Council of the
European Union

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DRAFT MINUTES

COUNCIL OF THE EUROPEAN UNION[1]
(Economic and Financial Affairs)

12 June 2026

[1] In the presence of the President of the EIB.

1. Adoption of the agenda

The Council adopted the agenda set out in document 9815/26.

2. Approval of "A" items
a) Non-legislative list 9823/26

The Council adopted all "A" items listed in the document above, including all linguistic COR and REV documents presented for adoption.

Legislative deliberations
(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

3. Regulation on the extension of the scope of CBAM to downstream goods and on anti-circumvention measures 10208/26 + ADD 1
General approach 10209/26

The Council reached a general approach on the above-mentioned Regulation.

Statements by Estonia, Germany, and Malta are set out in the Annex.

4. Market integration and supervision package 9891/26

a) Directive on further development of capital market integration and supervision within the Union

b) Regulation on further development of capital market integration and supervision within the Union

c) Settlement Finality Regulation
Policy debate

The Council held a policy debate on the Market integration and supervision package.

5. Any other business
a) Current financial services legislative proposals 9814/26
Information from the Presidency

The Council took note of the information provided by the Presidency about the ongoing work on financial services legislative proposals.

Non-legislative activities

6.	Economic and financial impact of Russia's aggression against Ukraine *Exchange of views*		
7.	Economic recovery in Europe Council Implementing Decision under the Recovery and Resilience Facility (Legal basis: Article 20 Regulation (EU) 2021/241) *Adoption*	C	9418/26 + ADD 1 9419/26 + ADD 1 9517/26 + ADD 1 9518/26 + ADD 1 9521/26 + ADD 1
8.	European Semester 2026: Spring Package *Presentation by the Commission* *Exchange of views*		9935/26 9955/26 9956/26
9.	Implementation of the economic governance framework		
	a) National escape clause: Council Recommendation (Legal basis: Regulation (EU) 2024/1263)		9913/26
	b) Council Decision under the Excessive Deficit Procedure (Legal basis: Article 126(12) TFEU) *Adoption*		9915/26
10.	Any other business		

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❶ First reading

C Item based on a Commission proposal

ANNEX

Statements to the legislative "B" item set out in doc. 9815/26

Ad "B" item 3: Regulation on the extension of the scope of CBAM to downstream goods and on anti-circumvention measures
General approach

STATEMENT BY ESTONIA

Estonia supports the Carbon Border Adjustment Mechanism (CBAM) as an important instrument for preventing carbon leakage, safeguarding the competitiveness of EU industry and contributing to global emissions reductions.

As a small and highly open economy, Estonia attaches particular importance to ensuring that any future extension of CBAM remains proportionate, targeted and administratively workable. While measures addressing genuine risks of carbon leakage and circumvention may be justified in certain downstream sectors, extending CBAM obligations to widely traded consumer goods and products with complex global value chains could create significant compliance costs for businesses, additional burdens for customs and national authorities, and increased administrative complexity with limited additional climate benefits.

Estonia supports extending CBAM to downstream products where there is a significant climate impact, a clear risk of carbon leakage or circumvention, and a strong link to CBAM-covered materials. The selection of additional products should be based on objective criteria and supported by a proper assessment of their impacts, including potential effects on prices, compliance costs, administrative burdens and supply chains, particularly in smaller and import-dependent Member States.

For a number of products proposed during the negotiations beyond the Commission’s original proposal, these impacts have not been sufficiently assessed. In light of these concerns, Estonia abstains on the General Approach. Estonia considers that any future expansion of CBAM should follow a gradual and evidence-based approach, guided by practical implementation experience and comprehensive impact assessments and ensuring that the scope of the mechanism remains focused on products and sectors where it can most effectively contribute to its climate and competitiveness objectives.

STATEMENT BY GERMANY

Wir danken der Ratspräsidentschaft und der Kommission für die konstruktive Arbeit am Dossier.

Aus deutscher Sicht ist der vorgelegte Entwurf ein zustimmungsfähiger Kompromiss. Es ist wichtig, jetzt in die Trilogverhandlungen einzusteigen. Insbesondere für die Industrie ist es von großer Bedeutung, die Downstream-Erweiterung und Umgehungsrisiken jetzt anzugehen.

Wir möchten noch folgende Punkte ansprechen:

Bei der Downstream-Erweiterung ist uns wichtig, dass die MS in die Trilogverhandlungen eng eingebunden werden. Die Prüfung der kriterienbasierten Erweiterung der Liste wird – wie im vorliegenden Vorschlag verankert – eine fortlaufende Aufgabe sein.

Auch sollte die Frage der Einbeziehung von Post-Konsumenten-Schrott als Vorprodukt der Aluminium-Produktion noch einmal genau betrachtet werden.

Für eine möglichst unbürokratische Umsetzung ist uns zudem wichtig, dass globale Standardwerte für Downstream-Produkte grundsätzlich zu Beginn Anwendung finden. Bei verlässlicher Datengrundlage sollen – wie im Kompromiss angedacht   länderspezifische Standardwerte für ein entsprechendes Produkt von der KOM bestimmt und statt des globalen Standardwertes angewandt werden.

Weitere Maßnahmen gegen Umgehung und Missbrauch sowie für Bürokratieabbau bei gleichzeitiger Wahrung des Carbon Leakage-Schutzes, Klimaschutzcharakter und der internationalen Akzeptanz des Mechanismus – sind sowohl bei der Umsetzung der CBAM-Verordnung als auch mit Blick auf eine zukünftige Anpassung der CBAM-Verordnung zu prüfen. Gerade auf diesen Feldern ist es wichtig, die tatsächlichen Entwicklungen eng zu verfolgen und schnell zu reagieren. Hierbei sollte auf die im vorliegenden Vorschlag vorgesehenen Möglichkeiten für ein Tätigwerden zurückgegriffen werden. Wir bitten zudem die Kommission, die Aspekte Schutz vor Umgehung und Missbrauch sowie Entbürokratisierung und Verfahrensvereinfachung insbesondere auch im Rahmen des nächsten Review-Prozesses zu berücksichtigen.

Essentiell ist auch eine Lösung zum Carbon Leakage-Schutz für Exporte. Sowohl mit Blick auf den Vorschlag für einen temporären Dekarbonisierungsfonds als auch mit Blick auf die im Rahmen der ETS-Reform angekündigte dauerhafte Lösung ist wichtig, dass die Unternehmen möglichst bald Planungssicherheit bekommen.

Entscheidend ist, dass der CBAM als Teil des Instrumentenmixes zur Erreichung unserer Klimaziele für die erfassten Industriebereiche einen wirksamen Carbon Leakage-Schutz bietet, der zum Erhalt der Wettbewerbsfähigkeit der betroffenen Industriebranchen beiträgt. Die Erreichung dieses Ziels ist fortlaufend zu überprüfen, insbesondere auch im Rahmen des nächsten Review-Prozesses,

STATEMENT BY MALTA

Malta supports the objective of preventing carbon leakage and remains committed to ensuring that climate policy contributes effectively to global decarbonisation.

Malta still however harbours serious concerns that the text extending the Carbon Border Adjustment Mechanism (CBAM) beyond its original climate rationale may give rise to disproportionate impacts for small, import-dependent economies such as Malta.

A number of key concerns remain unaddressed:

First, the proposed extension of CBAM to highly complex downstream finished goods risks moving the instrument away from its original purpose of levelling the playing field for industry sectors covered by the EU Emissions Trading System (ETS). Extending CBAM to customer-facing products may result in an inflationary cost pass-through to consumers, rather than delivering meaningful global emissions reductions.

Second, the proposal would place a disproportionate administrative and compliance burden on small and medium-sized enterprises (SMEs). In Malta, more than 70% of CBAM-liable operators are microenterprises or SMEs. Collectively, these operators account for only a negligible share of covered emissions, yet they would still be required to meet significant reporting and administrative obligations.

Third, Malta considers that the text as is involves administrative complexity, which goes against the efforts of simplification. Malta continues to highlight the importance of standardised, EU-wide digital templates and practical tools to reduce unnecessary red tape for both economic operators and national administrations.

Finally, Malta is concerned that the rapid expansion of scope proceeded without a dedicated Impact Assessment, going against the respective guidelines stipulating that Impact Assessments should also be carried out when considerable revisions to proposals are made during negotiations. This creates legal and economic uncertainty, particularly for small island and import-dependent economies, where the effects of increased costs and administrative requirements may be more acute.

For Malta, any extension of CBAM must remain proportionate, evidence-based, and firmly anchored in its climate objective.

Malta therefore calls for a clearer justification of any scope expansion, proper recognition of the specific circumstances of small island and import-dependent economies, and practical simplification measures to ensure that CBAM remains an effective emissions-based instrument and does not become an additional cost burden on citizens and SMEs.