UNDERSTANDING THE EU’S CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

The European Union plans to tax imports based on their greenhouse gas emission intensities. The aim is to level the playing field for its industries and firms operating under the Emissions Trading System.

What are the implications? Will the new mechanism truly spur global decarbonisation, or will it exacerbate inequalities and trade tensions?

The European Union’s introduction of the Carbon Border Adjustment Mechanism (CBAM) marks a bold new experiment in global trade and climate policy. By taxing imports like iron, steel, cement, and aluminium based on their greenhouse gas (GHG) emission intensities, the EU aims to level the playing field for its firms operating under the Emissions Trading System (ETS). However, this mechanism raises several critical concerns about its broader implications and fairness.

The impact of CBAM is likely to be disproportionately felt by developing countries, potentially hindering their economic growth in key sectors and access to global markets. At the 28th Conference of Parties in 2023, developing countries had raised concerns about the negative impacts of unilateral trade measures like CBAM on their economies. Does the CBAM truly spur global decarbonisation, or does it perpetuate existing inequalities and trade tensions?

A new report by CSE – the first in a research series titled ‘Trade and Climate: The Global South’s response to a changing trade regime in the era of climate change’ – explores answers to this question. Join experts from CSE and other parts of the world for an online release of the report and discussions on it.

July 17, 2024
6:00-7:30 PM IST
On Zoom

REPORT RELEASE

OUR PANEL

SUNITA NARAIN
Director General,
CSE

FATEN AGGAD
Executive Director,
African Future Policies Hub

AVANTIKA GOSWAMI
Programme Manager,
Climate Change, CSE

DR CHANTAL LINE CARPENTIER
Head,
Trade, Environment and Climate change Branch of the UN Conference on Trade and Development (UNCTAD)

TRISHANT DEV
Programme Officer,
Climate Change, CSE

IF YOU HAVE QUESTIONS, PLEASE CONTACT

SUKANYA NAIR
sukanya.nair@cseindia.org
+91 8816818864

REGISTER HERE