

**Priority question for written answer P-004589/2021
to the Commission**

Rule 138

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Subject: Commission measures to ensure the fair application of the carbon border adjustment mechanism and a level playing field between EU and foreign companies

The carbon border adjustment mechanism (CBAM) is an important aspect of the EU's climate revolution and a great step forward in avoiding CO₂ leakage from the EU. It should motivate non-EU countries to reduce their emissions and help to meet the Paris Agreement target of limiting global warming to 1.5 °C. It will also be important for the EU to ensure that the transition is just, that EU-based production is competitive and that the transition does not lead to a reduction of strategic autonomy in the critical infrastructure and production fields.

1. As EU companies are part of the emissions trading system scheme, how can the Commission ensure that foreign enterprises produce all of their goods to this standard and pay for the overall CO₂ emissions from their operations, instead of using their location abroad and economy of scale, where CBAM pricing does not apply to some of the goods they produce, to dump goods in the EU?
2. Is the Commission considering a mechanism similar to quality certification under which all goods made by a foreign manufacturer, rather than only the exported ones, must comply with EU standards?
3. For how long will export rebates still be available and what are the replacement options? Will they still be available at a later date for trading with non-EU countries which do not fall under the CBAM?