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Opinion of the European Economic and Social Committee

Economic impact of the implementation of the EU Emissions Trading System (ETS)

(own-initiative opinion)

(C/2025/5140)

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1. Conclusions and recommendations

1.1. The European Economic and Social Committee (EESC) shares the general objectives of EU's emissions cap-and-trade system (Emissions Trading System – ETS), in its role in achieving a green, low-carbon economy. CO_2 reductions will be made where the cost is lowest, making a cost-effective system. The ETS creates incentives to invest in green technology and is therefore important for the European Green Deal.

1.2. The EESC observes, however, that the design and implementation of the system should take into account its consequences for jobs in Europe, as well as its social impact. A thorough analysis and assessment of the impact on sectors, value chains, regions and countries is required, based on a commonly agreed comprehensive methodology.

1.3. The EESC underlines the need to strike an appropriate balance between achieving general environmental objectives and, at the same time, not creating economic distortions or undermining the competitiveness of the European economy. It is also important to consider the secondary effects of such instruments on firms and jobs in all sectors. The Commission's economic analysis needs to be significantly improved in this regard.

1.4. The EESC points out that the ETS mechanism presents a number of critical implications regarding compliance costs and potentially distorting effects, as well as imposing an excessive administrative burden. Furthermore, its application requires robust international cooperation, including from outside the EU, which might prove to be both difficult and complex.

1.5. As the EESC has previously remarked, the accelerated pace and ambitious targets for CO_2 reductions and reduced availability of greenhouse gas allowances could negatively influence European competitiveness on the world market, unless a substantial number of states follow the EU lead.

1.6. The EESC believes that any measure aimed at driving the decarbonisation of the shipping industry should ideally be global in nature, not regional or unilateral, in order to avoid carbon leakages. In this respect, the EESC strongly supports the work being done at the International Maritime Organization (IMO) – particularly its Net-Zero framework, which could also prevent double regulation or double payments.

1.7. The EESC supports the simplification of the Carbon Border Adjustment Mechanism (CBAM) mechanism recently tabled, seeing it as a step forward in terms of balancing the need for environmental protection, on the one hand, and the concurrent need to reduce the administrative burden on the economy and its businesses, especially SMEs, on the other hand. The EESC therefore urges the Commission to carry out ex post impact assessments of the ETS to monitor the concrete impact on businesses and jobs, so that changes can be made swiftly if needed.

1.8. The recent inclusion of the maritime transport sectors within the ETS framework has introduced further challenges, significantly impacting the sectoral logistics chain from port terminals down to final consumers. Despite the neighbouring ports clause set out in the ETS ([1]), shipping lines are incentivised to call at non-EU ports, since the EU has no jurisdiction over the transshipment operations that take place on routes outside the EU; the EESC is thus concerned about the possibility of a market shift regarding transshipment operations from European ports to non-EU ports and of third country ships using non-EU ports rather than EU ports.

1.9. The EESC warns that the ETS may create a significant disincentive to invest in EU ports, bringing about a competitive imbalance between Mediterranean ports located in EU Member States and nearby competing ports in third countries, especially those located in North Africa.

1.10. A diverted shipment may also entail costs for an individual country since the cost of inputs for production in their country increases. This affects production and employment in that country, and such costs should be included in any assessment of the economic impact of implementing carbon legislation. A similar effect occurs if the shipping costs are increased (assessed by the Commission at 3,7 % in 2024 and rising, if no productivity gains are made) and the cost is passed on to the producing company. It will decrease production and employment. Such costs must in future be properly taken into account as the system is designed and evaluated.

1.11. The EESC observes that the economies of islands, such as Malta, Cyprus and Ireland, and of Member States strongly focused on shipping and maritime activities might experience pressures on their economies due to the application of the ETS mechanism, as they are particularly vulnerable to increases in shipping costs given their strong dependence on export-led activities, which are often the main source of employment and local development.

2. **Background to the opinion**

2.1. The 'Fit for 55' package aims to reduce net greenhouse gas emissions by at least 55 % by 2030. The EU's emissions cap-and-trade system, the ETS, plays a very important role in achieving a green, low-carbon economy. With the ETS, CO_2 has become a kind of tradable good where the polluter pays principle applies. As allowances are reduced, CO_2 reductions will be made first where the cost is lowest, making it a cost-effective system. As the carbon trading market has developed, not only a carbon spot market but also some derivative markets such as a carbon futures market, options market, and forward market have gradually emerged.

2.2. The EU ETS covers around 40 % of all EU CO_2 emissions. Since the level of CO_2 in the atmosphere is a global phenomenon, a cost-effective trading system would be a uniform global system. The present situation, however, is very fragmented and different trading systems have been introduced in various countries and regions, with only 24 % of the world's emissions being within some type of ETS system ([2]).

([1]) Stops at non-EU ports such as those in North Africa cannot be considered as the beginning or end of a voyage for the purpose of the ETS framework, thereby reducing the incentive to stop at these non-EU hubs before or after calling at EU ports.

([2]) World Bank, *Global Carbon Pricing Revenues Top a Record $100 Billion*, press release, May 2024: https://www.worldbank.org/en/news/press-release/2024/05/21/global-carbon-pricing-revenues-top-a-record-100-billion.

2.3. This opinion addresses some of the issues that need to be considered in terms of the economic costs and implications of the EU ETS being a regional system. The maritime sector will be given as an example, recognising that each sector has specific characteristics. An economic impact assessment should however fundamentally be based on a common economic methodology ([3]).

2.4. The EESC has previously expressed the need to analyse the potential negative effects of the ETS on the competitiveness of European industry and service providers, both in carbon intensive sectors and in general, and called for measures to be taken in order to prevent, as far as possible, negative effects on the economy and negative social effects such as unemployment, energy poverty, tensions between unions and employers, or mobility poverty ([4]).

2.5. For the maritime sector, the EESC welcomes in principle the extension of the ETS to vessels above 5 000 gross tonnage calling at EU ports and to journeys from and to third country ports, while drawing the attention to the ongoing work within the IMO which plays a crucial role in reaching a global solution with respect to maritime transport emissions. The EESC encourages the EU to actively work towards the achievement of a viable IMO solution, contributing to significant emission reductions ([5]).

2.6. The EESC welcomes the public consultation on the ETS launched in April 2025 and calls for a thorough evaluation of the ETS's implementation based on robust empirical evidence and comprehensive analysis of economic consequences. If the results of the public consultation and possible subsequent impact assessment point to serious negative consequences for the competitiveness of EU industries, a targeted revision of the ETS and/or accompanying measures will be necessary.

3. **Introduction**

3.1. CO_2 content is intrinsically difficult to measure. The concrete design and implementation of the ETS and the CBAM is complex, and the economic consequences are hard to predict and assess. According to the Commission, the ETS is expected to generate EU budget revenues of about EUR 7 billion (in 2018 prices) a year from 2024 onwards. This is expected to increase to about EUR 19 billion per year from 2028, when revenues from the new ETS will also enter into the EU budget ([6]). At the same time, annual revenues from the ETS allocated to Member States could go above EUR 46 billion, thus far exceeding what was expected when the Fit for 55 proposal was tabled.

3.2. At the beginning of 2024, the EU ETS was extended to maritime transport emissions. In this connection, the monitoring, reporting and verification (MRV) of ships' emissions are among the Commission's main tools aimed at reducing greenhouse gas emissions in the maritime transport sector ([7]).

([3]) All proposals, including simplification proposals, need to be assessed and scrutinised in impact assessments.

([4]) Opinion of the European Economic and Social Committee on 'Proposal for a Directive of the European Parliament and of the Council amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and Regulation (EU) 2015/757' (COM(2021) 551 final – 2021/0211 (COD)) 'Proposal for a Decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the amount of allowances to be placed in the market stability reserve for the Union greenhouse gas emission trading scheme until 2030' (COM(2021) 571 final – 2021/0202 (COD)) (OJ C 152, 6.4.2022, p. 175).

([5]) Opinion of the European Economic and Social Committee on 'Proposal for a Directive of the European Parliament and of the Council amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and Regulation (EU) 2015/757' (COM(2021) 551 final – 2021/0211 (COD)) 'Proposal for a Decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the amount of allowances to be placed in the market stability reserve for the Union greenhouse gas emission trading scheme until 2030' (COM(2021) 571 final – 2021/0202 (COD)) (OJ C 152, 6.4.2022, p. 175). An agreement towards achieving net-zero emissions from global shipping by 2050 was made in April 2025: IMO approves net-zero regulations for global shipping: https://www.imo.org/en/mediacentre/pressbriefings/pages/imo-approves-netzero-regulations.aspx.

([6]) *EU budget: Commission puts forward an adjusted package for the next generation of own resources*, June 2023: https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3328.

([7]) The MRV system to monitor CO_2 emissions from maritime transport started in 2018, as a first step before the inclusion of these emissions within the scope of the EU ETS. The MRV system covers emissions from all large vessels (above 5 000 gross tonnage) calling at an EU port.

3.3. The ETS is designed to incentivise companies to invest in cleaner technologies, thereby reducing their emissions and environmental impact. The price signal created by the ETS gives shipping companies clear financial incentives to invest in energy efficiency. It also contributes to reducing the price difference between fossil and renewable and low-carbon fuels, and creates new funding opportunities for the sector. It should also be noted that a small portion of the revenues generated under the ETS – approximately EUR 1,6 billion by 2030 – will be channelled into the EU Innovation Fund to support shipping decarbonisation initiatives. We note, however, that this fund remains largely inaccessible for some smaller Member States. Malta, along with Luxembourg and Estonia, are the only countries that have yet to secure support from this fund, despite contributing financially to it. Malta in particular is unlikely to benefit from this mechanism due to capacity limitations, making the scheme inequitable in its impact.

3.4. Creating a level playing field, both between sectors and countries and vis-à-vis third countries, is, however, a real challenge. Evasion of the requirements of the EU ETS calls for proper monitoring of the implementation of the system, in particular to detect evasive behaviour in order to prevent it at an early stage ([8]).

3.5. One potential way to discourage ships from avoiding and deviating from ports in an EU Member State (or EEA country) is to prevent non-EU ports, such as those in North Africa, from being considered as the beginning or end of a voyage for the purpose of the ETS framework, thereby reducing the incentive to stop at these non-EU hubs before or after calling at EU ports. This reduces opportunities to avoid charges, as they would still be required to pay under to the ETS system. The use of alternative modes of transport for goods is another evasive measure that may need to be addressed. The Commission shall monitor such evasive behaviours.

3.6. Rules affecting activities in third countries result in the ETS exhibiting an extraterritorial nature, and it could be argued that such a measure infringes on the sovereignty of that jurisdiction. A comprehensive impact assessment will take such economic consequences into account. Nonetheless, while such rules do contribute to an enhanced level playing field vis-à-vis third countries and help prevent carbon leakage behaviour in the EU, international acceptance for them tends to be limited since they impose additional costs on activities undertaken in third countries. The economic impact is to some extent similar to imposing a tariff or customs duty ([9]).

3.7. Furthermore, as more regions introduce their version of an ETS, the risk of extraterritorial overlapping rules from third countries increases. A port could potentially be included in the schemes of two or more regional systems. Coordination will be necessary between trade blocs, something the OECD is considering looking into. A more optimal approach is that proposed within the IMO framework: this is a global approach, as opposed to regional approaches which result in higher administrative burdens and a higher danger of double taxation/payments. In this regard the EESC strongly supports the agreement reached by the IMO in April 2025, which is expected to be adopted in October 2025.

4. **General comments**

4.1. The EESC shares the general objectives of the ETS and CBAM in terms of decarbonisation, environmental protection and greater sustainability. In this respect, the EESC acknowledges that the ETS has contributed to decarbonisation over the last 20 years, making EU-based manufacturing and transport cleaner. However, the ETS has failed to protect the competitiveness of industrial production, which has decreased not only in relative but also absolute numbers, casting serious doubt on the effectiveness of ETS as a climate measure globally. The design and implementation of any system, in particular a regional one, should, of course, be cost-effective and the consequences for jobs in Europe and the social impact must be carefully analysed.

4.2. The EESC underlines the need to strike an appropriate balance between achieving general environmental objectives and, at the same time, not creating economic distortions or undermining the competitiveness of the European economy. It is also important to consider the secondary effects of these instruments.

([8]) The EU ETS Directive requires the Commission to monitor the ETS extension to the maritime transport sector and report its findings every two years. See the report from the Commission *Monitoring of the implementation of Directive 2003/87/EC in relation to maritime transport* (COM(2025) 110 final), 18.3.2025.

([9]) The more the environmental ambition exceeds the corresponding ambition in neighbouring countries or regions, the more need there is to expand the reach of measures to outside jurisdictions, in order to reduce competitive disadvantages and therefore carbon leakages.

4.3. The EESC observes that the ETS mechanism presents a number of critical implications regarding compliance costs and potentially distorting effects, as well as an excessive administrative burden ([10]). Furthermore, its application requires robust international cooperation, including from outside the EU, which might prove to be both difficult and complex amid the current increasing tensions in world trade. To favour international coordination in the long run, the recent IMO comprehensive framework could provide viable suggestions ([11]).

4.4. The EESC believes that economic consequences should be properly monitored to avoid adverse effects on European competitiveness and thus on European jobs. Indeed, one of the main motivations behind the incentive schemes is creating a level playing field within the single market between EU producers and importers from non-EU countries in sectors with a high carbon footprint. This also applies to the CBAM and its objective of avoiding carbon leakage. However, in several of the main markets outside the European Union, companies operate within regulatory contexts where carbon is not priced (e.g. several US states) or bears lower costs (e.g. China) ([12]).

4.5. The present situation entails a significant administrative and operational burden throughout the production chain, potentially leading to higher prices for consumers.

4.6. In this respect, the EESC further notes that the currently available data and economic assessments for the ETS are very limited and much of the information required must often be provided by producers in the countries of origin. Such a degree of complexity and fragmentation appears to be very difficult to address, including for the public authorities responsible for enforcing the European legal framework at national level.

4.7. The ETS extension to maritime transport and the obligation for shipping companies to surrender EU allowances are estimated by the Commission to have increased total shipping costs by an average of 3,7 % in 2024. Higher increases are anticipated in 2025 and 2026 ([13]) and data from existing routes in the Adriatic already show an increase of up to 17 % this year. It is unclear to what extent the maritime sector can counter such cost increases with other cost-cutting measures (greater productivity, fewer employees, etc.). Furthermore, since the costs are widespread in the sector, the incentives for an individual company to internalise the cost are limited. The risk that their consumers will face higher prices, all else being equal, is therefore obvious. It is also disappointing to note the lack of due consideration by the Commission to the disproportionate effects of the ETS on island Member States and Member States with a significant reliance on maritime transport due to limited intermodal interconnections due to their geographical location.

4.8. One would expect cost increases to be reflected in production costs for most other sectors, and eventually in consumer prices, impacting the cost of living, but surprisingly few studies have been undertaken on this subject. One study covering the effects of the increases in costs of the ETS since 2018 concludes that polluting firms respond to the rise in pollution costs by systematically enhancing productivity and often reducing their workforce size ([14]). Increased costs would normally curtail production and therefore reduce employment as well as the use of assets.

4.9. It can be argued that the closure of some production facilities is warranted, since it is part of the transition to carbon-free production. It is, however, very important to include such effects in any economic impact assessment, including by expanding existing or ongoing economic impact assessments to more granular data, based on an agreed methodology with industry representatives, scientists, and the academic community. Evasion of the rules does of course need to be monitored, but so does the effect on employment and competitiveness in different sectors, regions and Member States.

([10]) When it comes to the maritime sector, more than 12 000 ships from all over the world report their CO_2 emissions in relation to their EU voyages every year, and have been doing so since 2018. Clearly, a considerable administrative cost arises for both the private and public sectors administering the system. The incentive schemes (Innovation Fund etc.) entail additional costs in terms of application, handling and control in order to prevent abuse.

([11]) In its opinion on *EU Climate Diplomacy* (OJ C, C/2024/1575, 5.3.2024, ELI: http://data.europa.eu/eli/C/2024/1575/oj) the EESC has invited the EU institutions to enrich the climate diplomacy toolbox with initiatives aiming not only to raise climate ambitions but also to share the EU's experience and address climate-related risks.

([12]) While the CBAM has rules for addressing carbon effects in imports, there are, as of today, no such rules for creating a level playing field for exports. This has major implications for sectors like steel with regard to their ability to compete on the world market. A thorough impact assessment is needed, both for non-action and for any proposal to remedy the effects.

([13]) Monitoring of the implementation of Directive 2003/87/EC in relation to maritime transport (COM(2025) 110 final).

([14]) The study reports a 5,2 % direct increase in likelihood of downsizing in the post-intervention period. Boeckx, J., Struyfs, K. and Torsin, W., 'Green pressure, lean measures: Unveiling corporate downsizing within the European Union Emissions Trading System', *Journal of Financial and Quantitative Analysis*, 2025, pp. 1-61. doi:10.1017/S0022109025000237.

4.10. As the EESC has previously pointed out, the accelerated pace and the high ambition level of CO_2 reductions and reduced availability of greenhouse gas allowances will negatively influence European competitiveness on the world market unless a substantial number of states follow the EU lead ([15]). The EESC reiterates its position.

4.11. In May 2023, the European Union introduced the CBAM to apply a price to emissions embedded in certain products imported from non-EU countries. A similar provision for exports was not included, resulting in a comparative disadvantage for European exporters. An export solution is long overdue. The Commission also revised and expanded the ETS for trading emissions allowances within the EU (which was first established in 2003 and entered into force in 2005).

4.12. The CBAM will apply in its definitive regime starting from 2026, while the current transitional phase runs from 2023 to 2025. The gradual introduction of the CBAM is aligned with the phase-out of the allocation of free allowances under the EU ETS in order to progressively support the decarbonisation of EU industry. The EESC observes that restrictions on the availability of free emission allowances should be duly monitored, and possibly postponed, if the CBAM does not function effectively and global economic conditions require adaptations.

4.13. The EESC strongly supports the simplification of the CBAM mechanism recently tabled within the Omnibus Package as a step forward in terms of balancing the need for environmental protection, on the one hand, and the concurrent need to reduce the administrative burden on businesses, especially SMEs, on the other hand. In this connection, the Commission should carry out ex post impact assessments in the future to monitor the concrete impact on businesses and jobs in order to swiftly make changes if needed.

4.14. The EESC hopes that social partners and civil society organisations will be able to play an active role in assessing the impact and concrete effects of the ETS framework and in defining possible measures to adapt and refine such a framework as part of their involvement in a just green transition.

5. **Specific comments: a focus on the maritime sector**

5.1. The recent inclusion of the maritime transport sectors within the ETS framework has presented further challenges, impacting the sectoral logistics chain from port terminals down to the final consumers. Despite the fact that stops at non-EU ports such as those in North Africa cannot be considered as the beginning or end of a voyage for the purpose of the ETS framework, thereby reducing the incentive to stop at these non-EU hubs before or after calling at EU ports ([16]), the EESC is concerned about the possibility of a market response regarding transshipment operations from European ports to non-EU ports ([17]) and of third country ships using non-EU ports rather than an EU port.

5.2. Implementation of the ETS may create a significant disincentive to invest in EU ports, bringing about a competitive imbalance between Mediterranean ports located in EU Member States and nearby competing ports in third countries, especially those located in North Africa. Such a tendency would be confirmed if investments by major shipping lines were to increase disproportionately in ports located on other continents, as a practical way to prepare alternatives to bypass the EU regulatory framework.

([15]) Opinion of the European Economic and Social Committee on 'Proposal for a Directive of the European Parliament and of the Council amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and Regulation (EU) 2015/757' (COM(2021) 551 final – 2021/0211 (COD)) 'Proposal for a Decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the amount of allowances to be placed in the market stability reserve for the Union greenhouse gas emission trading scheme until 2030' (COM(2021) 571 final – 2021/0202 (COD)) (OJ C 152, 6.4.2022, p. 175).

([16]) As an anti-evasion measure, the ETS directive excludes 'neighbouring container transshipment ports' (with > 65 % of transshipment shares and within 300nm of an EU port) from the 'port of call' definition. This means that stops at these non-EU ports cannot be considered as the beginning or end of a voyage, reducing the incentive to stop at these non-EU hubs before or after calling at EU ports.

([17]) The Commission finds no such development in its monitoring report: COM(2025) 110 final.

5.3. As an additional challenge, the EESC observes that the difficulties related to ETS exacerbate the competitive disadvantage faced by EU ports as several other North African ports benefit from lower labour costs, state support and other advantages currently enjoyed by shippers using neighbouring ports. These factors make it more difficult for shippers using EU ports to absorb emission costs more efficiently. From another perspective, short sea shipping (SSC) might incur a loss of competitiveness due to stringent application of the ETS, leading to uncertain results in terms of environmental sustainability.

5.4. The EESC also observes that the economies of islands, such as Malta, Cyprus and Ireland, and of Member States strongly focused on shipping and maritime activities might experience pressures on their economies due to the application of the ETS mechanism, as they are particularly vulnerable to increases in shipping costs given their strong dependence on export-led activities, which are often the main source of employment and local development. As clearly outlined in the Ricardo Report (2021), commissioned by the European Commission, page 136 specifically highlights the disproportionate impact of the EU ETS on certain Member States. At the time of the impact assessment report, risk was not tainted in any way by Red Sea disruptions, affirming the scientific integrity of its findings. It is disappointing to note the lack of due consideration by the Commission to the disproportionate effects of the ETS on island Member States and Member States with a significant reliance on maritime transport due to limited intermodal interconnections due to their geographical location.

5.5. The specific situation of the outermost regions and of Ceuta and Melilla should also be taken into account in evaluating the scope of application and impact of the ETS mechanism.

5.6. In general terms the EESC takes the view that the application of the ETS to industrial goods since the mid-2000s certainly offers some useful lessons for achieving a sound implementation of the EU ETS framework in the maritime sector too.

5.7. As a concrete example, if a ship carrying goods from Singapore to Rotterdam passes through the Suez Canal and enters a port in Malta, EU ETS allowances have to be surrendered. If the ship instead uses a non-EU port, the carbon emissions charge will be much lower since a non-EU port voyage carries only 50 % of the carbon emissions charge.

5.8. If the ship is carrying tens of thousands of mobile telephones, the added cost for each telephone would only amount to a few cents per phone, but the shipping company can still avoid thousands of euros in additional costs by choosing a port in Egypt or elsewhere in North Africa. Such a risk is especially high in an industry as price sensitive as shipping.

5.9. A diverted shipment may also entail costs for an individual country since the cost of inputs for production in their country increases. This affects production and employment in that country, and such costs should be included in any assessment of the economic impact of implementing carbon legislation. If, for example, a company used to rely in its production on input goods provided by a ship entering a nearby port instead has to import its goods by contracting a smaller vessel to pick up the goods in a foreign country (or continent), the increased costs may be significant. This could also happen if the vessel continues to enter the nearby port if the increased shipping costs due to emission costs are passed on to the producing company (by 3,7 % or any other number). Such an effect on production, employment and social consequences must be properly taken into account as the system is designed and evaluated.

5.10. The EESC notes that the maritime sector may be particularly difficult to regulate due to its price sensitivity and tendency to adapt quickly to regulatory changes. If operations start diverting to other jurisdictions, this trend will likely be difficult to reverse and other sectors of maritime economies might suffer significantly from the process. This kind of risk should be duly considered when the impact of regulation is assessed.

5.11. The EESC believes that any measure aimed at driving the decarbonisation of the shipping industry, should ideally be global and not regional or unilateral in nature, in order to avoid carbon leakages. In this respect, the EESC strongly supports the work being done at the IMO, particularly its Net-Zero framework.

5.12. While working on a viable global system for the long run, it is very important to assess the economic consequences for Member States and for different sectors of the economy. It is also important to avoid a situation where third countries challenge measures that are extraterritorial in nature. The fact that third country ports are not comprehensively included in the ETS system therefore prevents the achievement of a level playing field, as long as other regions do not have CO_2 standards on par with the European standard.

5.13. The Commission has embarked on an impressive simplification of the CBAM. It deserves proper attention and support. Given the complexity of the systems with CBAM and ETS, however, there is room for further improvement without jeopardising a just transition to a greener, low-carbon economy.

Brussels, 16 July 2025.

The President

of the European Economic and Social Committee

Oliver RÖPKE