**Border Carbon Adjustment in the EU**

**Launch of Report on Indirect Emissions in CBAM**

***This meeting is on the record / press is invited.***

**Date**: July 5th, 2022

**Time:** 14:00 – 16:00 (CET)
**Location**: Zoom - [REGISTRATION](https://us02web.zoom.us/webinar/register/WN_rJU_XITpSeeZnnli-Ob8KQ)

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| Since 2019, ERCST has built up solid experience on BCAs and carbon leakage issues in the EU context. The ERCST Team has accompanied the CBAM file from its earliest stages in the legislative process, providing analytical input to the discussion on BCAs and fostering an informed debate with domestic and international stakeholders. After an [array of reports](https://ercst.org/Competitiveness-and-carbon-leakage/), surveying, amongst others, the rationale and policy options for an EU BCA and assessing the European Commission’s proposed CBAM as well as its history to date, the ERCST CBAM Project is now in its third phase. With the file progressing through Parliament and the Council and trilogue negotiations in sight, ERCST is now focusing on the “[crunch issues](https://ercst.org/addressing-crunch-issues-in-the-eu-cbam-a-review-of-the-envi-committee-rapporteurs-draft-report/)” which have emerged in the debate.One of the crunch issues identified by ERCST is the inclusion of indirect (scope 2) emissions in the scope of the CBAM. The Commission proposal only includes direct emissions under the CBAM, but the Parliament is backing the inclusion of indirect emissions from the start. With the Council supporting the Commission proposal, but qualifying onsite electricity production by manufacturers as direct emissions, the trilogue negotiations will have to resolve these inconsistencies.At this event, the ERCST Team will present an analysis of the reasons which speak both for and against the inclusion of indirect emissions, as well as the strengths and weaknesses of the different options if indirect emissions are to be included.ERCST’s work on border carbon adjustment in the EU is made possible by support from CEFIC, EBRD, EdF, Enel, Eurofer, Eurmetaux, ExxonMobil, Fertilizers Europe, the Government of France, the Government of Germany, and MetInvest. |

14:00 **Presentation of ERCST Report**

* A. Marcu, Director, ERCST
* M. Mehling, ERCST
* A. Cosbey, ERCST

14:45 **Stakeholder reactions**

* Y. Zachariadis, DG TAXUD
* C. Cummis, U.S. Department of Energy
* N. Bitsios, Eurometaux
* F. Branger, French Ministry of Environment
* A. S. Brunt, Statnett

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| Roundtable discussion on:* Should indirect emissions be covered in the EU CBAM?
* What are the advantages and disadvantages?
* What barriers exist (e.g. data availability and reporting infrastructure)?
* What options exist for including indirect emissions in the EU CBAM while minimizing harm to electro-intensive industries?
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15:30 **Q & A and roundtable discussion with participants**

15:55 **Concluding remarks**