

Securing the inclusion of power cables containing aluminium and steel into CBAM: the right step to ensure the supply of sustainable power cables made in Europe for Europe's decarbonisation, energy security and strategic autonomy

Brussels, 17 March 2026

Europacable welcomes the proposal of the European Commission to include power cables containing steel and/or aluminium into the Carbon Border Adjustment Mechanism (CBAM). We urge the European Parliament and EU Member States to:

- **Confirm the list of CN codes covering power cables containing aluminium and steel as per the Commission's proposal;**
- **Complete the list of CN codes with an additional one to prevent a potential danger of circumvention;**
- **Introduce an earlier date of application to reduce additional carbon leakage and loss of EU competitiveness; and**
- **Define solutions to ensure competitiveness of power cables exported from Europe to third countries.**

By doing so, EU co-legislators will optimise the decarbonisation objective of the mechanism, while securing European manufacturing producing power cables made in Europe for Europe's decarbonisation, energy security and strategic autonomy.

Aluminium power cables are a key technology to empower Europe's decarbonisation: 90% of power distribution cables and 70% of land transmission cables have an aluminium conductor. These cables are critical, strategic net-zero technologies, which are crucial for Europe and its Member States to meet their decarbonisation targets by 2050, and to guarantee Europe's energy independence, security and resilience. Furthermore, investments made by the European cable systems manufacturers into European high-quality, energy efficient, sustainable high-tech power transmission and distribution technologies are a vital asset for Europe to secure a strategic autonomy in this field.

Europacable, the voice of Europe's leading cabling systems manufacturers, welcomes the opportunity to provide its considerations to the Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2023/956 as regards the extension of its scope to downstream goods and anti-circumvention measures.

Hence, Europacable recommends:

1. Confirming the list of CN codes covering power cables containing aluminium and steel as per the Commission's proposal

Europacable welcomes the Commission's proposal of including a list of seven dedicated CN codes covering the key categories of power cables containing aluminium and steel¹ that are strategic to empower Europe's decarbonisation, energy security and strategic autonomy. Confirming their inclusion is vital as it will:

- a. Secure the European manufacturing of a strategic net-zero technology for Europe's future:** Europe has all it needs to decarbonise: the European cable industry has the technologies, the experience, the expertise, the people and the capacities to electrify Europe. Confirming the inclusion of cables in the proposal

¹ 8544 49 20, 8544 49 91, 8544 49 93, 8544 49 95, 8544 49 99, 8544 60 10 and 8544 60 90, provided they contain aluminium and/or steel

will **secure a strong supply of cables made in Europe for Europe**. On the other side, exclusion of power cables from the CBAM scope would seriously undermine the competitiveness of European cable production, and as a result threaten to lose technology knowhow and employment in an area that is of strategic interest for the future of the European Union and the energy transition. A 2023 study commissioned to ERM reported that undermining the competitiveness of the European cabling systems industry would expose the continent to a shortage of cables² – while the electricity networks are expected to grow by 11% yearly until 2050³.

- b. Maintain a level playing field for cabling systems manufacturers:** The additional material cost for aluminium due to CBAM rules is currently estimated to reach €1,140 per tonne of cable in 2030⁴ when about 50% of free allowances under the EU ETS will have been phased out – which competitors from non-EU countries will not have to pay. The majority of this additional cost would be due to the additional cost of the carbon border tax for indirect emissions from the generation of electricity used in the process, if indirect emissions are included under CBAM. It is therefore important that indirect emissions are kept out of the scope to avoid making European cables more costly to produce than identical goods with identical carbon footprint from outside the EU. Although CBAM is intended to raise the carbon cost of imports, it will unintentionally increase metal input cost for all downstream producers in Europe – an effect that would be significantly amplified if indirect emissions were added to its scope.
- c. Prevent additional carbon leakage:** Higher taxes on aluminium and steel entering the EU would provide an opportunity for imports of more carbon intensive aluminium cables from non-EU locations. Indeed, these would enter Europe without being subjected to the CBAM. **Such imports would add to the carbon leakage**, which CBAM precisely aims to avoid.

Against this background:

- **Europacable urges EU co-legislators to confirm the inclusion of the seven proposed CN codes (8544 49 20, 8544 49 91, 8544 49 93, 8544 49 95, 8544 49 99, 8544 60 10 and 8544 60 90) covering power cables containing aluminium and steel into the regulation.**

2. Completing the list of CN codes to prevent a potential danger of circumvention

While the Commission, in its proposal, clearly identified the key power cables that would meet its criteria of volume and strategic relevance, Europacable alerts on a **potential danger of circumvention posed by one missing CN code**: 8544 20 00 “Coaxial cable and other coaxial electric conductors”. While this category is relevant to data transmission cables, it could be misused to “disguise” power cables: without any voltage indication, these could be described as “coaxial” and “electric”. Both coaxial cables and power cables have a central conductor and concentric layers. To prevent such a risk and facilitate the controlling process of the member states’ customs authorities:

- **Europacable urges EU co-legislators to add CN code 8544 20 00 into the downstream extension.**

3. Introducing an earlier date of application to reduce additional carbon leakage and loss of EU competitiveness

² https://europacable.eu/wp-content/uploads/2023/06/Europacable_Potential-impacts-of-CBAM-EU-cable-industry_May_2023.pdf

³ According to a 2022 report from Eurometaux on “Metals for Clean Energy”, the electricity networks will need to grow at a combined annual growth rate (CAGR) of 11% until 2050 if the EU is to meet its decarbonisation target (from approx. 75,000 km/year in 2020-2030 to more than 100,000 km/year of new network in 2040-2050).

⁴ This estimate is based on the accounting of both direct and indirect emissions, and on an estimate of carbon price for aluminium at 134 € per ton in 2030. (Carbon Pulse, Carbon Price Forecast, October 2024). Accounting for direct emissions only could generate an additional material cost of up to €420 per tonne of aluminium.

CBAM has entered its full application stage since 1 January 2026. In its current form, which excludes power cables, CBAM is creating the conditions for the damage that the Commission's proposal for downstream extension seeks to prevent: additional carbon leakage and loss of EU competitiveness. With a proposed application date of 1 January 2028, the proposal leaves two full years for such damage to occur – with potential irremediable effect on some European manufacturers. Therefore:

- ***Europacable urges EU co-legislators to accelerate the adoption procedure towards an application date to 1 January 2027.***

4. Defining solutions to ensure the competitiveness of power cables manufactured in and exported from Europe to third countries.

Europacable welcomes the Commission's proposal to establish a Temporary Decarbonisation Fund (TDF) aimed at supporting EU producers of CBAM-covered goods. However, we strongly regret that European power cable manufacturers are excluded from its scope. Moreover, we consider that the proposed design of the TDF does not sufficiently address the risk of competitive distortions in favour of non-EU producers, nor does it adequately mitigate the risk of carbon leakage in third-country markets where comparable carbon pricing mechanisms are absent. Therefore:

- ***Europacable urges EU co-legislators to develop measures to safeguard the competitiveness of European-manufactured power cables containing aluminium or steel when exported to non-EU markets that do not apply equivalent carbon pricing or CBAM-like instruments.***

The major step achieved by the Commission in its proposal of 17 December 2025 is a clear and highly welcome recognition of the importance of securing the manufacturing of power cables containing aluminium and steel made in Europe for Europe. Europacable urges Parliament and Council to confirm this proposal, with the suggested adjustments. We remain committed to work closely with the European institutions to promote Europe's decarbonisation, energy security and strategic autonomy with power cables made in Europe for Europe.

About Europacable

Europacable is the voice of Europe's leading wire and cable producers. High-quality, sustainable power and telecommunication cables, produced by our members in Europe, empower the electrification and digitalisation of our societies. Founded in 1991, Europacable represents the largest cable makers in the world providing global technology leadership, as well as highly specialized small- and medium sized businesses from across Europe.

With our future being ever more electrified and digitalised, cable technology will be the core backbone of Europe's energy and telecommunication infrastructures. Sustainable, low-carbon manufacturing and high-performance cables are essential to achieve Europe's climate neutrality objectives by 2050. Europacable is committed to the principles of free enterprise and fair trade. Our members employ over 80.000 people of which more than 50% in Europe, generating a worldwide turnover over € 70 billion in 2025.

Europacable is a member of CurrentOS, Orgalim, RGI, WindEurope and a partner of CENELEC and EUEW.

Europacable is listed in the European Commission's Transparency Register under 453103789-92. www.europacable.eu