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Answer given by Mr Hoekstra
on behalf of the European Commission
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The Carbon Border Adjustment Mechanism (CBAM) puts a carbon price on imports that is equivalent to that paid by EU producers under the EU Emissions Trading System (ETS). The CBAM thereby addresses the risk of carbon leakage, which could undermine the effectiveness of EU's climate objectives. This makes the CBAM an essential tool for achieving a climate-neutral Union at the latest by 2050, in line with the Paris Agreement.

As announced in the Steel and Metals Action Plan of 19 March 2025, the Commission will make a broad review of CBAM by the end of the year. As part of this review, it will make a first legislative proposal extending CBAM to certain downstream products for which there is a risk of carbon leakage.

To mitigate the costs and administrative burden of the green transition as envisaged by the EU Green Deal, the Commission has taken measures to support EU industries. For instance, the Clean Industrial Deal, presented on 26 February 2025, highlights the importance of clean tech, which includes the wind energy sector, in driving future competitiveness, industrial transformation, and decarbonisation. The Clean Industrial Deal alone will mobilise over EUR 100 billion to support clean manufacturing in the EU.

Further, the Commission presented on 26 February 2025 a package of CBAM simplifications, which will facilitate compliance with reporting requirements and simplify the authorisation of declarants, the calculation of emissions, and compliance with the financial liability.