



# Impact of CBAM certificates on EU ETS

## Joint Stakeholder Roundtable

*This meeting is under Chatham House Rules/ No press.*

### Agenda

**Date:** Thursday 23 November

**Time:** 10.30 – 12.30 CET

**Venue:** In person, Rue Archimède 61, 1000 Brussels, Belgium

Since 2019, ERCST has built up solid experience on BCAs and carbon leakage issues in the EU context. ERCST 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.

Redshaw Advisors is dedicated to empowering strategic decision-making by providing up-to-date transparency on the legislation that affects EU ETS covered entities including CBAM, direct and indirect cost forecasting, MRV requirements, and risk management recommendations for companies already exposed to the EU ETS, as well as importers required to participate in this regime.

The CBAM regulation was adopted and entered into force in 2023. CBAM importers of selected carbon intensive goods will have to buy CBAM certificates starting in 2026, while the monitoring of CO<sub>2</sub> emissions will become mandatory as from October 2023. CBAM certificates will mirror the EU ETS carbon price and will be based on the weekly average closing price of EUAs auctions.

CBAM certificates will not be tradable. While hedging risk is possible in the ETS market, this will not be possible with CBAM certificates. This creates an expectation that participants will speculate with the carbon price to influence the price of CBAM certificates.

This meeting is intended as a roundtable with a small group of invited stakeholders and policy makers to brainstorm the potential impact of CBAM certificates on the EU ETS price and hedging. It will bring together EU experts in the areas of law, economics and policy to explore the critical underlying questions and assess proposals to address them.

10:30

#### Welcome

- **A. Marcu**, ERCST
- **L. Redshaw**, Redshaw Advisors



This brainstorm session is meant to bring together a small group of stakeholders to discuss the potential impact of demand for CBAM certificates on the carbon market.

Roundtable speakers will present their views kicked off by a 5-minute initial intervention. Open roundtable discussions with participants will conclude the session. Questions to be addressed include:

- What could be the impact of CBAM on EU ETS (EUAs) carbon price formation?
- Could we expect a short and long-term impact on EU ETS prices due to the entrance of new CBAM participants?
- Will this have a positive or negative impact on the carbon market?
- When can we expect this impact to take place?

## Roundtable

10:40

### Open roundtable (Icebreakers)

- **D. Maleski**, Redshaw Advisors
- **I. Petcu**, Eurelectric
- **P. Chauveau**, Solvay
- **R. Jeszke**, KOBiZE
- **T. Sikorski**, Energy Aspects

11:20

### Concluding remarks

12.30

### End of the roundtable