



Draft implementing act – carbon price paid in third countries

Feedback to public consultation

Brussels, June 2026

About ECOS

[Environmental Coalition on Standards](#) (ECOS) is an international NGO with a network of member and experts advocating for environmentally friendly technical standards, policies, and laws. We are an active member of the European Commission CBAM expert group with strong expertise on key industrial sectors such as cement, steel, and chemicals.

Feedback

We welcome the opportunity to provide feedback on the [draft implementing act](#) outlining the rules for accounting for the carbon price paid in third countries under CBAM. This act is instrumental to the well-functioning and integrity of the EU CBAM, and by extent also the EU ETS due to the interconnection between both policies.

Having carefully assessed the proposal, **we are particularly concerned by the proposal to include carbon offset credits as part of the effective carbon price paid. Therefore, we urge the European Commission to exclude the use of all types of (inter)national credits, including so-called article 6 credits.** We believe this is necessary for the following reasons:

- It is well-established that international credits tend to overestimate actual emission reductions: amongst others, this is based on experience from the Korean ETS systemⁱ. Consequently, the use of international credits is likely to create a dynamic whereby carbon prices are valued too low, as such undermining the business case for decarbonisation investments.
- The use of international credits in the EU CBAM risks jeopardising the EU ETS¹: the EU CBAM is designed to mirror the EU ETS (and vice versa). Therefore, allowing the use of credits under the EU CBAM would most likely trigger a reintroduction of credits under the EU ETS. This would undermine the efforts of the European Commission within the framework of the EU ETS to phase out international credits from the Clean Development Mechanism (CDM) as it was found out the hard way that such credits weakened the ETS¹ by depressing the CO₂ prices, a

ⁱ See e.g. [Probst et al., 2024](#) and [Romm et al., 2025](#) and [Carbon Market Watch 2025](#)

dynamic openly acknowledged by the European Commission back in 2012ⁱⁱ. This would in turn negatively impact the transition of the EU industry, amongst other due to lower levels of ETS revenues to reinvest in decarbonisation via instruments like the Innovation Fund. The EU CBAM has the advantage that it can build upon a long history of finetuning the EU ETS and it would be a sign of good policy making if past lessons were taken on board in the EU CBAM from the outset.

- The use of international credits risks jeopardising the integrity of the EU CBAM and emission trading more generally: despite only being operational for 6 months, the EU CBAM has already proven to be a game changer at the international level, creating significant impact on other geographies. Indeed, several major trading partners of the EU have decided to set-up and/or accelerated the development of national ETS systems, inspired by the EU's climate leadership in this area. The use of international credits, however, risks jeopardising the integrity of the EU CBAM (and ETS) for the aforementioned reasons. This could potentially even undo most of the impact generated by the EU CBAM on third countries' policy ambitions with regard to ETS systems.

Finally, we believe that the current proposal is already heavy in terms of administrative burden and complexity. The inclusion of (inter)national credits in the EU CBAM would only further add to this, as such increasing costs for CBAM compliance. Given the risks associated with international credits (see supra), and the wider ambitions of the European Commission to reduce administrative burden – including in relation to the CBAM – we feel it is only logic to refrain from using them in the proposed implementing act.

ⁱⁱ [fa9caac8-fe76-47e7-8a24-2f3a296ac491_en](#)