International Association of Oil & Gas Producers

POSITION STATEMENT | JULY 2025

IOGP Europe call for simplification of permitting

Introduction

The EU's ability to achieve its industrial decarbonization and energy transition objectives hinges on the effectiveness of its permitting systems. However, current frameworks are too often fragmented, slow, and ill-adapted to the complexity, scale, and urgency of today's strategic infrastructure needs. Lengthy and unpredictable permitting procedures undermine investor confidence, delay the deployment of green and low carbon technologies (including CCS and hydrogen) and place the EU's climate and competitiveness targets at risk.

Permitting plays a critical role in Europe's industrial competitiveness, energy security and decarbonization goals. Yet across the EU, permitting regimes remain misaligned with the pace and complexity of the clean energy and industrial transition. As a result, projects essential to decarbonization and secure energy supply are routinely delayed, increasing costs, weakening supply chain resilience and eroding investor confidence. The consequences go beyond missed climate targets. Europe's ability to attract and retain clean industrial investment is also at stake. The US and China have introduced faster, more predictable frameworks to accelerate deployment. Unless Europe treats permitting reform as both an economic and strategic imperative, it risks falling behind global competitors.

Permitting must therefore be treated as a strategic enabler, backed by coherent legislation, streamlined procedures, and strong institutional capacity at all levels. This is essential not only for meeting the EU's energy and climate objectives, but also for delivering the Net Zero Industry Act (NZIA) and ensuring long-term energy security and industrial resilience in an increasingly volatile global landscape.

IOGP Europe puts forward a set of concrete recommendations aimed at delivering faster, more predictable, and fit-for-purpose permitting systems. These include harmonizing administrative procedures, strengthening capacity and resourcing, deploying digital tools intelligently, and introducing tailored frameworks for strategic sectors such as CCS, hydrogen, and industrial clusters.

The following summarized recommendations are designed to support the European Commission, Member States, and permitting authorities in accelerating permitting reform, while maintaining high standards of environmental protection and public engagement:

1) Streamline and harmonize administrative permitting processes across Member States, to reduce delays duplications and legal uncertainty
2) Clarify and align legal obligations across directives to reduce litigation risks and improve consistency, especially for projects spanning over several jurisdictions
3) Establish legally enforceable time limits for permit granting with tracking and recourse through national courts, drawing on best practices from other jurisdictions
4) Launch wider introduction of *one-stop shops*, and mandate national-level interoperability, complemented by risk-based information requirements

5) Pair digitalization with procedural discipline, risk-based data requirements and minimum EU-wide standards for interoperability

6) Ensure sufficient resources at the national level through existing EU financing instruments and require Member States to submit annual staffing and capacity reports

7) Adopt a horizontal permitting Omnibus to harmonize implementation and reduce legal conflict between directives

8) Ensure consistent transposition of EU permitting legislation by guiding Member States through structured exchanges and best practice frameworks

9) Support the rollout of digital permitting procedures by 2035, in line with Industrial Emissions Directive (IED) Article 5 and avoid gold plating, misinterpretation or unnecessary administrative burden through the pancaking of administrative obligations

10) Integrate the principle of 'tacit approval' into EU legislations, to create accountability and time discipline in permitting procedures, with safeguards for environmental protection. Encourage Member States to establish 'tacit approval' mechanisms in national permitting systems

11) Introduce fit-for-purpose permitting regimes for strategic sectors, including cluster-level permitting options for infrastructure designated under the NZIA, Critical Raw Materials Act (CRMA) and other relevant frameworks

12) Promote political continuity through cross-party agreements and long-term planning tools to ensure permit durability

I. Administrative fragmentation and complexity

Despite shared EU legal frameworks (e.g. Industrial Emissions Directive (IED), Energy Efficiency Directive (EED)), national implementation remains inconsistent. For instance, while the EED requires large entities to conduct energy audits, their integration into permitting varies significantly across Member States, weakening their effectiveness.

Companies operating across borders encounter duplicative processes, unclear expectations, and inconsistent requirements. This is particularly damaging for cross-border infrastructure projects, such as CO_2 and hydrogen pipelines. Additionally, overlapping legislative requirements (such as Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), Waste Directives) often demand technical details unavailable until after engineering design, delaying approvals unnecessarily.

The 2023 BusinessEurope Study, conducted together with IOGP Europe, found 60% of companies experience permitting delays of 1–6 years, and over 80% identify permitting as a key investment barrier. The European Court of Auditors has reported durations of up to 11 years for offshore renewables. The 2024 Draghi and Letta reports both called for horizontal EU-wide initiatives to streamline and harmonize permitting.

II. Legal uncertainty and judicialization

Legal ambiguity, stemming from overlapping directives, unclear definitions, and variable national transposition, frequently leads to litigation and delays.

Strategic projects have stalled for years, as seen in the Porthos CCS case, which was delayed over six years due to legal ambiguity.

This is further compounded by vague application of derogations, thresholds, and 'overriding public interest' clauses in environmental law. Even when environmental impact is minimal or reversible, procedural risks lead to litigation.

Comparative international models show alternative approaches:

- The US NEPA imposes two-year time limits and pre-application consultations.
- China's EIA regime requires decisions within 60 days.

These frameworks demonstrate that legal certainty can be compatible with strong environmental safeguards.

Outside the EU, divergent systems (such as UK Energy Savings Opportunity Scheme (ESOS) vs EU EED) and lack of mutual recognition increase duplication and compliance costs, undermining efficiency across permitting.

III. Capacity and resourcing gaps

Permitting authorities often lack the staffing, technical knowledge, and digital tools needed to manage today's complex, multi-sector projects (such as CCS, hydrogen, renewables). This results in procedural delays, coordination failures, and long response times.

Studies by CERRE and the IEA-EU-ARPE project identify systemic governance fragmentation and understaffing as major barriers. Delays in permitting increase project risk and undermine the delivery of infrastructure vital to the NZIA and broader Green Deal.

We support the creation of national one-stop shops aligned with the NZIA to centralize permitting coordination. Permitting must be recognized as a strategic public function, with funding from instruments like the Just Transition Mechanism, Modernisation Fund, and EU Strategic Technologies for Europe Platform (STEP).

The Union of Skills initiative offers a complementary solution. By providing targeted upskilling for permitting authorities (focusing on technical, regulatory, and digital capabilities) can help bridge capacity gaps and improve processing efficiency.

Risk-based permitting models (such as in in Greece) can also reduce burdens while maintaining oversight. Early engagement with stakeholders and use of expert contractors by industry can support smoother permitting but cannot substitute for institutional capacity.

IV. Lack of digitalization

Manual and paper-based processes continue to dominate permitting in many Member States. While some progress has been made through digital forms and templates, efficiency gains remain limited due to inconsistent implementation and poor interoperability.

Digitalization must go beyond basic forms. It requires procedural streamlining, risk-based information requests, and integrated national systems. Centralized EU platforms are unlikely to succeed due to linguistic and institutional diversity, national-level upgrades with minimum EU wide standards are more realistic.

Digital tools should also foster transparency and engagement. Public dashboards and participation portals can improve visibility and trust. Standardizing data formats and improving local IT capacity are critical enablers of success.

V. Inconsistent implementation across Member States

Permitting regimes must account for legitimate national differences (such as geology, energy mix). However, a lack of clarity and alignment across borders leads to overlapping requirements, conflicting conditions, and delays, especially for cross-border infrastructure.

Local discretion and divergent interpretations further reduce predictability. This is especially problematic for companies operating across the EU and UK.

Harmonizing implementation across IED, Strategic Environmental Assessment (SEA), Water Framework Directive (WFD) and other frameworks would support legal coherence and reinforce the single market without undermining national autonomy.

VI. Regulatory durability and political continuity

Securing a permit does not guarantee delivery. Even when projects obtain the necessary permits and governmental support for decarbonization projects, they remain exposed to political risk. In addition, changes in government can lead to policy reversals or the withdrawal of support mid-project, undermining investment certainty. This is particularly relevant for long-lead, capital intensive projects such as the electrification of offshore installations.

This risk is evident in Norway, where the approved electrification of Melkøya LNG faced political opposition and a reversal attempt. In the UK, the electrification of Rosebank's FPSO depends on future regulatory consents and infrastructure access, underscoring continued exposure to political and policy shifts.

Long-lead, capital-intensive projects (such as offshore electrification) are particularly vulnerable. Cross-party agreements, multiannual planning frameworks, and legally anchored commitments can ensure permitting outcomes are durable and insulated from political instability. As seen in the previously mentioned Porthos CCS project, even legally approved infrastructure can face prolonged delays when legal or political uncertainties persist, despite strong policy support.

VII. Generic permitting unfit for strategic projects

Current systems treat each facility as isolated, ignoring integrated value chains and shared infrastructure (such as CO_2 pipelines, hydrogen valleys, waste heat reuse). This leads to fragmented approvals, conflicting conditions, and lost opportunities for circularity and innovation.

Permitting at a cluster level would enable more efficient deployment of shared assets and better reflect how industrial decarbonization operates in practice. Greece has already implemented reforms in this direction, introducing a risk-based approach and ex post inspection regimes for industrial parks. This has contributed to the reduction of time taken to obtain a permit in Greece while maintaining environmental oversight.

First-of-a-kind projects are also penalized under existing frameworks, as authorities default to the strictest applicable BREFs, even when inappropriate. This stifles innovation and increases project risk.

A more integrated, site-specific permitting model, underpinned by new legal provisions and coordination mechanisms, is needed for strategic sectors. This includes CCS, hydrogen, and critical raw materials under the NZIA, CRMA, and related frameworks.

VIII. Good practices and international benchmarks

Several Member States and international partners provide useful models:

- **Germany**: applies IED installations 'concentration principle' with a lead permitting authority.
- **The Netherlands**: one-stop shops and real-time digital tracking.
- **Finland**: streamlined environmental and safety permitting via a unified digital process.
- **Greece**: industrial park-level permitting and risk-based oversight, reducing permitting times to as little as 10 days.
- **US**: time limits and structured pre-consultation.
- **China**: 60-day cap on environmental assessment approvals.

These examples show that discipline, digitalization, early engagement, and smarter coordination are compatible with robust environmental protection.

Conclusion

Our recommendations and examples set out in this paper, highlighted across Member States and international partners demonstrate that faster, smarter permitting is not only possible, but it is compatible with high environmental standards.

We believe that, by embracing time discipline, digitalization, early engagement, and streamlined coordination, permitting systems can become true enablers of the energy transition rather than persistent bottlenecks.

For the EU to deliver on it's climate goals as well as its industrial and energy security goals requires more than political ambition: it requires practical reform.

Permitting must be reimagined as a strategic public function, resourced accordingly, and embedded within a coherent, future-fit regulatory framework.

The recommendations set out in this paper provide a blueprint for how this can be achieved.

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