



MYTILINEOS

**Strengthening the business case for industrial
decarbonization:
CBAM proposal**

15 March 2022

What is the CBAM?

A climate measure?

Figure 8: Level of emissions in the EU-27 and the Rest of the World in CBAM sectors and relative to the baseline in 2030 (in million tonnes of CO2 equivalent and as % change from baseline)

Rest of the World (CBAM sectors)

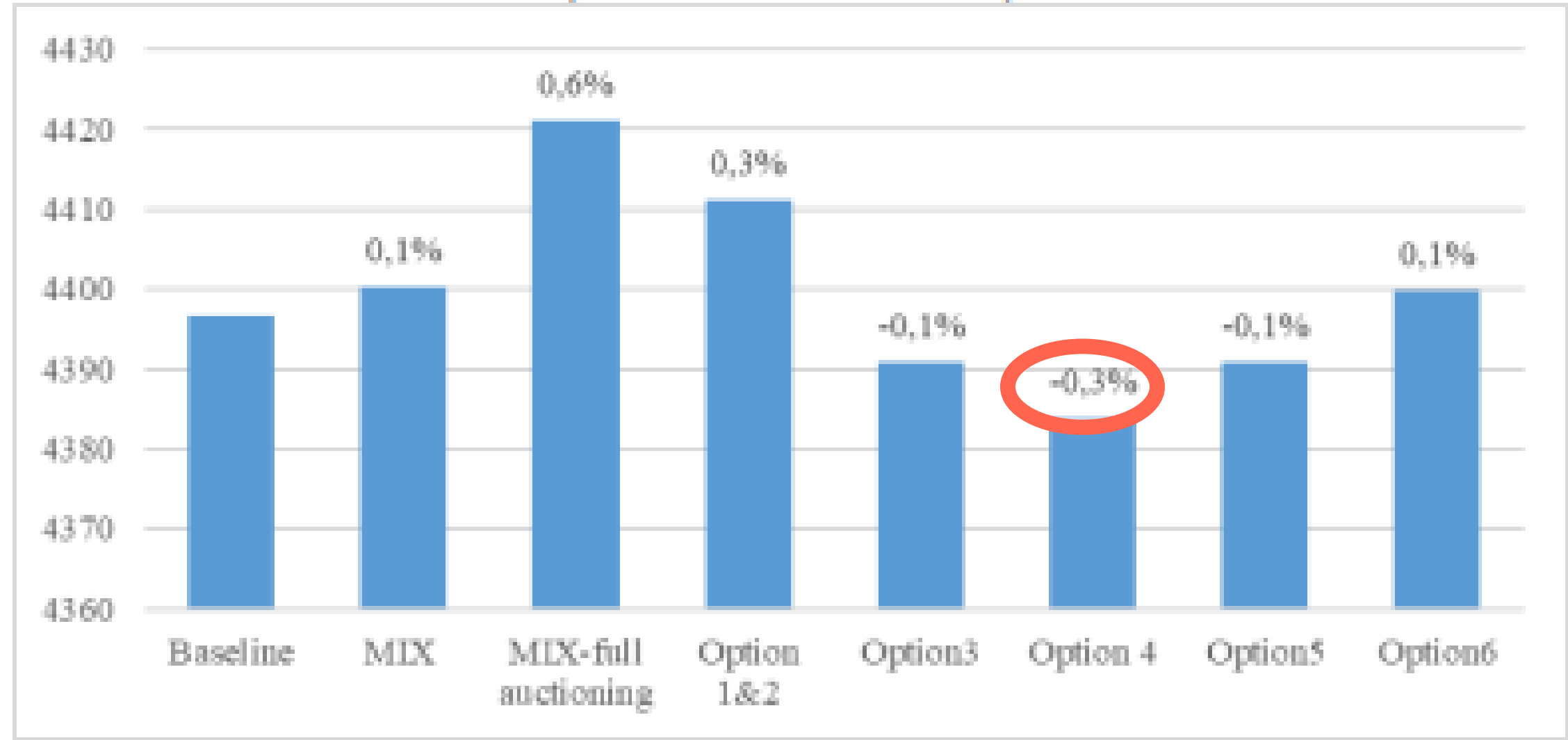


Table 8: CO₂ equivalent emissions in third countries (% change from baseline in 2030)

	Iron and Steel	Cement	Fertiliser	Aluminium	CBAM sectors	Downstream sectors
MIX	0.14	0.03	0.19	0.13	0.08	0.02
MIX-full auctioning	0.72	0.27	1.70	0.25	0.55	0.01
Option 1 and 2	0.39	0.20	0.95	0.18	0.33	0.02
Option 3	-0.27	0.14	-1.24	0.01	-0.13	0.04
Option 4	-0.44	0.05	-1.79	-0.03	-0.29	0.04
Option 5	-0.27	0.14	-1.24	0.01	-0.13	0.03
Option 6	0.12	0.02	0.14	0.15	0.07	0.03

Source: JRC-GEM-E3 model

... not really effective!

What is the CBAM?

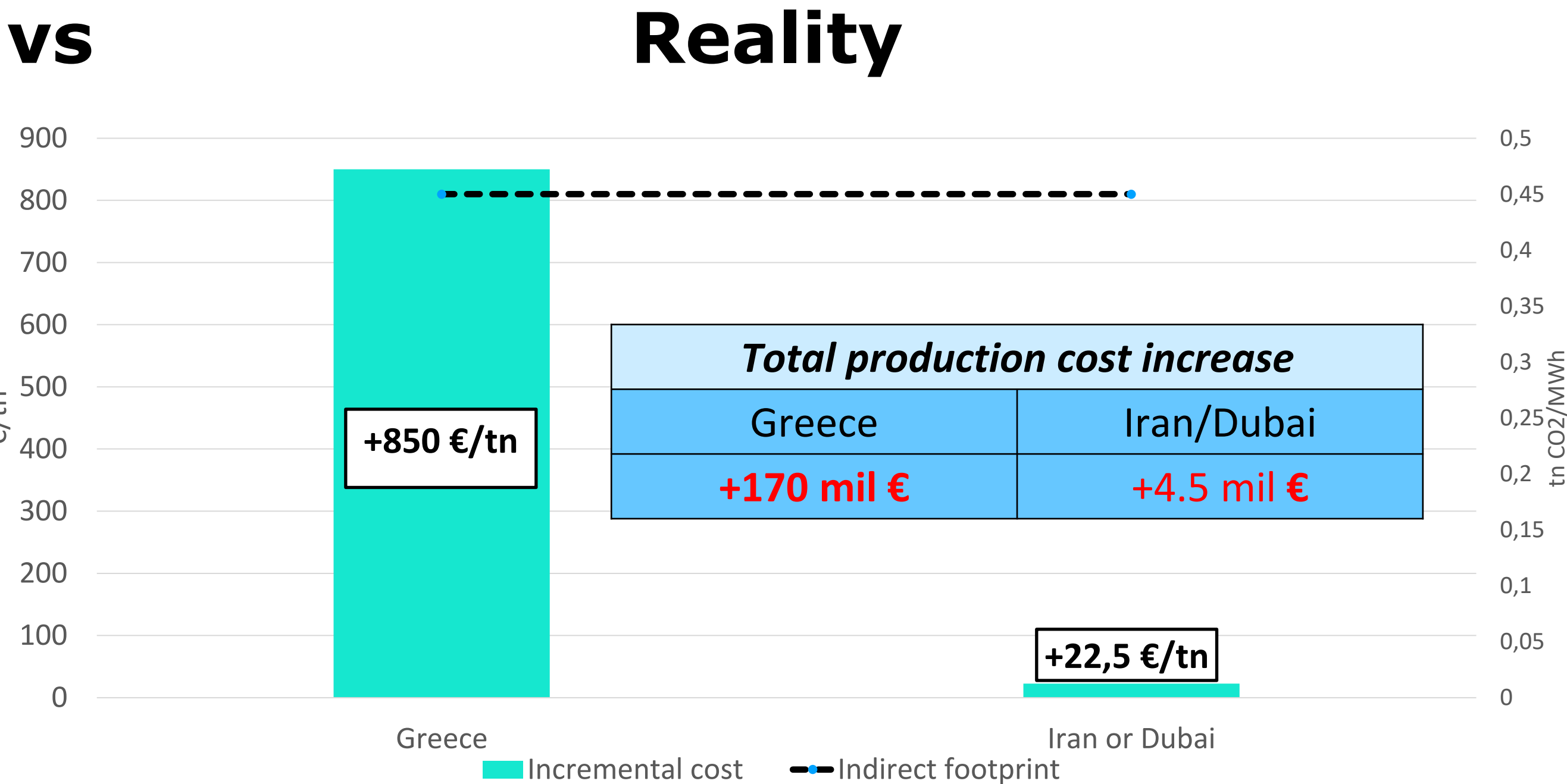
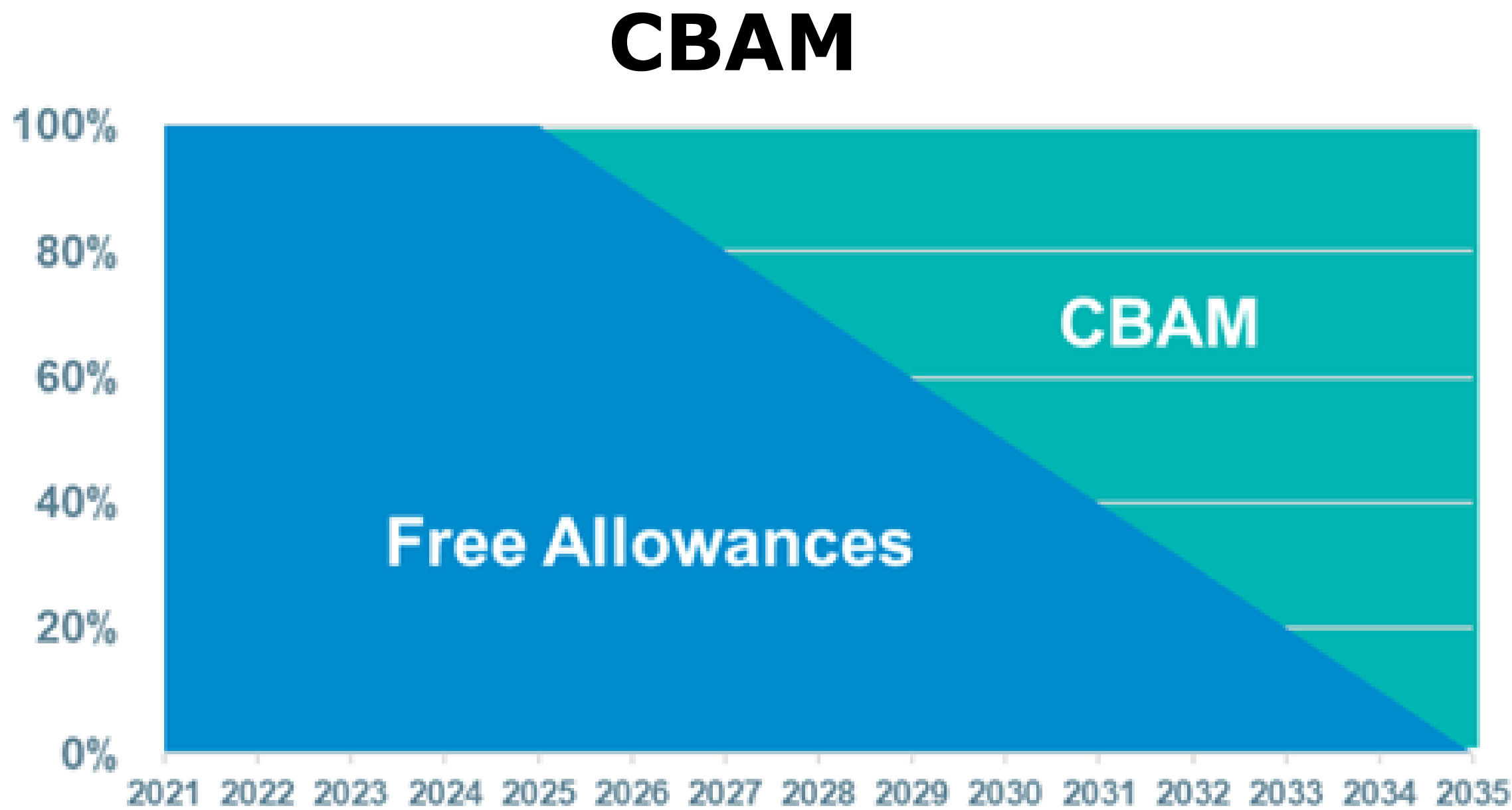
Perhaps a fiscal measure?

Figure 18: Revenues from the CBAM in 2030- Auctioning in the CBAM sectors plus border measure (in billion EUR)



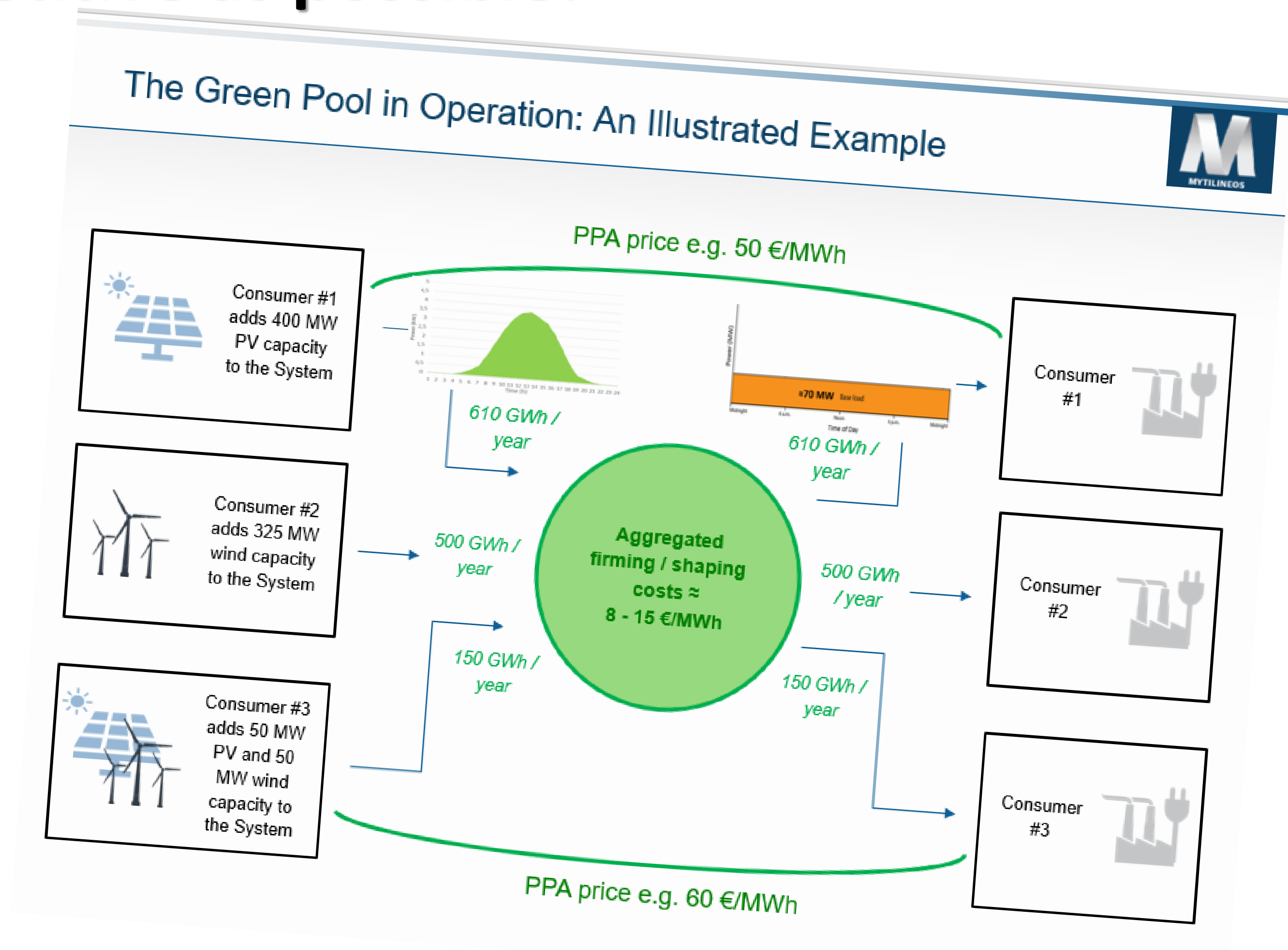
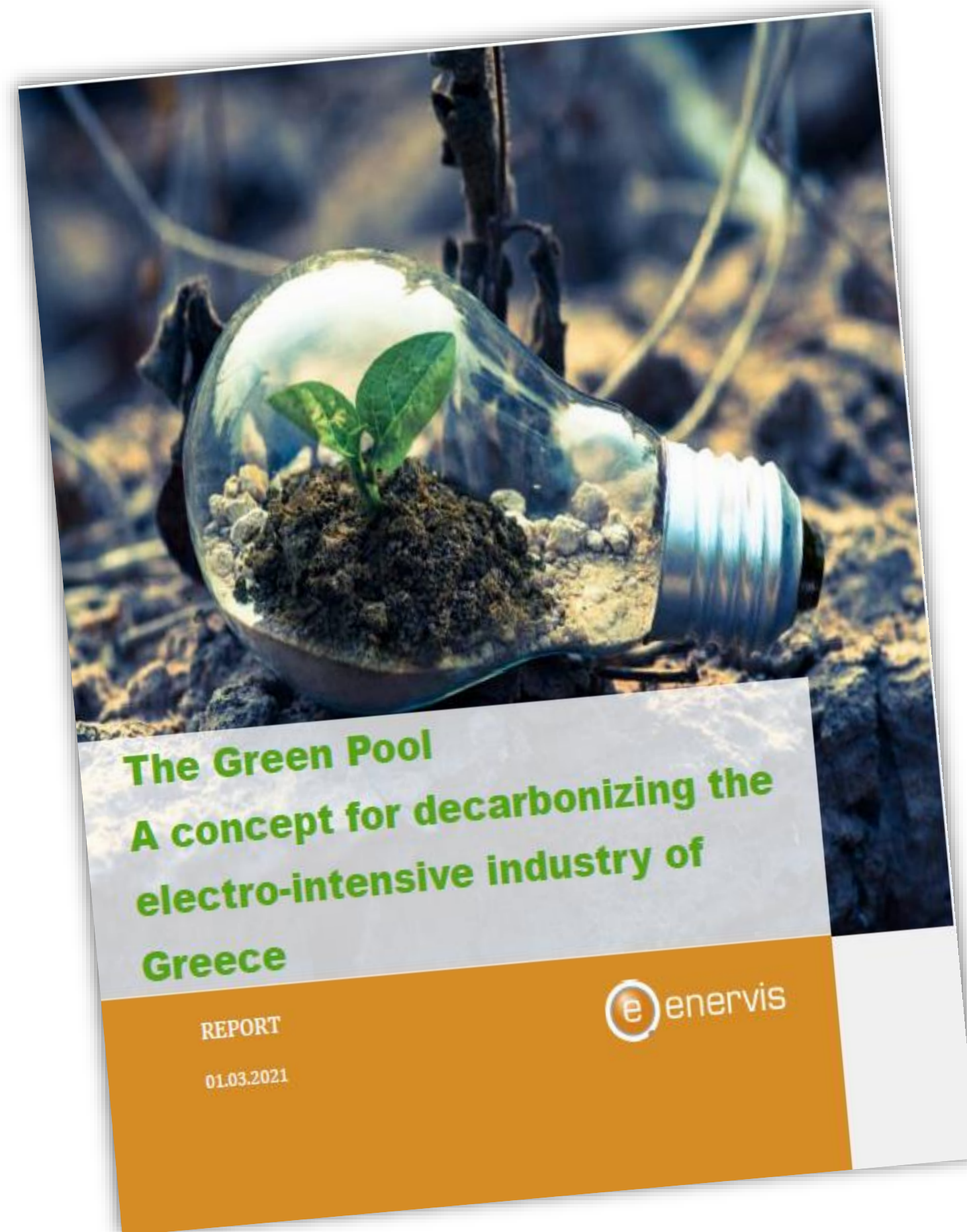
... hardly impressive!

Europe’s low – carbon aluminium becoming the next “magnesium”



.....while global CO2 emissions go up!

Instead of border penalties, make EU green production as globally competitive as possible!



That's how we get our trade partners to follow our climate path – we show them that it makes perfect sense, economically and socially



Thank you