutrality, zero pollution, and a circular economy.
- Baseline performance: provides information on emissions and resource consumption for the baseline year under which the plan is produced. This would allow the level of ambition in the specific targets to be appraised and also allows tracking of progress in interim years. Much of this information is likely to be already reported under the IEPR or included within the EMS.
- Specific time-bound targets (quantitative): specific quantitative time-bound targets translate the general objectives into measurable outcomes, providing benchmarks for environmental performance to track progress. These should include targets for greenhouse gas emissions reduction, improvements in energy and resource efficiency, and reductions in specific emissions of pollutants. These elements may be linked to BAT-AELs, BAT-AEPLs and benchmarks (for performance levels), and units and metrics for reporting contextual fields under the Industrial Emissions Portal.
- Intermediate targets and milestones: intermediate targets and milestones provide a roadmap for achieving the specific quantitative time-bound targets. The milestones should detail key steps or achievements, such as obtaining permits, taking investment decisions for commissioning new techniques, starting operation of new techniques, while the intermediate targets should relate to interim emissions reductions.
- Measures to achieve targets including techniques: this section outlines the practical measures and technologies planned to meet the targets, emphasising Best Available Techniques (BAT) and innovative approaches (e.g. emerging techniques). It should detail investments in emissions control, resource optimisation and process improvements.
- Consideration of cross-media effects/impacts on other objectives: the transformation plan should evaluate potential cross-media effects, ensuring that measures to achieve one objective (e.g. emission reduction) do not inadvertently cause harm in another area (e.g. resource efficiency). This includes the identification of potential co-benefits as well.

What sector-specific elements should be reflected (if any) in the proposed content for the transformation plans?

Do you anticipate any specific concerns in relation to confidential business information (CBI) with the drafting of transformation plans (e.g. planned investments), and do you have any suggestions on how this could be avoided?

*1.1.6. How to respond and next steps*

We would be grateful if you could support our contractor by providing any initial feedback and/or evidence of relevance for the above questions by 14 March 2025, to our contractors ([DavidBirchby@logikagroup.com](mailto:DavidBirchby@logikagroup.com) and [JamesSykes@logikagroup.com](mailto:JamesSykes@logikagroup.com)) and the European Commission ([Malgorzata.KICIA@ec.europa.eu](mailto:Malgorzata.KICIA@ec.europa.eu) and [Luisa.SAMARELLI@ec.europa.eu](mailto:Luisa.SAMARELLI@ec.europa.eu)). We can set up a secure file transfer process where this is required.

Further consultation activities will be undertaken throughout both contracts. For the assessment of the investment gap, activities will include a series of targeted interviews which are planned for late spring / early summer 2025, with a workshop planned towards the end of the study (late summer / early autumn 2025). For the development of the transformation plans, consultation activities include interviews, focus groups and a workshop to seek feedback on the initial draft. An initial draft will be circulated to stakeholders around Q3 2025.

We acknowledge that consultation activities such as this entail a burden on stakeholders, therefore in order to avoid consultation fatigue we aim to align these activities wherever possible and where the timeframe of the respective contracts allow. If you would be willing to participate in any of these follow-on activities, please communicate this in your response to this call.

Yours sincerely,

*Electronically signed*

Stefan LEINER  
Head of Unit