

Meeting report - Meeting between EUROFER and DG TAXUD – 16 June 2021

Participants: Gerassimos Thomas, [REDACTED] (DG TAXUD) Axel Eggert, [REDACTED] (EUROFER)

On request of EUROFER, this meeting took place to discuss the upcoming proposal for a CBAM, following intense discussions on the proposal in media and broader public.

DG TAXUD gave an update on the state of play of the proposal, stressing that CBAM is not an isolated proposal, but part of a broad package – the fit for 55 package. This means that many design choices cannot be taken in isolation and some choices will only be made at a later stage, when the rest of the package is more stabilised.

EUROFER thanked for the opportunity to discuss again this important file. EUROFER stressed again its concern with the removal of EU ETS free allowances of the CBAM sectors. They explained that in their view, CBAM and EU ETS free allowances can co-exist in a WTO compliant way.

DG TAXUD indicated that they would look into the legal analysis on WTO compliance, but stressed that WTO compliance is of paramount importance and the legal assessment must be watertight. The issue is not co-existence as such, as long as domestic production is not privileged over imports.

It was agreed to re-discuss in due time.