



Legal Alert | EU Proposal Industrial Accelerator Act (IAA) - Complementary, Special Value Conditions-Based FDI Regime

by Vanessa Nistor | 6 March 2026

On 4 March 2026, the EC published the Proposal for a [REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a framework of measures for the acceleration of industrial capacity and decarbonisation in strategic sectors and amending Regulations \(EU\) 2018/1724, \(EU\) 2024/1735 and \(EU\) 2024/3110 \(Industrial Accelerator Act Proposal or IAA Proposal\)](#). The IAA Proposal will not formally modify the **EU FDI screening regime (Regulation 2019/254)**, but will add a new industrial layer in the screening of certain investments.

While FDI screening has traditionally focused on security and public order, the IAA Proposal incorporates industrial resilience into the equation, being a **sector-specific** control regime focused on industrial outcomes (jobs, tech transfer, supply-chain depth), **Access to EU market will depend not only on who invests, but also on what industrial value that investment creates in Europe. Capital alone won't clear investments-fulfilment of verifiable, long-term special value conditions is the new price of admission. The EU remains formally open to FDI, but the IAA Proposal signals a move from pure openness to conditional openness.**

For countries like Romania, where FDI screening is already broad, the interaction between investment screening and EU industrial policy will become increasingly relevant in sectors such as energy, technology.

The IAA proposal applies to non-EU FDI ≥ €100m that confers control (≥30% equity/votes or equivalent rights) over an EU target/asset in batteries, EVs/fuel-cell vehicles, solar PV, and critical raw materials, where the investor's country holds >40% of global manufacturing capacity in the relevant sector.

De facto, approval will mean compliance with special value conditions (4-of-6 test) – National Investment Authorities, which shall be designated by each Member State, may approve FDI **only if at least 4 of 6 conditions are satisfied** – with **≥50% EU workforce** being **mandatory** among the four. Core conditions: **49% cap** on foreign ownership; **mandatory JV** with EU partners (≤49% foreign stake); **≥50% EU workforce**; **IP/know-how licensing** to EU entities; **≥1% EU-based R&D spend**; **≥30% EU-sourced** inputs and a published EU value-chain strategy.

The specific value-creation conditions must be kept throughout the entire duration of the investment, subject to **ongoing monitoring and reporting obligations. Non-compliance may result in sanctions which shall be established by the Investment Authority.**

Standstill obligation applies: transactions cannot be implemented prior to approval. **Failure to notify** may trigger sanctions which shall be set by each Investment Authority, with **minimum penalties of at least 5% of the average daily aggregate turnover of the foreign investor undertaking.**

NB – The EC will be actively involved in the FDI screening under IAA, working closing with National Investment Authorities and even reviewing itself FDI investments in certain conditions.

Deeper dive => more details available on [PNSA blog](#).