

## Minutes of meeting (video-call)

Date: 7 June 2021

Entity: AEGIS Europe, Euroalliages, CEPI, CerameUnie, Fertilizers Europe, European Producers Union of Renewable Ethanol (ePURE), European Aluminium, Eurometaux, Federacciai, European Container Glass Federation (FEVE), The European Steel Association (EUROFER)

Participants:

Commission's representatives: Antoine Colombani (Member of the Cabinet of EVP Timmermans)

[REDACTED] (representing AEGIS Europe), [REDACTED]  
[REDACTED] Euroalliages), [REDACTED] (CEPI), [REDACTED]  
(CerameUnie), [REDACTED] (Fertilizers Europe), [REDACTED] – ePure, [REDACTED]  
[REDACTED] (European Aluminium), [REDACTED]  
(Eurometaux), [REDACTED] (Federacciai), [REDACTED] (FEVE), [REDACTED] (Eurofer).

Representatives AEGIS Europe explained what sectors they represent and underlined their support to EU climate goals while stressing the need to preserve competitiveness. They consider that if properly designed, a Carbon Border Adjustment Mechanism (CBAM) will work well as an instrument to fight carbon leakage for some sectors, but not for others, depending on their specific features. They emphasised the need to preserve free allowances under the EU ETS, in particular to preserve export competitiveness, and considered this can be reconciled with WTO rules. They stressed the need for strong provisions in the design of the CBAM to avoid loopholes and expressed their concerns about potential downstream carbon leakage. They also stated that a transition period was necessary.

Mr. Colombani for the Commission recalled the objectives of the CBAM and its role within the forthcoming "Fit for 55" package. It will be designed as an environmental measure, aiming to reduce emissions and address the risk of carbon leakage. He explained that the proposal is subject to a thorough impact assessment, including on the selection of sectors and value chain impacts. He stressed the importance of ensuring that the CBAM is fully in line with WTO rules, and recalled that CBAM and free allocation under the EU ETS are alternative tools to fight carbon leakage, not complements. However, the Commission is aware that a transition from one system to the other will be needed for operators to adjust. He thanked the representatives of AEGIS Europe for their input.