

## Carbon border adjustment mechanism (CBAM)

### FAQs and answers

#### Ministry of the Environment

##### Basic information

This document contains answers to the most common questions about CBAM. A translation of the most frequently asked questions and answers published on 22 December by the European Commission and questions received by the Ministry of the Environment has been used.

1. Where are the supporting materials available and will they be translated into Czech? .....	5
2. Will the CBAM portal be translated? .....	5
3. Who is the competent authority for CBAM in the Czech Republic? .....	5
4. Is the MoE preparing legislation for CBAM? .....	5
5. What happens during the transition period? .....	5
6. Are there sanctions for non-compliance with the CBAM Regulation? .....	6
7. Where can I find detailed information on how to report embedded emissions? .....	6
8. Is it mandatory to use an Excel file with a communication template? .....	6
9. Who is responsible in cases where incorrect or insufficient information is provided? .....	6
10. Who can I contact if I have further, more specific questions? .....	7
11. Which sectors does the CBAM mechanism cover and why? .....	7
12. Which goods are covered by the CBAM Regulation? Does CBAM apply to me? .....	7
13. Does CBAM apply to "used" goods? .....	8
14. Does CBAM apply to "returned goods"? .....	8
15. How will CBAM address carbon leakage from finished or semi-finished products? .....	8
16. Which third countries are covered by CBAM? .....	8
17. Does CBAM apply to goods imported from Switzerland but of US origin? .....	8
18. Does CBAM apply to the outermost regions of the EU, such as Mayotte or Réunion? .....	8
19. Do I have to report imports of CBAM goods from the UK? .....	9
20. Do I have to report imports of CBAM goods from the Canary Islands? .....	9
21. Who is responsible for reporting? .....	9
22. Can an importer have several indirect customs agents? .....	9



23. Will companies be able to report at a centralised level if subsidiaries in different Member States have different Economic Operator Registration and Identification (EORI) numbers?  
10

24. What are the reporting obligations? By when do I have to submit a CBAM report? .....10

25. The report shall contain the information referred to in Article 35 of the Regulation: .....10

26. I import very small quantities of CBAM goods. Are these products covered by the CBAM Regulation? .....11

27. What is the role of the European Commission during the transition period? .....11

28. What is the role of national authorities (NCAs)? .....12

29. Do importers of CBAM goods have to be "authorized" to import CBAM goods during the transition period? .....12

30. Is there an obligation to verify emissions during the transitional period? .....13

31. Which embedded emissions must be reported in each CBAM sector? .....13

32. What information should notifying declarants request from manufacturers in third countries in order to submit the quarterly CBAM report? .....14

33. What original documents are submitted in the CBAM quarterly report? .....14

34. What is the real "carbon price" I have to report? .....14

35. Who will check the accuracy of the data and reports submitted? .....14

36. Is it possible to correct an already submitted CBAM report? .....14

37. Should the report be in English only or can it be submitted in other languages? .....15

38. What is the CBAM Transitional Register? .....15

39. What will the CBAM Transitional Register be used for? .....15

40. Will the data shared in the CBAM Transitional Register be considered confidential? .....15

41. How can I register as a declarant and access the CBAM Transitional Register? .....16

42. Who is entitled to register a company as a CBAM declarant? .....16

43. Who can complete the notification obligation in the CBAM Transitional Register on behalf of the notifying declarant? Is it possible for more than one person to register on behalf of one company? .....16

44. Can companies that are not directly subject to CBAM have access to the CBAM transitional register? .....16

45. Do third country manufacturers have to register in the CBAM transition portal? .....17

46. How do I fill in the data in the CBAM Transitional Register? What information is mandatory and optional? .....17

47. What should I fill in the Operator ID and Installation ID fields? .....17

48. Will it be possible to upload information to the portal in bulk? .....17

49. If we import several types of bolts, nuts, etc. from one supplier, do we need to report each item separately? Basically one HS code = one record in the report? .....17

50. One CN code can be in the system several times, depending on the number of suppliers that supply this item. Because each of them will have a different value of reported emissions? .....18



51. What is the relevant period for calculating embedded emissions? Can data from previous years be used? .....	18
52. What are simple and composite goods?.....	18
53. What are direct and indirect emissions?.....	18
54. What is "bubble approach" and how does it work?.....	19
55. If imported CBAM goods were produced using EU precursors (e.g. pig iron) - would this have to be taken into account in the calculation? .....	19
56. Will the European Commission formally or informally verify the "equivalence" of the alternative method?.....	19
57. How are indirect emissions from the production of CBAM goods determined? .....	19
58. Which emission factors for electricity should be used to determine indirect emissions? ....	19
59. Can market certificates (guarantee of origin, renewable energy certificates, etc.) be used to justify the use of actual emission factors? .....	20
60. Further information can be found in Section D.2 of Annex III of the CBAM Implementing Regulation and in the guidance for non-EU installations, Section 6.7.3.2.....	20
61. Should emissions from on-site transport be included in the calculation?.....	20
62. Can carbon capture and use (CCU)/carbon capture and storage (CCS) be used to offset emissions for the purpose of determining embedded emissions?.....	20
63. My supplier is not sending me the information I need before the reporting deadline. What should I do?.....	20
64. What are the default values? How does it work?.....	20
65. How are the default values determined and where are they published?.....	21
66. If the supplier does not supply direct emissions data, I will use the default values. What if they do not supply the electricity consumption information required for indirect emissions? Will default values for electricity consumption be available? .....	21
67. Until when will EU importers be able to use alternative monitoring and reporting methods?.....	22
68. How should biomass emissions be accounted for?.....	22
69. How are decimals and rounding handled in the calculations?.....	22
70. How to deal with stock items for which emission data is not available?.....	22
71. If the equipment is used simultaneously by several production processes, how to allocate the emissions from this equipment to each production process?.....	22
72. Should substandard marketable products be taken into account in determining the level of activity?.....	23
73. Is cement defined as a composite good within the scope of CBAM? .....	23
74. Are exothermic chemical reactions in fertiliser production counted as direct emissions?....	23
75. Can CO <sub>2</sub> bound in urea be counted as a negative emission?.....	23
76. Who is the notifying CBAM declarant for electricity imports?.....	23
77. What is the difference between the emission factor for electricity and the CO <sub>2</sub> emission factor?.....	24
78. Which CO <sub>2</sub> emission factors should be used? .....	24



79. What are the requirements for reporting actual embedded electricity emissions? So-called "conditionality"?	24
80. Is transit through non-EU countries taken into account when reporting electricity in CBAM?	25
81. What are the system boundaries for determining embedded electricity emissions?	25
82. What is the link between hydrogen as a CBAM commodity and the Renewable Energy Directive (EU) 2018/2001 (RED II)?	25
83. Are ancillary processes such as lime kilns or coke ovens included in the calculation of embedded emissions from steel products in the limit calculation?	25
84. Do iron ore pellets fall under the scope of CBAM?	26
85. Should the specific embedded emissions of aluminium/steel goods be set separately for different classes of alloys?	26
86. Who provides registration and where can I access the CBAM Transitional Register?	26
87. Can an importer use different customs agents for customs declarations and CBAM reports?	26
88. What happens if the indirect customs representative does not agree to comply with the CBAM notification obligation?	27
89. Can a direct customs representative be an approved CBAM declarant for companies established in the EU?	27
90. Will customs agents be required to check that their client is an approved CBAM declarant before making a customs declaration for CBAM goods on their behalf?	28
91. My company is registered in one EU Member State but imports CBAM goods via several Member States. Should I summarise all these imports in one quarterly report?	28
92. Do goods in transit in the EU have to be declared under CBAM?	28
93. Will the CBAM notification obligation apply to CBAM goods which have been released for free circulation within the EU due to a non-compliance with a customs procedure other than an import procedure (e.g. temporary admission procedure) and for which all duties and taxes have already been paid in respect of that non-compliance?	28
94. Do I have to report CBAM goods that are released for inward processing?	29
95. How will CBAM work in practice during the definitive period?	29
96. What obligations will importers of CBAM goods have during the definitive period?	29
97. Will you ban the import of CBAM items after 2026 if the EU importer is not an approved CBAM declarant?	30
98. How can a CBAM report be submitted during the definitive period?	30
99. How do I access the CBAM register in the definitive period?	30
100. What will be the role of the European Commission during the definitive period?	30
101. Will the EU extend the scope of CBAM?	30
102. How does a CBAM declarant become "approved" and what is the timeframe for authorization during the definitive period?	31
103. How can EU importers ensure that they receive the information they need from their non-EU exporters to use the new system correctly?	31



104. How will the reliability of the information reported be ensured? .....	31
105. How will the accreditation of verifiers work? .....	31
106. ....	
How will the free allocation of allowances be taken into account when calculating the amount of CBAM certificates to be purchased and retired? .....	32

■ On 10 May 2023, the European Parliament and the Council of the European Union, as co-legislators, signed Regulation (EU) 2023/956 on CBAM. The CBAM entered into force during a transitional period on 1 October 2023, with the first quarterly reports to be submitted by 31 January 2024. The set of rules and requirements for reporting emissions under the CBAM are further specified in the Implementing Regulation (EU) 2023/1773, which lays down the rules for reporting emissions during the transitional period. The final CBAM period will enter into force in January 2026.

■ The European Commission has published detailed guidance on the application of the CBAM during the transitional period. These include manuals, webinars, e-learning seminars and other materials. All information on the implementation of CBAM is available on the Commission's website.

#### **1. Where are the supporting materials available and will they be translated into Czech?**

■ All information, including legislative documents and guidelines, is available on the European Commission website, link [here](#). Guidance and other material will also be published on the [MoE](#) website. Translation of the guidance for importers will be provided by the European Commission into all 24 official EU languages. Guidance for non-EU producers will be available in English, French, German, Polish, Spanish, Italian, Arabic, Korean, Mandarin, Hindi and Turkish.

#### **2. Will the CBAM portal be translated?**

■ Yes, the portal will be translated in cooperation with the EC.

#### **3. Who is the competent authority for CBAM in the Czech Republic?**

■ The competent authority for CBAM in the Czech Republic is the Customs Administration of the Czech Republic together with the Ministry of the Environment. The Customs Administration is in charge of granting access to the CBAM temporary register and later receiving applications for CBAM declarant permits and the Ministry of Environment is responsible for checking CBAM reports.

#### **4. Is the MoE preparing legislation for CBAM?**

■ Legislation is being prepared by the Ministry of Finance in the form of a new law.

#### **5. What happens during the transition period?**

■ During the transition period, which began on 1 October 2023 and will end at the end of 2025, the reporting declarant (which may be the importer or an indirect customs agent) must report the emissions contained in the imported CBAM goods by filing a CBAM report at the end of each quarter without paying for the emissions, which will allow time to implement the final system.



- Reporting declarants should contact the relevant national authority in their country of establishment to gain access to the CBAM Transitional Register, which will be used for quarterly CBAM reporting.
- The first quarterly CBAM report is due by 31 January 2024 and covers the reporting period from 1 October 2023 to 31 December 2023.

#### **6. Are there sanctions for non-compliance with the CBAM Regulation?**

- Yes. Reporting of embedded emissions in CBAM commodities is mandatory from 1 October 2023. Reporting declarants may be subject to fines ranging from €10 to €50 per tonne of unreported emissions. Penalties apply if (a) the reporting declarant has not taken the necessary steps to comply with the obligation to submit a CBAM report, or (b) the CBAM report is incorrect or incomplete and the reporting declarant has not taken the necessary steps to correct the CBAM report after the competent authority has initiated a correction procedure.

#### **7. Where can I find detailed information on how to report embedded emissions?**

- All information required for reporting is set out in Implementing Regulation (EU) 2023/1773 laying down reporting rules for the transitional period. The Commission has published (and will regularly update) two guidance documents (one for importers of CBAM goods and one for third country producers) and an optional communication template to facilitate the exchange of information between producers and importers.
- These documents can be found on the European Commission's CBAM website: [here](#) and also on the MoE website: [here](#).
- Guidance for EU importers will be available in 24 official EU languages. Guidance for non-EU manufacturers will be available in English, French, German, Polish, Spanish, Italian, Arabic, Korean, Mandarin, Hindi and Turkish.

#### **8. Is it mandatory to use an Excel file with a communication template?**

- No, the use of the communication template is not mandatory, but recommended.
- The template is a tool that allows operators to determine the embedded emissions of CBAM commodities according to the methodology set out in Implementing Regulation (EU) 2023/1773. The template ensures that all relevant source streams and emission sources, electricity consumption and relevant precursors are taken into account in the calculation.
- The template contains the "Summary\_Communication" worksheet, which contains all the information needed for the declarants. This template thus facilitates communication between third country manufacturers and importers (or their representatives).

#### **9. Who is responsible in cases where incorrect or insufficient information is provided?**

- Responsibility shall lie with the declarant. This may be either the importer or an indirect customs representative. The competent national authority shall be responsible for initiating an appropriate dialogue with the notifying declarant and may impose sanctions.



#### 10. Who can I contact if I have further, more specific questions?

- The competent national authorities and the Commission are at your disposal to address any doubts about the implementation of CBAM.
- The competent authority for the Czech Republic is the Customs Administration of the Czech Republic together with the Ministry of the Environment. The Customs Administration is in charge of granting access to the CBAM register, receiving applications for CBAM declarant authorisations and supervising the fulfilment of obligations for the import of goods. For this information you can contact [CBAM@cs.mfcr.cz](mailto:CBAM@cs.mfcr.cz).
- The MoE is responsible for checking the CBAM reports and CO<sub>2</sub> emission calculation statements and certificates to be submitted. If you have any questions on these topics, you can contact [CBAM\\_ETS@mzp.cz](mailto:CBAM_ETS@mzp.cz).

### CBAM goods

#### 11. Which sectors does the CBAM mechanism cover and why?

##### CBAM applies to imports of the following goods:

- Cement
- Iron and Steel
- Aluminium
- Fertilizers
- Hydrogen
- Electricity

These sectors were selected on the basis of specific criteria, in particular the high risk of carbon leakage and the high emissions intensity, which will eventually account for more than 50% of the emissions of the industries covered by the ETS once the scheme is fully implemented. The CBAM may be extended to other ETS sectors in the future.

#### 12. Which goods are covered by the CBAM Regulation? Does CBAM apply to me?

- The CBAM Regulation applies to goods with CN (Combined Nomenclature) codes, which add two digits to the HS code and are used as a code for goods for export outside the EU, listed in Annex I to Regulation (EU) 2023/956 CBAM of the European Parliament and of the Council. These items are called 'CBAM goods'.
- It is therefore necessary to check the CN codes of the goods you are importing against the CN codes listed in Annex I to the CBAM Regulation.
- Sectors such as 'iron and steel' are listed for information purposes only. This means, for example, that imports of ammonia (CN code 2814 in the fertiliser sector) are covered by the CBAM Regulation even if the ammonia is not used for the production of fertilisers.





### 13. Does CBAM apply to "used" goods?

- **The CBAM Regulation** applies to all goods imported into the EU and released for free circulation in the EU single market.

### 14. Does CBAM apply to "returned goods"?

- Re-imported goods are goods that are released for free circulation and are exempt from customs duties because they were previously Union goods, either because they originated in the EU or because they were previously released for free circulation and because they meet certain conditions (e.g. they are released for free circulation within three years after they were previously exported).
- The CBAM applies only to imports of goods originating in third countries. Therefore, if the goods originate in the EU, CBAM does not apply.

### 15. How will CBAM address carbon leakage from finished or semi-finished products?

- The CBAM applies mainly to basic materials and basic material goods, but also to certain finished products such as fasteners (CN code 7318).
- At the end of the transition period, the CBAM Regulation will be reviewed to assess whether additional goods and sectors could be added to the ETS on the basis of selected criteria.

## Origin of goods and scope of CBAM

### 16. Which third countries are covered by CBAM?

- In principle, the CBAM applies to imports of goods originating in all non-EU countries. However, some third countries that participate in the EU ETS or a related emissions trading scheme are excluded from the CBAM so that the carbon price for the same product is not paid twice. This is the case for members of the European Economic Area (EEA) and Switzerland.
- The CBAM applies to electricity produced and imported from third countries, including those wishing to integrate their electricity markets with the EU. If these electricity markets are fully integrated and if certain obligations and commitments are met, the countries concerned may be exempted from the CBAM. In this case, the EU will review possible exemptions in 2030, when these partners should implement the decarbonisation measures they have committed to and an emissions trading system equivalent to the EU system.

### 17. Does CBAM apply to goods imported from Switzerland but of US origin?

- Yes, if CBAM goods originate outside the EU (and outside the exceptions listed), they are covered by CBAM. Imported goods are considered as originating in third countries in accordance with the non-preferential rules of origin under Article 59 of Regulation (EU) No 952/2013.

### 18. Does CBAM apply to the outermost regions of the EU, such as Mayotte or Réunion?

- The CBAM Regulation applies only to CBAM goods originating in third countries and imported into the customs territory of the Union. The list of territories forming the customs territory of the EU is set out in Article 4 of the Union Customs Code (EU Regulation 952/2013). Reunion and Mayotte





are part of the customs territory of the EU and therefore the CBAM Regulation does not apply to goods imported from these regions.

#### **19. Do I have to report imports of CBAM goods from the UK?**

■ Yes, this is a third country outside the EU, imports of CBAM goods originating from this country are subject to the CBAM obligation.

#### **20. Do I have to report imports of CBAM goods from the Canary Islands?**

■ No, the Canary Islands are a customs territory of the Union, so imports of goods originating in this territory are not subject to the CBAM obligation.

### **Reporting: general questions**

#### **21. Who is responsible for reporting?**

■ Customs shall inform declarants of their obligation to report to CBAM during the transitional period. The notifying declarant will be either the importer or the indirect customs representative, depending on who lodges the declaration.

The person responsible for the reporting obligation may be one of the following:

- 1) The importer, where (i) the importer makes the customs declaration for the release of the goods for free circulation in his own name and on his own account and (ii) the importer is also the declarant who holds the authorisation to lodge the customs declaration and declares the importation of the goods;
- 2) An indirect customs representative where the customs declaration is lodged by an indirect customs representative appointed in accordance with Article 18 of Regulation (EU) No 952/2013; in cases where the importer is established outside the Union; or where the indirect customs representative has agreed to the notification obligation in accordance with Article 32 of Regulation 2023/956 where the importer is established in the EU. The appointed indirect customs representative must be established in the EU and meet the conditions for customs representatives laid down by the Member State concerned (see Article 18 of Regulation (EU) No 952/2013).

#### **22. Can an importer have several indirect customs agents?**

■ The importer may use different indirect customs agents, each of whom is responsible for the specific CBAM goods he has declared in his customs declaration. Each agent will provide Customs with his own EORI number, which is proof of who is responsible for the CBAM declaration. Therefore, there can be no double counting of entered issues.



**23. Will companies be able to report at a centralised level if subsidiaries in different Member States have different Economic Operator Registration and Identification (EORI) numbers?**

- The CBAM goods are essentially assigned to the CBAM declarant by means of an EORI number provided to the customs authorities. This means that CBAM declarations for different subsidiaries (with different EORI numbers) will normally be made separately.
- However, as importers can appoint indirect customs representatives to take over CBAM duties, a single indirect customs representative could be appointed to report centrally and represent all subsidiaries.

**24. What are the reporting obligations? By when do I have to submit a CBAM report?**

- During the CBAM transition period from 1 October 2023 to 31 December 2025, the importer shall submit a CBAM report on a quarterly basis. This report shall contain information on goods imported in the previous quarter and should not be submitted later than one month after the end of that quarter. The reporting calendar during the transitional period is set out below:

REPORTING PERIOD	SUBMITTING TO
2023: October - December	2024: 31 January
2024: January - March	2024: 30 April
2024: April - June	2024: 31 July
2024: July - September	2024: 31 October
2024: October - December	2025: 31 January
2025: January-March	2025: 30 April
2025: April - June	2025: 31 July
2025: July - September	2025: 31 October
2025: October - December	2026: 31 January

**25. The report shall contain the information referred to in Article 35 of the Regulation:**

- total quantity of each type of goods CBAM
- actual total embedded emissions
- total indirect emissions
- the carbon price payable in the country of origin for the emissions contained in the imported goods (including relevant precursors, where applicable), taking into account any discount or other form of offset.



## 26. I import very small quantities of CBAM goods. Are these products covered by the CBAM Regulation?

- Small quantities of imported goods that fall within the scope of the CBAM may automatically be considered exempt from the CBAM Regulation provided that the de minimis exemption applies.
- The de minimis exemption applies to consignments where the total intrinsic value of the CBAM goods does not exceed EUR 150. Therefore, the total value of all CBAM goods in a single consignment must be taken into account and if this value exceeds EUR 150, then the de minimis exemption does not apply. To illustrate, the following two cases are given:

### Case 1:

I have X pieces of non-CBAM goods in a consignment, each with a nominal value of EUR Y. They are not relevant for the application of the de minimis exemption. I also have one packet of Portland cement in the consignment, identified by CN code (2523 21 00), the value of which does not exceed 150. The de minimis exemption applies.

### Case 2:

I have X pieces of non-CBAM goods in a consignment, each with a nominal value of EUR Y. They are not relevant for the application of the de minimis exemption. In addition, I am carrying one tonne of Portland cement (CN code 2523 21 00) and one tonne of other Portland cement (CN code 2523 29 00). The value of each CBAM good is EUR 120. The total value of the CBAM goods in my consignment is more than EUR 150 and therefore does not qualify for the de minimis exemption. Musím podat zprávu CBAM i když jsem v daném čtvrtletí nedovezl žádné CBAM zboží?

- If you did not import any CBAM goods in a given quarter, you are not required to report for that quarter and therefore do not have to file a CBAM report even with "zero values".

## Reporting: obligations and procedures

### 27. What is the role of the European Commission during the transition period?

During the transitional period, the Commission will have the following tasks:

- Managed by the CBAM Transitional Register.
- Review CBAM reports and communicate to the competent national authorities a list of reports which it has reason to believe are not in compliance with the CBAM rules.
- Monitors CBAM implementation, and risks of circumvention, and analyses the impact of CBAM on exports, downstream products, trade flows and LDCs.



■ **It prepares secondary legislation in the form of implementing regulations:**

- Mid-2023 on the transition period (Article 35), the reporting obligation and the reporting infrastructure.
- Mid 2024 on the authorisation of declarants (Articles 5 and 17) and on the CBAM register (Article 14).
- Mid 2025 implementing acts on indirect emissions (Annex IV), verification (Article 8), accreditation of verifiers (Article 18), carbon price (Article 9), information for customs authorities (Article 25), continental shelves (Article 2), average ETS price (Article 21), CBAM declaration (Article 6), methodology (Article 7) and free allocation (Article 31)

■ In mid-2025, it will prepare secondary legislation in the form of delegated acts for the accreditation of verifiers (Article 18) and the sale and buy-back of certificates (Article 20). If necessary, the Commission will also prepare delegated acts on exempted countries, electricity rules and anti-circumvention rules.

■ They will establish a common central platform where the sale and redemption of certificates will take place during the definitive period.

**28. What is the role of national authorities (NCAs)?**

■ Each Member State has designated a national competent authority (NCA) to carry out the functions and duties defined in Regulation (EU) 2023/956. In short, the NCAs are responsible for the quality control of the quarterly CBAM report (with the support of the Commission) and, where necessary, conduct a dialogue with the notifying declarants. NCAs ultimately ensure compliance with the CBAM rules and may impose sanctions. In the definitive period from 2025, NCAs will grant the status of 'authorised CBAM declarant'.

■ The list of competent national authorities is published and continuously updated on the Commission's CBAM website: (europa.eu).

■ In the Czech Republic, the competent authority is the Customs Administration of the Czech Republic together with the Ministry of the Environment.

**29. Do importers of CBAM goods have to be "authorized" to import CBAM goods during the transition period?**

■ Importers of CBAM goods do not need to be authorised to import these goods into the EU during the transitional period. Customs authorities will inform importers of CBAM goods of their notification obligation at the time of import. This authorisation will not be required until 2026, and will be applied for from the beginning of 2025.



### 30. Is there an obligation to verify emissions during the transitional period?

■ No, verification by an external independent body will only be mandatory from 2026 onwards. Secondary legislation for the final period will follow in the coming years, defining the rules for verification of emissions based on data collected during the transition period from EU importers.

### 31. Which embedded emissions must be reported in each CBAM sector?

■ The following table provides an overview of the specific emissions and GHGs covered by the CBAM and how direct and indirect emissions are determined for each sector covered by the CBAM. The specificities of each sector have been taken into account in designing the methods for reporting and calculating embedded emissions in these assets, reflecting the EU Emissions Trading Scheme:

Thing	CBAM goods					
	Cement	Fertilisers	Iron/steel	Aluminium	Hydrogen	Electricity
Metrics for reporting	(per) tonne of goods					(per) MWh
Greenhouse gases included	only CO <sub>2</sub>	CO <sub>2</sub> (plus oxide nitrous oxide for some fertilisers)	only CO <sub>2</sub>	CO <sub>2</sub> (plus perfluoride rbonoy (PFC) for certain aluminium goods)	only CO <sub>2</sub>	only CO <sub>2</sub>
Emissions covered during the transitional period	direct and indirect					direct only
Emissions covered during the definitive period	direct and indirect		Direct only, subject to review			direct only
Determining direct embodied emissions	Based on actual emissions, but estimates (including standard values) can be used for up to 100% of specific direct inputs emissions for imports up to 31 July 2024 and up to 20% of total specific embodied emissions for imports until 31 December 2025					Based on standard values, if not met several cumulative conditions
Determination of indirect embodied emissions	Based on actual electricity consumption and standard emission factors for electricity, unless the conditions are met (i.e. direct technical connection or power purchase agreement). Estimates (including default values) can be used for up to 100 % specific indirect embodied emissions for imports up to 31 July 2024					Not applicable



### 32. What information should notifying declarants request from manufacturers in third countries in order to submit the quarterly CBAM report?

- The CBAM declarant must provide the information listed in [Annex I of the Implementing Regulation](#) in the CBAM report.
- In order to ensure that all the required information is available, the notifying declarant should request from the manufacturer the information contained in Annex IV of the above mentioned [Implementing Regulation](#). The Commission services have compiled this information into an optional communication template (in Excel format) to facilitate the communication of information between operators and importers. This template is available on the [Commission's website](#).

### 33. What original documents are submitted in the CBAM quarterly report?

- There is no need to submit any original document. The notifying declarant only needs to submit the required information for the quarterly CBAM reports via the CBAM Transitional Register.
- In accordance with the principle of transparency set out in Section A.2 of Annex III to the [Implementing Regulation](#), complete and transparent records of all data relevant for the determination of embodied emissions of manufactured goods, including the necessary supporting documentation, shall be kept at the installation for at least four years after the end of the reporting period. These records may be made available to the reporting declarant. These records may be requested by EU Member States in the event of a review of the quarterly CBAM report.

### 34. What is the real "carbon price" I have to report?

- As stated in the [CBAM Regulation](#), a carbon price is a monetary amount paid in a third country under a carbon abatement scheme, which may take various forms such as a tax, a contribution, a fee or emission allowances under a greenhouse gas emissions trading scheme, calculated on the greenhouse gases covered by such a measure that are released in the production of goods.
- During the transition period, reporting declarants must report the actual carbon price payable in the jurisdiction where the CBAM commodity was produced. During the definitive period, importers will be entitled to a discount when disclosing this information to avoid double counting the price of embedded emissions.

### 35. Who will check the accuracy of the data and reports submitted?

- During the transitional period and in accordance with Article 11 of the [Implementing Regulation](#), the Commission will carry out an initial check of the CBAM reports and communicate to the competent national authority a list of incomplete or suspicious reports (i.e. where the Commission has reason to believe that they do not comply with the CBAM Regulation). It is then up to the competent national authority to decide whether to initiate a review as well as any appeal procedure which may ultimately lead to the imposition of sanctions.

### 36. Is it possible to correct an already submitted CBAM report?

- Article 9 of the [Implementing Regulation](#) provides that a CBAM report already submitted may be corrected two months after the end of the reporting quarter.



■ For the first two quarterly reports, the [Implementing Regulation](#) allows for a longer deadline for corrections until the deadline for the third quarterly report. This means that reports submitted by 31 January and 30 April can subsequently be corrected until 31 July 2024.

### 37. Should the report be in English only or can it be submitted in other languages?

■ Reports can be submitted in all 24 EU languages.

## Reporting: the CBAM Transitional Register

### 38. What is the CBAM Transitional Register?

■ In order to ensure the effective implementation of the notification obligations, the Commission has set up an electronic database to collect the information notified during the transitional period. The CBAM Transitional Register is a standardised and secure electronic database containing common data elements for reporting during the transitional period and for ensuring access, case handling and confidentiality. The CBAM transitional register is the basis for the development and establishment of the CBAM register pursuant to Article 14 of Regulation (EU) 2023/956. Importers can join the CBAM transitional register: [here](#).

### 39. What will the CBAM Transitional Register be used for?

■ The CBAM transitional register allows communication between the Commission, the competent authorities, the customs authorities of the Member States and declarants.

■ The transitional CBAM register will not be used for law enforcement purposes as the information collected will only be used for analysis and data collection during the transitional period.

### 40. Will the data shared in the CBAM Transitional Register be considered confidential?

■ According to Article 14 of the [CBAM Regulation](#), the information contained in the CBAM register is 'confidential, except for the names, addresses and contact details of operators and locations of facilities in third countries'. Article 13 of the [CBAM Regulation](#) and Article 15 of the Implementing Regulation laying down the notification obligations for the transitional period include the obligation of professional secrecy of information obtained by the competent national authority.

■ Some of the required information is necessary to substantiate the reported level of emissions, especially in the absence of verification by external and independent verifiers. However, it is also important to bear in mind that many of the data that may be required by the importer and which are considered sensitive are optional. For example, Annex IV of the Implementing Regulation contains information on the 'recommended communication from operators to notifiers', but only the information contained in Annex I needs to be provided. The CBAM Transitional Register specifies which information is mandatory and which is optional.

■ In the optional Excel template that operators and importers can use to exchange information during the transition period, facility operators have the option to decide whether they want to share full, detailed information (optional) or only the summary tabs necessary to submit a CBAM report. There is a degree of flexibility that allows operators not to disclose data that they may consider





sensitive. Based on this experience, the Commission will also address the information that must be disclosed in reports and by external verifiers in the definitive period.

- For the definitive period, the Commission is considering options to provide producers with separate access to the Register so that they can submit information directly through the Register without being able to view specific information for notifying declarants.

#### **41. How can I register as a declarant and access the CBAM Transitional Register?**

- Access is provided by the Customs Administration of the Czech Republic, access to the CBAM Trader Portal must be requested via an electronic form available on the website of the [Customs Administration of the Czech Republic](#) in the online forms tab, in the Customs Procedure Forms section under the link "Request for access to the European Trader Portal".

#### **42. Who is entitled to register a company as a CBAM declarant?**

- Any natural person who can prove that he or she represents a company may contact the national competent authority (NCA) in the Member State where the company is established and request access to the CBAM register as a CBAM declarant. The NCA is responsible for verifying the legitimacy of the applications and for granting the CBAM declarant access rights. The account holder to whom NCA grants CBAM declarant access is responsible for maintaining the confidentiality of the account and for delegating access to other accounts (employees) of the company. In the Czech Republic, registration is provided by the Customs Administration of the Czech Republic.

#### **43. Who can complete the notification obligation in the CBAM Transitional Register on behalf of the notifying declarant? Is it possible for more than one person to register on behalf of one company?**

- Multiple temporary registry user accounts may be linked to the same EORI number, provided that these accounts originate from employees of the responsible reporting declarant (i.e. importer or indirect customs representative). However, only one user will be able to edit a specific CBAM quarterly statement in the CBAM transitional register at any given time (i.e. it will not be possible for multiple declarant users to edit the same quarterly statement at the same time).
- The Commission is currently exploring solutions that would allow reporting declarants to delegate the completion of the quarterly CBAM reports to external persons without having to share their user data. In any case, the reporting declarant will remain responsible for ensuring the quality of the reports submitted.

#### **44. Can companies that are not directly subject to CBAM have access to the CBAM transitional register?**

- No, only notifying declarants, the competent authorities of the Member States, customs authorities and the European Commission have access to the CBAM temporary register. Do third country manufacturers have to register in the CBAM transitional portal?



#### 45. Do third country manufacturers have to register in the CBAM transition portal?

■ No, producers from third countries will not register in the transitional CBAM portal. The Commission is considering this option for the definitive period.

#### 46. How do I fill in the data in the CBAM Transitional Register? What information is mandatory and optional?

■ Quarterly reports must be completed by importer, CN code and facility. The data in the CBAM Transitional Register can be completed in two ways:

- Reporting declarants can fill in the data manually directly in the interface in the CBAM temporary register.
- Reporting declarants can use the XML structure to upload CBAM quarterly reports. After successful upload of the XML file, a new draft quarterly report is created and can be submitted via the CBAM registry user interface. A supporting XLS file that can be used to populate the quarterly report using XML will soon be published on the [CBAM website](#).

■ There are mandatory and optional fields. In the CBAM Transitional Register, mandatory fields are marked with an asterisk (\*). Mandatory fields are also listed in the supporting XLS file.

■ For detailed information on how to complete the report and how to use the XSD file, see the [CBAM Transition Register User Guide for Declarants](#).

■ The draft report can be saved without all mandatory elements. However, all mandatory elements must be included to send the message.

#### 47. What should I fill in the Operator ID and Installation ID fields?

■ The plant is a stationary unit in which the production process takes place. An operator is any person who operates an installation in a third country. A single operator may also operate more than one facility/manufacturing plant. Fill in these fields with your own created operator and plant identification numbers.

#### 48. Will it be possible to upload information to the portal in bulk?

■ Instead of using the user interface to fill in individual fields of the message, you can upload the message as XML (in ZIP format containing all relevant attachments). For more information, see the Application User Guide (CBAM Temporary Register Manual).

#### 49. If we import several types of bolts, nuts, etc. from one supplier, do we need to report each item separately? Basically one HS code = one record in the report?

■ Goods can be reported under aggregated goods categories. These categories can be used to aggregate goods with different CN codes produced in a given installation, unless different production processes are used in the installation. Which goods by CN codes can be aggregated into which categories are defined in the Implementing Regulation by listing the relevant aggregated categories of goods and all goods identified by CN codes in Table 1 of Section 2 of Annex II.



**50. One CN code can be in the system several times, depending on the number of suppliers that supply this item. Because each of them will have a different value of reported emissions?**

- Yes, the same goods from different manufacturers may differ in their emission content and should therefore be listed separately.

## **Methodology for calculating embedded emissions in CBAM goods in the transition period**

**51. What is the relevant period for calculating embedded emissions? Can data from previous years be used?**

- The standard reporting period, i.e. the reference period for the operator to determine the embodied emissions, is the calendar year. However, the use of other periods (e.g. fiscal year) can be justified provided that they provide similar coverage and cover at least 3 years. Please refer to the guidance in section 4.3.4 (for EU importers)/section 4.3.3 (for non-EU installations) for further details.
- For the CBAM report to be submitted in the first quarter of the year, data from the previous year should be used. In cases where these data are not available by the end of January/February, the previous year's data may be used.

**52. What are simple and composite goods?**

- There are two types of CBAM goods, simple and compound. "Simple goods" are produced from input materials that are considered zero-embodied goods according to the CBAM reporting methodology. The embodied emissions of simple CBAM goods are therefore based solely on the emissions generated in their production.
- For 'composite goods', the embedded emissions of the relevant precursors, which are themselves within the scope of the CBAM, must be included if they are used in the production process. Relevant precursors are those raw materials used in the production of a CBAM composite good which are themselves CBAM goods. In the cement sector, a typical example of a precursor is cement liquor, which is the main component of Portland cement.

**53. What are direct and indirect emissions?**

- Direct emissions include emissions from the production processes of CBAM goods, including emissions from the production of heat and cooling, regardless of where the heat and cooling is produced. This means that if the production of heating and cooling takes place outside the facility, the resulting emissions are counted as direct emissions.
- Indirect emissions include the generation of electricity that is consumed in the production of CBAM goods.
- In determining the specific embedded direct and indirect emissions of CBAM commodities, the embedded direct and indirect emissions of the relevant precursors shall also be taken into account.



■ During the transitional phase, importers are required to report direct and indirect emissions for monitoring purposes for all goods falling within the scope of the CBAM. During the definitive phase, which starts on 1 January 2026, the scope of CBAM is limited to direct emissions for iron/steel, aluminium and hydrogen, while importers of cement and fertilisers will have to report both direct and indirect emissions.

#### **54. What is "bubble approach" and how does it work?**

■ Pokud zařízení vyrábí složené zboží a jeho prekurzor a pokud je tento prekurzor zcela použit k výrobě složeného zboží, lze v rámci zařízení vymezit společnou (jedinou) hranici systému výrobního procesu (viz další vysvětlení v pokynech).

#### **55. If imported CBAM goods were produced using EU precursors (e.g. pig iron) - would this have to be taken into account in the calculation?**

■ Yes, the relevant precursors produced in the EU must also be taken into account when determining embedded emissions.

■ However, please note that if the precursor originates from production in the EU, the CBAM report may also reflect a carbon price that has already been paid in the EU. (For more details on reporting the actual carbon price paid in non-EU facilities, please refer to section 6.10 of the Guidance for non-EU facilities).

#### **56. Will the European Commission formally or informally verify the "equivalence" of the alternative method?**

■ The transition period is a learning phase for all, including the Commission services and the competent national authorities. If alternative methods do not meet the standards contained in Article 4(2) of the [Implementing Regulation](#), and in particular after 31 July 2024, such calculation method may be rejected. The competent national authority shall initiate a dialogue with the notifying declarant in order to obtain more accurate data.

#### **57. How are indirect emissions from the production of CBAM goods determined?**

■ Indirect emissions are determined by multiplying the electricity consumed to produce the CBAM commodity by the appropriate emission factor. The emission factor may be based on the electricity grid or may represent the actual emission factor.

#### **58. Which emission factors for electricity should be used to determine indirect emissions?**

■ For the transition period, the standard emission factors for electricity are based on International Energy Agency (IEA) data covering a five-year average. The Commission lists them for each country in the CBAM Transition Register.

■ Alternatively, any other emission factor of the country of origin network may be used if it is based on publicly available data. An electricity emission factor or a CO<sub>2</sub> emission factor may be used.

■ Actual emission factors for electricity may be used in the case of a direct technical connection between the electricity generating source and the CBAM commodity generating facility or in the case of a power purchase agreement between the electricity generator and the consumer.



### **59. Can market certificates (guarantee of origin, renewable energy certificates, etc.) be used to justify the use of actual emission factors?**

- During the transitional period, the general rule for the emission factor for electricity is to use default values provided by the Commission. However, actual emission factors for electricity may be used if the relevant conditions are met (i.e. the existence of a direct technical interconnection or a power purchase agreement as explained above).
- Market specific emission factors, established for example on the basis of guarantees of origin or green certificates, cannot be used to justify the use of actual emission factors.

Further information can be found in Section D.2 of Annex III of the CBAM Implementing Regulation and in the guidance for non-EU installations, Section 6.7.3.2.

### **60. Should emissions from on-site transport be included in the calculation?**

- Included are emissions from conveyor belt transport, pipelines and other stationary equipment. Emissions from the use of mobile machinery (trucks, forklifts, etc.) are excluded. These are the same rules as in the EU ETS.

### **61. Can carbon capture and use (CCU)/carbon capture and storage (CCS) be used to offset emissions for the purpose of determining embedded emissions?**

- Carbon capture and utilisation/storage (CCUS) are techniques that are increasingly available in the markets and allow for the reduction of carbon dioxide emissions. Such emission reductions can be taken into account when determining the embodied emissions of CBAM commodities, provided certain criteria are met. These conditions are set out in Section B.8.2 of Annex III of the [Implementing Regulation](#) (further explanation is provided in Section 6.5.6.2 of the Guidelines). The conditions are essentially that the captured carbon dioxide is used to produce products in which it is permanently chemically bound or that the captured carbon dioxide is transferred to a long-term geological repository.

### **62. My supplier is not sending me the information I need before the reporting deadline. What should I do?**

- Good cooperation between third country producers and notifying declarants is essential. The Commission has published guidelines and templates to help manufacturers identify the embedded emissions of the goods they produce.
- The declarant is ultimately responsible for the completeness and accuracy of CBAM declarations. The notifying declarant is liable and may be sanctioned in the event of non-compliance with the CBAM reporting obligation.
- During part of the transition period (until mid-2024), declarants may rely on default values if they do not receive the necessary information.

### **63. What are the default values? How does it work?**

- Until 31 July 2024, for each import of goods for which it does not have all the information, the notifying declarant may use other methods for determining emissions, including default values to be made available and published by the Commission.



- The use of default values for reporting purposes during the transition period is therefore possible for the first three reporting periods without quantitative restrictions.
- In addition, the estimated values (including default values) can be used for the whole reporting period for input materials or sub-processes with a relatively small contribution (i.e. < 20 %) to the total input emissions of the composite good.
- In other words, this means that by 31 July 2024, 100% of total embedded emissions can be determined using default values. For the remaining transitional period (i.e. from 1 July 2024 to 31 December 2025), estimated values can be used, but a quantitative limitation applies: for composite goods, up to 20% of the total embodied emissions can then be determined using estimates, taking into account the whole production chain (using the default values provided by the Commission would qualify as an 'estimate').
- By the end of the transition period in 2025, the Commission will evaluate the default values on the basis of the data collected.
- During the transition period there will only be global default values (for each CN code in the CBAM scope). During the definitive period there will then be default values by country or even by region.

#### **64. How are the default values determined and where are they published?**

- On 29 September, the EU's Joint Research Centre (JRC) published [estimates of the greenhouse gas intensity of goods from four energy-intensive industrial sectors](#) - iron and steel, fertilisers, aluminium and cement - in the EU and its main trading partners. This work provides scientific support for the implementation of the mechanism as foreseen in the [CBAM Regulation](#).
- The JRC report provides values broken down into direct and indirect emissions. GHG emission estimates include carbon dioxide, nitrous oxide (for some fertilisers) and perfluorocarbons (for aluminium goods) associated with the production of goods listed in Annex I of the [CBAM Regulation](#).
- The estimated GHG emission intensity values (i.e. specific embodied emissions) served as input information for setting the default values for the transition period, which are published on the [EC](#) and [MoE](#) websites.

#### **65. If the supplier does not supply direct emissions data, I will use the default values. What if they do not supply the electricity consumption information required for indirect emissions? Will default values for electricity consumption be available?**

- Standard values are defined for all aggregate categories of imported goods by CN code for both direct and indirect emissions. Therefore, if you do not have information on electricity consumption, you will not need to fill in this value. It will only be possible to determine the total embodied emissions in goods based on the default values, for the first three reports (until 31 July 2024) without any limitation.



#### **66. Until when will EU importers be able to use alternative monitoring and reporting methods?**

- In accordance with the [Implementing Regulation](#), there is some flexibility for the transitional period: until 31 December 2024, notifiers may use other methods that result in similar coverage and accuracy, using (a) a carbon pricing system, (b) a mandatory emissions monitoring system or (c) an installation emissions monitoring system (Article 4 (2)).
- Until 31 July 2024, any other reference method, including default values, may be used if the notifying declarant does not have all the necessary information (see Article 4(3) of the [Implementing Regulation](#)). Therefore, notifying declarants may choose to submit other methods of their choice until that date. The Commission services will then assess these methods in order to adjust the CBAM reporting methodology for the final phase.

#### **67. How should biomass emissions be accounted for?**

- The CBAM methodology follows the same rules as the EU ETS.
- If biomass is used as an input to the process (e.g. charcoal is used as a reducing agent in a blast furnace or to produce electrodes), emissions from the use of biomass are not counted (so-called zero value).
- When biomass (solid, liquid or gaseous) is used as fuel (i.e. for energy purposes), emissions are counted unless the biomass meets the relevant sustainability and GHG saving criteria under the Renewable Energy Directive (EU) 2018/2001. The relevant criteria depend on the type of biomass used.
- Further details are given in Annex D of the Guidance for non-EU operators.

#### **68. How are decimals and rounding handled in the calculations?**

- All "significant" digits (consistent with the measurement uncertainty) should be maintained throughout the calculation.

#### **69. How to deal with stock items for which emission data is not available?**

- The embedded issuance of these stock items can be estimated until 31 July 2024 using standard values published by the European Commission.
- Subsequently, the actual figures will need to be reported. In the case of missing data on old spare parts or stock items, data on similar or identical goods may be submitted after 31 July 2024.

#### **70. If the equipment is used simultaneously by several production processes, how to allocate the emissions from this equipment to each production process?**

- All inputs, outputs and corresponding emissions at the facility should be attributed to the production process as long as they do not relate to any goods that are not subject to CBAM.
- Overall, the relevant equipment emissions should be 100 % covered by the production processes for CBAM goods and possibly also for non-CBAM goods.





■ For installations with several relevant production processes, where common equipment, common 'source streams' or common emission sources are relevant, inputs, outputs and emissions should be allocated to the different production processes with an appropriate proportion. For example, if a facility produces purified water and 60 % of this water is used to produce CBAM goods, then 60 % of the direct and indirect emissions related to water purification should be attributed to the production of CBAM goods.

#### **71. Should substandard marketable products be taken into account in determining the level of activity?**

■ If the product is saleable, it should be included in the activity level provided that it meets the CN codes related to the CBAM commodity category of the production process (as set out in Annex II of [Implementing Regulation \(EU\) 2023/1773](#)).

### **Cement**

#### **72. Is cement defined as a composite good within the scope of CBAM?**

■ Yes, cement is defined as a composite good within the scope of CBAM because cement clinker is a precursor to cement and the clinker itself is within the scope of CBAM.

### **Fertilisers**

#### **73. Are exothermic chemical reactions in fertiliser production counted as direct emissions?**

■ If the reaction leads to the formation of CO<sub>2</sub>, e.g. by oxidation of organic chemicals, and this CO<sub>2</sub> is emitted, it is counted as direct emissions.

■ Emissions from the conversion of natural gas to hydrogen are also counted as direct emissions.

#### **74. Can CO<sub>2</sub> bound in urea be counted as a negative emission?**

■ No, under the EU ETS, CO<sub>2</sub> bound in urea is not counted as negative emissions. Therefore, no discounts for CO<sub>2</sub> bound in urea are applied for the purpose of reporting emissions under the CBAM. This also means that CO<sub>2</sub> generated in ammonia production and transferred to urea production is counted as emissions from ammonia production.

### **Electricity as a CBAM commodity**

#### **75. Who is the notifying CBAM declarant for electricity imports?**

■ In general, the importer is the person who is mentioned in the data element "importer" in the customs declaration. By way of derogation from this and in accordance with Article 5(4) of the [CBAM Regulation](#), where transmission capacity for importing electricity is allocated through an explicit capacity allocation, the person to whom the import capacity has been allocated and who nominates that import capacity shall be deemed to be the declarant declaring the CBAM in the Member State where that person declared the import of electricity in the customs declaration.



## 76. What is the difference between the emission factor for electricity and the CO<sub>2</sub> emission factor?

- The emission factor for electricity is the weighted average emission factor of all electricity generating sources (including nuclear and renewable sources) in a geographical area (e.g. a third country, a group of third countries or a region within a third country). In contrast, the CO<sub>2</sub> emission factor represents the weighted average emission factor of those electricity generating sources that are based on the combustion of fossil fuels. This means that the CO<sub>2</sub> emission factor is always higher than the electricity emission factor for the same geographical area.
- During the transition period, the standard CO<sub>2</sub> emission factor method for electricity is used to determine the specific direct embodied emissions for electricity as a CBAM commodity. In contrast, the emission factor for electricity is used for the standard method to determine specific indirect emissions for CBAM goods other than electricity.

## 77. Which CO<sub>2</sub> emission factors should be used?

- The default values for imported electricity are set for a third country, a group of third countries or a region within a third country on the basis of the best data available to the Commission. For the transitional period, the default values are country-specific CO<sub>2</sub> emission factors based on International Energy Agency (IEA) data covering a five-year average. The Commission publishes them in the CBAM Transition Register.
- If no specific default value is available, the EU CO<sub>2</sub> emission factor is used. It is also based on IEA data and is provided through the CBAM Transition Register.
- If the notifying declarant provides sufficient evidence based on official and public information to show that the applicable CO<sub>2</sub> emission factor is lower than the values under the above points, the notifying declarant may determine the CO<sub>2</sub> emission factor based on the method defined in the [Implementing Regulation](#).

## 78. What are the requirements for reporting actual embedded electricity emissions? So-called "conditionality"?

- Data on the actual emissions of a specific electricity generating installation can be used if the criteria set out in the [CBAM Regulation](#) (Annex IV, point 5), so-called "conditionality") are met.
- The following conditions must be met, bearing in mind that the criteria are cumulative:
  - The amount of electricity for which the use of actual embedded emissions is required is covered by a power purchase agreement between the approved CBAM declarant and the third country generator
  - The generating installation is either directly connected to the Union transmission system or it can be demonstrated that at the time of export there is no physical congestion on the network at any point on the network between the installation and the Union transmission system
  - The electricity generating facility emits no more than 550 grams of CO<sub>2</sub> from fossil fuels per kWh of electricity



- The amount of electricity for which the use of actual embedded emissions is required has been firmly nominated to the allocated interconnection capacity by all responsible TSOs in the country of origin, in the country of destination and, where applicable, in each transit country, and the nominated capacity has been firmly nominated and the electricity production by the facility relates to the same time period, which shall not exceed one hour

#### **79. Is transit through non-EU countries taken into account when reporting electricity in CBAM?**

- In the case of electricity as a CBAM good, the relevant third country is the country of origin where the electricity was produced. No emission factor for the transit country is taken into account in the CBAM report.

#### **80. What are the system boundaries for determining embedded electricity emissions?**

- Only direct CO<sub>2</sub> emissions from electricity generation are taken into account for reporting. For example, no emissions from the production and installation of wind turbines are considered.

## **Hydrogen**

#### **81. What is the link between hydrogen as a CBAM commodity and the Renewable Energy Directive (EU) 2018/2001 (RED II)?**

- The [Implementing Regulation](#) provides that "where the hydrogen produced has been certified to meet the requirements of Commission Delegated Regulation (EU) 2023/1184(1), a zero emission factor may be applied to the electricity." (Annex II, Section 3.6). This means that the certification of hydrogen as a "RFNBO" (renewable fuel of non-biological origin) under the Renewable Energy Directive can be used to demonstrate zero indirect emissions, no double certification is required.
- In the absence of such certification, indirect emissions shall be determined in accordance with Annex III of the [Implementing Regulation](#).

## **Iron and steel**

#### **82. Are ancillary processes such as lime kilns or coke ovens included in the calculation of embedded emissions from steel products in the limit calculation?**

- The system boundaries for each aggregate category of goods are set out in Annex III to [Implementing Regulation \(EU\) 2023/1773](#).
- Lime kilns and coke ovens are not included in the boundaries of the iron and steel production system. This is because the outputs of these plants (i.e. lime and coke) are not themselves CBAM goods. Consequently, lime and coke are not considered as precursors even for the calculation of specific embodied emissions.
- The production of auxiliaries such as purified water and compressed air is included in the system boundaries.



### 83. Do iron ore pellets fall under the scope of CBAM?

- Yes, iron ore pellets fall under CN code 2601 12 00 'Agglomerated iron ores and concentrates, other than pig iron (pig iron)'. They are considered as a precursor ('agglomerated ore') in the production of pig iron or directly reduced iron (DRI).

## Aluminium/steel

### 84. Should the specific embedded emissions of aluminium/steel goods be set separately for different classes of alloys?

- Specific embodied emissions are usually determined for each aggregated category of goods, unless different production processes are used in the installation. Aggregate categories of goods may include goods with different CN codes. Within the same CN code, the content of alloying elements or the proportion of input scrap may vary. Nevertheless, embodied emissions during the transitional period can be reported by aggregated commodity category.
- Operators may voluntarily opt for a more detailed determination of specific embodied emissions for certain goods or groups of goods.

## Customs matters and access to the transitional CBAM register

### 85. Who provides registration and where can I access the CBAM Transitional Register?

- Registration is provided by the Customs Administration of the Czech Republic. The CBAM Trader Portal was created for the purpose of submitting quarterly reports. Access to the portal is only granted to importers or indirect customs agents who are registered in the UUM&DS system (EU Unified User and Digital Signature Management System) to ensure identity verification at login. As the registration in the UUM&DS system is carried out by the Customs Administration of the Czech Republic, access to the CBAM Trader Portal must be requested via an electronic form available on the website of the Customs Administration of the Czech Republic (<https://www.celnisprava.cz>) under the online forms tab, under Customs Procedure Forms, under the link 'Request for access to the European Trader Portal'.

### 86. Can an importer use different customs agents for customs declarations and CBAM reports?

- As regards the reporting requirements applicable during the transitional period, the **CBAM Regulation** (Article 5) foresees the possibility for importers of CBAM goods to appoint direct or indirect customs representatives within the meaning of Article 18 of the Union Customs Code (see in this respect Regulation No 952/2013):
  - In the case of direct representation, the importer established in the EU would be subject to CBAM obligations, while the direct customs representative would retain the status of customs declarant.



- Where an importer established in the EU appoints and agrees to appoint an indirect customs representative, the notification obligation applies to that indirect customs representative.
- Where the importer is not established in an EU Member State, the reporting obligation applies in any case to the indirect customs representative.

■ Thus, for an importer established in an EU Member State, it would be possible to use different customs agents for customs declaration and CBAM reporting - for example, if a direct customs agent is used for customs declaration and an indirect customs agent is appointed for CBAM reporting. In such cases, the direct representative should indicate the indirect representative on the customs declaration. Note, however, that during the transition period it is not possible for an importer to have multiple indirect customs representatives for CBAM goods covered by the same customs declaration.

■ In the case of an importer established outside the EU, both the customs declaration and the CBAM declaration are the responsibility of the indirect customs representative.

#### **87. What happens if the indirect customs representative does not agree to comply with the CBAM notification obligation?**

■ This is only possible in cases where the importer is established in the EU. If, on the other hand, the importer is not established in the EU, the indirect customs representative must comply with the CBAM notification obligation.

■ Article [8 \(3\) of the Implementing Regulation](#) provides that where indirect customs representatives do not agree to comply with the CBAM reporting obligation, they shall notify the importer of the reporting obligation.

■ If the importer does not receive such notification, the indirect customs representative shall remain responsible for the notification obligation.

#### **88. Can a direct customs representative be an approved CBAM declarant for companies established in the EU?**

■ Indeed, EU importers can appoint direct or indirect customs representatives. However, as far as CBAM reporting is concerned (under the CBAM Regulation and the Implementing Regulation), the obligations lie either with the importer or with their indirect representatives, if they agree (see Article 32 of Regulation (EU) 2023/956 for the transitional period).

■ Even if the importer appoints a direct customs representative, this importer remains responsible for the notification obligation to CBAM. In other words, the importer remains the declarant for CBAM purposes.

■ Importers are not prevented from appointing service providers who can assist them in the preparation and submission of CBAM reports in practice, but the responsibility for complying with the CBAM reporting obligation remains with the importers or their indirect representatives.



**89. Will customs agents be required to check that their client is an approved CBAM declarant before making a customs declaration for CBAM goods on their behalf?**

- Pursuant to Article 15(2) of the [Customs Code of the Union \(CCU\)](#), the lodging of a customs declaration by a person with the customs authorities (importer or customs representative) makes that person responsible for (a) the accuracy and completeness of the particulars given in the declaration; (b) the authenticity, accuracy and validity of all documents supporting the declaration; and (c) the fulfilment, where applicable, of all obligations relating to the placing of the goods concerned under the relevant customs procedure or to the carrying out of authorised operations.
- This shall also apply to the provision of any information in any other form requested by or provided to the customs authorities.
- On the basis of the above, it is in the interest of the customs office's direct representative to check whether the person on whose behalf the declaration is made meets the requirements of the CBAM Regulation before lodging the customs declaration for release for free circulation.

**90. My company is registered in one EU Member State but imports CBAM goods via several Member States. Should I summarise all these imports in one quarterly report?**

- During the transition period, the CBAM declarant is required to submit quarterly reports to CBAM containing information on the embedded emissions of all imported CBAM goods. The CBAM goods are assigned to the CBAM declarant by means of an EORI number provided to the customs authorities. In this scenario, there is only one company with one EORI number. The quarterly CBAM statement should therefore collect information on the embedded emissions of all CBAM goods imported by this company, even if the goods were imported in different Member States.
- Importers may choose to appoint an indirect customs representative who, if they agree to comply with the notification obligation, will have to provide their own EORI number to CBAM when importing goods and assume CBAM's responsibilities in place of the importer for goods imported by the indirect customs representative.

**91. Do goods in transit in the EU have to be declared under CBAM?**

- No, only goods to be released for free circulation in the EU are subject to CBAM, while goods in transit in the EU are not.

**92. Will the CBAM notification obligation apply to CBAM goods which have been released for free circulation within the EU due to a non-compliance with a customs procedure other than an import procedure (e.g. temporary admission procedure) and for which all duties and taxes have already been paid in respect of that non-compliance?**

- The release of goods into free circulation is subject to compliance with the CBAM requirements. Therefore, the release of goods for free circulation should be preceded by checks that these requirements are met.
- In the event of non-compliance, Article 198(1)(b) of the [UCC](#) would apply (i.e., "Customs shall take all necessary measures, including seizure and sale or destruction, to dispose of the goods if the goods cannot be released because they are subject to prohibitions or restrictions") because the goods are subject to CBAM requirements that have not been met.



■ In such a case, Article 198(2) [UCC](#) would also apply (i.e. "goods which are not Union goods and which have been transferred to the State, seized or confiscated shall be deemed to have been placed under the customs warehousing procedure").

### 93. Do I have to report CBAM goods that are released for inward processing?

■ CBAM applies only to goods that are released for free circulation in the EU. Therefore, goods that are placed under a customs procedure with duty suspension with a view to their future exportation or with a view to their reprocessing are not subject to CBAM.

■ However, please note that when CBAM goods leave the inward processing regime and are released for free circulation on the EU market, a CBAM obligation arises.

■ The CBAM notification obligation also arises in the specific case where CBAM goods that have been released for inward processing are processed into a product that is no longer a CBAM good per se and these final goods are eventually released for free circulation in the EU (see Article 6 of the Implementing Regulation). In this particular case, the CBAM report would contain information on the quantities and embedded emissions in the CBAM goods released for inward processing (Article 6(f) and (g) of the [CBAM Regulation](#)), but not on the quantities and embedded emissions of the final goods released for free circulation, because in this example these goods are not themselves CBAM goods (i.e. Article 6(a) and (b) do not apply).

## Definitive period (from 2026)

### 94. How will CBAM work in practice during the definitive period?

■ The CBAM will mirror the ETS in that it is based on the purchase of certificates by importers. The price of certificates will be calculated according to the weekly auction price of EU ETS allowances expressed in EUR per tonne of CO<sub>2</sub> equivalent emitted. Importers of goods will have to register either individually or through a representative to participate in the CBAM scheme and purchase CBAM certificates.

■ The certificates submitted by the CBAM declarant shall correspond to the amount of embodied emissions of the relevant commodity expressed in tonnes of CO<sub>2</sub>. In addition, there is the possibility to purchase certificates during the year.

■ CBAM certificates will be sold by Member States through a common central platform to approved CBAM declarants established in that Member State. Only authorised CBAM declarants may purchase certificates. These certificates shall be surrendered through the CBAM registry by 31 May each year, for the first time in 2027, for embedded import emissions occurring in 2026.

■ It is envisaged that the reporting of embedded issues will take place under similar conditions as in the transitional period, i.e. exclusively through the online portal, the CBAM register.

### 95. What obligations will importers of CBAM goods have during the definitive period?

■ During the definitive period, only authorised CBAM declarants may import goods into the Union (Article 4 of the CBAM Regulation). The following declarant is an authorised CBAM declarant in accordance with Article 5 of the CBAM Regulation:





- If the importer is not established in a Member State: indirect customs representative.
- If the importer is established in a Member State: the importer or, by agreement, an indirect customs representative.

■ It follows that if the importer is not established in a Member State and the indirect customs representative does not have the status of an approved CBAM declarant, the CBAM goods in question cannot be imported into the Union.

#### **96. Will you ban the import of CBAM items after 2026 if the EU importer is not an approved CBAM declarant?**

■ Yes, Article 25 of the [CBAM Regulation](#) states that "customs authorities shall not authorise the importation of goods to any person other than an authorised CBAM declarant".

#### **97. How can a CBAM report be submitted during the definitive period?**

■ The CBAM report shall be submitted by the approved CBAM declarant via the CBAM registry. Please note that for the definitive period, the 'CBAM Transitional Register' will be replaced by the 'CBAM Register'.

#### **98. How do I access the CBAM register in the definitive period?**

■ Once the competent authority approves the importer's application, he will be considered an approved CBAM declarant. Each CBAM declarant will be assigned a CBAM account number by the Commission, which will then allow access to the CBAM register.

#### **99. What will be the role of the European Commission during the definitive period?**

■ As during the transitional period, the Commission will continue to maintain the CBAM register, review CBAM reports submitted by declarants and communicate any problems to the competent national authorities, as well as monitor the implementation of CBAM and risks of circumvention.

■ In addition, the Commission will manage a central platform for the sale of CBAM certificates to importers. Operators will purchase and can also surrender CBAM certificates they have purchased on this platform.

#### **100. Will the EU extend the scope of CBAM?**

■ By the end of the CBAM transition period (end of 2025), the Commission will conduct a full review of the implementation of the CBAM. On the basis of the data collected during this period, it will look, inter alia, at the possibility of extending the CBAM to other goods and sectors covered by the EU ETS and at risk of carbon leakage (see Article 30 (2) of the [CBAM Regulation](#)). Extending the scope of the CBAM requires a legislative proposal from the Commission and a subsequent amendment of the CBAM Regulation to be adopted by the European Parliament and the Council.



**101. How does a CBAM declarant become "approved" and what is the timeframe for authorization during the definitive period?**

■ The competent national authority of the Member State in which the applicant is established (in the Czech Republic this will be entrusted to the Customs Administration of the Czech Republic) will grant the status of approved CBAM declarant if the applicant meets the following criteria:

- Has not been involved in a serious breach or repeated breach of customs, tax, market abuse or CBAM regulations
- Demonstrate its financial and operational capacity
- Is established in the Member State where the application is made; o has been assigned an EORI number.

■ A consultation procedure, which should not exceed 15 working days, must be carried out before the authorisation is granted. During the transitional period, the European Commission will adopt secondary legislation with further details on the authorisation procedure (see Article 17(10) of the [CBAM Regulation](#)).

**102. How can EU importers ensure that they receive the information they need from their non-EU exporters to use the new system correctly?**

■ Non-EU manufacturers should provide information on embodied emissions for goods subject to CBAM to importers of their goods registered in the EU. In cases where this information is not available at the time of import of the goods, EU importers will be able to use default values to determine the number of certificates they must purchase. However, it is likely to be more advantageous for importers to provide a calculation of embedded emissions.

**103. How will the reliability of the information reported be ensured?**

■ The Commission, in cooperation with Member States' authorities, will continuously monitor reported emissions and corresponding trade to detect practices of circumvention and non-compliance with the CBAM Regulation and its secondary legislation. In addition, verifications will be carried out during the definitive period and the resulting report will contain information on the quantification of emissions and how these emissions are attributed to different types of goods.

■ During the definitive period, the reported embodied emissions should be verified by a verifier accredited in accordance with specific accreditation rules (to be established by the Commission during the transitional period) who will produce a verification report. Accordingly, copies of the emission verification reports will be attached to the CBAM reports.

■ Penalties will be imposed where a CBAM declarant brings goods into the customs territory of the Union without complying with the obligations laid down in the Regulation.

**104. How will the accreditation of verifiers work?**

■ During the transition period, the European Commission will work on secondary legislation setting out the rules for accreditation and verification.



- This legislation will include: first, two implementing acts in accordance with Articles 8 and 18 of the [CBAM Regulation](#) for the verification principles and alignment of the scope of verification of the EU ETS and CBAM, and second, a delegated act in accordance with Article 18 of the [CBAM Regulation](#) setting out the conditions for the accreditation of verifiers.

**105. How will the free allocation of allowances be taken into account when calculating the amount of CBAM certificates to be purchased and retired?**

- Rules in this respect shall be drawn up by the European Commission following the mandate under Article 31(2) of the [CBAM Regulation](#).

**106. How will the carbon price paid in a third country be deducted from the CBAM?**

- An approved CBAM declarant should be able to request a reduction in the number of CBAM certificates to be surrendered corresponding to the carbon price already actually paid in the country of origin for the reported embodied emissions of CBAM commodities.
- The CBAM Regulation defines "carbon price" quite broadly, as "a monetary amount paid in a third country under a carbon abatement scheme, either in the form of a tax, levy or charge or in the form of emission allowances under a greenhouse gas emissions trading scheme (...)."
- To reduce the number of CBAM certificates, only the carbon price that was "actually paid in the country of origin" is counted. If an approved CBAM declarant takes advantage of any discount or other form of offset, this benefit will be taken into account when determining the carbon price actually paid.
- By the end of the transition period in 2025, the Commission will prepare an implementing act setting out further details for the calculation of the carbon price actually paid in the country of origin (see Article 9(4) of the [CBAM Regulation](#)).

