

PRESS RELEASE

TRILOGUE AGREEMENT ON ETS AND CBAM – CEMBUREAU REACTION

CBAM and ETS are key pieces of the framework, but an ambitious EU industrial policy is urgently needed, says European Cement Association

Brussels, 19th December 2022 – CEMBUREAU, the European Cement Association (www.cembureau.eu), welcomed today the trilogue agreements struck by EU negotiators on the EU Emission Trading Scheme (ETS) and the EU Carbon Border Adjustment Mechanism (CBAM).

"The agreements on CBAM and ETS are essential to create a global level playing field on CO2 and support our sector in its transition to carbon neutrality. It is positive that the EU institutions strengthened some key aspects of CBAM", commented Koen Coppenholle, CEO of CEMBUREAU. "We however regret that the adopted texts do not provide a structural solution for exports. Some countries export up to 50% of their domestic cement production and these will be at risk should no concrete export solution be found before 2026".

CEMBUREAU, the European Cement Association, issued its <u>Carbon Neutrality Roadmap</u> in May 2020. A large number of <u>innovation projects</u> are currently being deployed by the sector to reduce CO2 emissions. Robust EU financing mechanisms, such as a focused ETS innovation fund and carbon contracts for difference, are critical to support breakthrough technologies to decarbonize our sector. A strong CBAM is also key to create a global level playing field on CO2.

"Looking ahead, we need to focus on CBAM implementation and its watertightness, to ensure the mechanism fully equalises CO2 costs between EU and non-EU suppliers", added Coppenholle. "It is also essential that policymakers support EU industries like cement, which are confronted with unsustainably high energy costs at a time some of our trading partners are launching massive subsidy programs. CBAM, ETS and a strong innovation fund are essential part of the puzzle, but we look forward to Commission proposals for a truly ambitious industrial policy, as requested by the European Council in its meeting of 15th December".

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NOTES FOR EDITORS

CEMBUREAU – The European Cement Association

CEMBUREAU, the European Cement Association is based in Brussels and is the representative organisation of the cement industry in Europe. Currently, its Full Members are the national cement industry associations and cement companies of the European Union (except for Malta and Slovakia) plus Norway, Switzerland and Turkey. Croatia and Serbia are Associate Members of CEMBUREAU. Cooperation agreements have been concluded with Vassiliko Cement in Cyprus and UKRCEMENT in Ukraine.

Please click <u>here</u> to view the 2050 Carbon Neutrality Roadmap online, and click <u>here</u> to access CEMBUREAU's map of ongoing innovation projects.

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