

## Basic information

2025/0419(COD)

COD - Ordinary legislative procedure (ex-codecision procedure)  
Regulation

Carbon Border Adjustment Mechanism: extension of its scope to downstream goods and anti-circumvention measures

Amending Regulation 2023/956 2021/0214(COD)

### Subject

2.10.01 Customs union, tax and duty-free, Community transit

3.70.02 Atmospheric pollution, motor vehicle pollution

3.70.03 Climate policy, climate change, ozone layer

3.70.15 Environmental taxation

6.20 Common commercial policy in general

Awaiting committee decision

## Key players

European Parliament

Committee responsible	Rapporteur	Appointed
<b>ENVI</b> Environment, Climate and Food Safety	CHAHIM Mohammed (S&D)	23/02/2026
	Shadow rapporteur JARUBAS Adam (EPP) SARDONE Silvia (Pfe) CAVEDAGNA Stefano (ECR) MATTHIEU Sara (Greens /EFA) BOYLAN Lynn (The Left) ARNDT Anja (ESN)	
Committee for opinion	Rapporteur for opinion	Appointed
<b>INTA</b> International Trade	BOYLAN Lynn (The Left)	02/03/2026
<b>ITRE</b> Industry, Research and Energy	SALINI Massimiliano (EPP)	25/03/2026
Committee for budgetary assessment	Rapporteur for budgetary assessment	Appointed
<b>BUDG</b> Budgets	GÓMEZ LÓPEZ Sandra (S&D)	03/03/2026

Council of the European Union		
European Commission	Commission DG	Commissioner
	Taxation and Customs Union	HOEKSTRA Wopke
European Economic and Social Committee		
European Committee of the Regions		

Key events			
Date	Event	Reference	Summary
17/12/2025	Legislative proposal published	COM(2025)0989 	Summary
12/02/2026	Committee referral announced in Parliament, 1st reading		

Forecasts	
14/09/2026	Indicative plenary sitting date, 1st reading

Technical information	
Procedure reference	2025/0419(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation 2023/956 2021/0214(COD)
Legal basis	Rules of Procedure EP 58 Treaty on the Functioning of the European Union TFEU 294-p7-ac Treaty on the Functioning of the European Union TFEU 192-p1
Mandatory consultation of other institutions	<a href="#">European Economic and Social Committee</a> <a href="#">European Committee of the Regions</a>
Stage reached in procedure	Awaiting committee decision
Committee dossier	ENVI/10/04825

Documentation gateway				
<b>European Parliament</b>				
Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE786.835</a>	10/04/2026	
<b>European Commission</b>				

Document type	Reference	Date	Summary
Legislative proposal	COM(2025)0989 	17/12/2025	<a href="#">Summary</a>
Document attached to the procedure	SEC(2025)0989 	17/12/2025	
Document attached to the procedure	SWD(2025)0987 	17/12/2025	
Document attached to the procedure	SWD(2025)0988	17/12/2025	
Document attached to the procedure	SWD(2025)0989 	17/12/2025	

#### National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	CZ_CHAMBER	COM(2025)0989	24/03/2026	
Contribution	IT_CHAMBER	COM(2025)0989	01/04/2026	
Contribution	PT_PARLIAMENT	COM(2025)0989	09/04/2026	

#### Additional information

Source	Document	Date
European Commission	EUR-Lex	

## Meetings with interest representatives published in line with the Rules of Procedure

### Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
MATTHIEU Sara	Shadow rapporteur	ENVI	20/04/2026	ArcelorMittal Steelbel
MATTHIEU Sara	Shadow rapporteur	ENVI	14/04/2026	VICAT S.A.
SALINI Massimiliano	Rapporteur for opinion	ITRE	14/04/2026	APPLIA 04201463642-88
BOYLAN Lynn	Rapporteur for opinion	INTA	13/04/2026	Europacable
MATTHIEU Sara	Shadow rapporteur	ENVI	13/04/2026	Orgalim – Europe's Technology Industries
BOYLAN Lynn	Rapporteur for opinion	INTA	10/04/2026	European Environmental Bureau WWF European Policy Programme
FRIS Sigrid	Shadow rapporteur for opinion	ITRE	08/04/2026	"Business for CBAM Coalition"

RECHAGNEUX Julie	Rapporteur for opinion	ITRE	02/04/2026	Fédération des Industries Electriques, Electroniques et de Communication Fédération des Industries Mécaniques Siemens AG ARTEMA Fim Métaux en Feuilles Syndicat national du Décolletage Selectarc ARCOM Industrie ARAVIS Precision
BOYLAN Lynn	Rapporteur for opinion	INTA	01/04/2026	UNIFE
SALINI Massimiliano	Rapporteur for opinion	ITRE	30/03/2026	European Aluminium 9224280267-20
SALINI Massimiliano	Rapporteur for opinion	ITRE	30/03/2026	Entso-E 25805148045-87
RECHAGNEUX Julie	Shadow rapporteur for opinion	ITRE	25/03/2026	Fédération des Industries Mécaniques
SALINI Massimiliano	Rapporteur for opinion	ITRE	25/03/2026	EUROMETAUX 0153489100398-55
SARDONE Silvia	Shadow rapporteur	ENVI	24/03/2026	GROUPE SEB
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	24/03/2026	Federlegnoarredo
SALINI Massimiliano	Rapporteur for opinion	ITRE	24/03/2026	Federlegno 422927852139-85
SALINI Massimiliano	Rapporteur for opinion	ITRE	24/03/2026	Eurofer 93038071152-83
SALINI Massimiliano	Rapporteur for opinion	ITRE	23/03/2026	Salzgitter 484497715199-45
SALINI Massimiliano	Rapporteur for opinion	ITRE	19/03/2026	Confindustria 27762251795-15
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	19/03/2026	ANIMA CONFINDUSTRIA MECCANICA VARIA
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	19/03/2026	The European Steel Association
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	19/03/2026	Federchimica
SALINI Massimiliano	Rapporteur for opinion	ITRE	17/03/2026	ANIMA 222607318896-47
BOYLAN Lynn	Rapporteur for opinion	INTA	16/03/2026	APPLiA (Home Appliance Europe)
SALINI Massimiliano	Rapporteur for opinion	ITRE	16/03/2026	Federacciai 288211239086-16
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	16/03/2026	Federazione Imprese Siderurgiche Italiane
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	11/03/2026	FINCANTIERI SpA
MATTHIEU Sara	Shadow rapporteur	ENVI	11/03/2026	The European Steel Association
MATTHIEU Sara	Shadow rapporteur	ENVI	10/03/2026	Fertilizers Europe
MATTHIEU Sara	Shadow rapporteur	ENVI	10/03/2026	CEE Bankwatch Network
BOYLAN Lynn	Rapporteur for opinion	INTA	09/03/2026	Bruegel Institute for European Environmental Policy Third Generation Environmentalism Ltd Global Strategic Communications Council

CAVEDAGNA Stefano	Shadow rapporteur	ENVI	05/03/2026	NOVE
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	05/03/2026	APPLiA (Home Appliance Europe)
MATTHIEU Sara	Shadow rapporteur	ENVI	04/03/2026	NV Bekaert SA
BOYLAN Lynn	Rapporteur for opinion	INTA	02/03/2026	Bellona Europa
MATTHIEU Sara	Shadow rapporteur	ENVI	24/02/2026	APPLiA (Home Appliance Europe)
CAVEDAGNA Stefano	Shadow rapporteur	ENVI	19/02/2026	ANIMA CONFINDUSTRIA MECCANICA VARIA

## Other Members

Transparency		
Name	Date	Interest representatives
KANEV Radan	01/04/2026	TIC Council
POLFJÄRD Jessica	18/03/2026	Electrolux Home Products Europe
BUDA Daniel	17/03/2026	YARA BELGIUM S.A. logos public affairs
WÖLKEN Tiemo	12/03/2026	Bellona Europa
BERNHUBER Alexander	11/03/2026	The European Steel Association
KANEV Radan	11/03/2026	EUROFER
KANEV Radan	10/03/2026	Fertilisers Europe
GLÜCK Andreas	03/03/2026	Miele & Cie. KG
WÖLKEN Tiemo	03/03/2026	Miele & Cie. KG
GLÜCK Andreas	23/02/2026	APPLiA (Home Appliance Europe)
WÖLKEN Tiemo	05/02/2026	European Aluminium AISBL
FRITZON Helène	04/02/2026	Electrolux Home Products Europe

## Carbon Border Adjustment Mechanism: extension of its scope to downstream goods and anti-circumvention measures

2025/0419(COD) - 17/12/2025 - Legislative proposal

**PURPOSE:** to expand, from 2028, the CBAM's scope to include specific steel and aluminium-intensive downstream products with a view to strengthening the CBAM's effectiveness.

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**ROLE OF THE EUROPEAN PARLIAMENT:** the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

**BACKGROUND:** Regulation (EU) 2023/956 of the European Parliament and of the Council establishing a Carbon Border Adjustment Mechanism (CBAM Regulation) which entered into force on 1 October 2023 was initially designed with a limited scope, covering those goods that are most exposed to the risk of carbon leakage and that are most carbon intensive. A simplified system of the CBAM scheme is currently in place until the end of 2025. The scope of that Regulation should be gradually extended to cover products further down the value chain of the goods listed in Annex I to that Regulation.

In its Communication entitled 'A European Steel and Metals Action Plan', the Commission set out the objectives of extending the scope of the carbon border adjustment mechanism to certain steel and aluminium-intensive downstream products, as well as addressing the risk of circumvention and

practices which could undermine the objectives of the CBAM, including the redirection by third countries of low emission-intensive goods to the Union market in the absence of efforts to decarbonise the entirety of their production.

CONTENT: therefore, the aim of this proposal is to amend Regulation (EU) 2023/956 establishing the Carbon Border Adjustment Mechanism (CBAM) to strengthen the effectiveness of the CBAM to protect against the risk of carbon leakage by:

1. **extending the scope** of the CBAM to address the risk of carbon leakage for products further down the value chain of the steel and aluminium products currently in CBAM's scope;
2. tackling attempts to avoid **compliance** with CBAM obligation;
3. improving the technical rules for attributing emissions to **electricity** with the aim of encouraging the decarbonisation of electricity imports.

#### ***Extended scope***

The proposed **extension of the scope** of CBAM to downstream steel and aluminium-intensive products builds on the logic of the current CBAM Regulation and the EU ETS, with a focus on the products and sectors where embedded emissions and the risk of carbon leakage are the highest. On this basis, the proposal expands the scope of CBAM to include **180 steel and aluminium-intensive downstream products** in a way that maximises environmental benefits by covering additional emissions, while limiting, to the extent possible, the administrative burden and complexity for importers and third-country operators.

#### ***Circumvention and avoidance***

The proposal regarding the risk of **circumvention and avoidance** equally balances the needs to ensure the effectiveness of CBAM and to limit the complexity and administrative burden of the mechanism. It employs a flexible and targeted approach, via implementing and delegated acts, to identify **imports at risk of circumvention** or other practices aimed at avoiding CBAM obligations, for which additional conditions should apply for the use of actual emissions.

#### ***Electricity imports***

The proposal on **electricity imports** will simplify conditions to declare actual emission values. This will improve the effectiveness of the CBAM in incentivising the decarbonisation in third countries while making the use of actual emission values more feasible for all stakeholders. The changes to the approach for default values for electricity imports do not create any additional complexity for importers or third-country operators.

#### ***Reporting***

The proposal strengthens monitoring, reporting and verification requirements for importers of newly covered downstream goods. It enhances cooperation and information exchange between customs authorities, national competent authorities and the Commission.

#### ***Budgetary implications***

The downstream extension is not aimed at generating revenues but rather at strengthening the climate effectiveness of CBAM in preventing carbon leakage. The proposal is projected to generate around EUR 0.58 billion of annual revenues by 2030. Beyond 2030, since free allocations under the EU ETS are phased out and CBAM is phased in, revenue should continue to increase, reaching an estimated EUR 0.69 billion by 2035. The impact on the EU budget is estimated at EUR 0.2 billion on average per year over the period 2028-2034 as per the Commission's proposal for the 2028-2034 Multiannual Financial Framework.