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The EU Parliament's vote on the CBAM - Industry calls for a mechanism that works for Europe

In light of today's vote in the European Parliament on the ENVI Committee's report on the Carbon Border Adjustment Mechanism, APPLiA reiterates its desire to see two things: a thriving manufacturing industry in Europe, and the avoidance of carbon leakage.

"We wholeheartedly agree with the report's statement that "decarbonising our economy must not trigger a fresh wave of deindustrialization" ", states Paolo Falcioni, Director General of APPLiA. The European Union is made strong, in part, through the strength of its industry, and a poorly-implemented CBAM would only serve to strengthen manufacturing outside Europe.

"A CBAM which is not fully thought out would be worse than no CBAM at all, as it would not only send European manufacturing jobs abroad, but it would also lead to the very issue it is trying to avoid; that is, carbon leakage", continued Mr Falcioni.

Crucial for the European manufacturing industry is that any CBAM which is implemented, must also be extended to finished products. "Downstream users of steel must not be put at a disadvantage by a mechanism which only tackles raw materials," stated Mr Falcioni. "Such a process would make foreign imports more competitive on the European market than European-made products, which is an outcome that neither industry, the European Parliament, nor Member States, would wish to see."

Should the European Institutions move forward with a Carbon Border Adjustment Mechanism, APPLiA would insist on one that not only complies with WTO rules, but also allows European manufacturers to lead Europe's post-Covid recovery through innovation, while adding high-value-added jobs to the European economy in the process.

APPLiA - Home Appliance Europe represents home appliance manufacturers from across Europe. By promoting innovative, sustainable policies and solutions for EU homes, APPLiA has helped build the sector into an economic powerhouse, with an annual turnover of EUR 53 billion, investing over EUR 1.6 billion in R&D activities and creating nearly 1 million jobs.

