



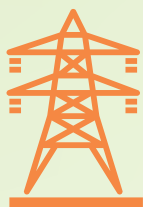
CARBON BORDER ADJUSTMENT MECHANISM

INFORMATION FOR IMPORTERS OF ELECTRICITY

The EU's Carbon Border Adjustment Mechanism (CBAM) entered into application in its transitional phase on 1 October 2023.

CBAM is the EU's landmark tool to put a fair price on the greenhouse gases (GHG) emitted during the production of certain GHG-intensive goods, including electricity, entering the EU. It will ensure that the EU's climate objectives are not undermined and encourage cleaner industrial production in non-EU countries.

As an EU importer of electricity, you have a key role to play in the CBAM's implementation, and the achievement of the EU's climate targets.



You must submit quarterly reports on the quantities of electricity goods you import into the EU, the greenhouse gas emissions released as they were produced (embedded in those goods), as well as information on effective carbon prices already due or paid on the goods during their production.

You will not have to make any monetary payments until 2026, at which point you or your customs representative will be expected to buy and surrender CBAM certificates corresponding to the quantity (in proportion to the phasing out of free allocation under the EU ETS) of embedded emissions in the goods.



To help you navigate the new system in its transitional phase, the European Commission has made available a **checklist** of the steps you need to take, operational guidance, and a suite of e-learning materials for you and your international trading partners.

To take the first steps, consult our checklist for importers at the following link or QR code:
<https://europa.eu/nF6C6q>



KEY POINTS FOR IMPORTERS OF ELECTRICITY TO REMEMBER IN THE CBAM TRANSITIONAL PHASE

Electricity importers or their customs representatives must declare on a quarterly basis:



Direct CO₂ emissions embedded during production of the electricity being imported to the EU, at installation or production site level.



The quantity of electricity (in MWh) in the scope of CBAM being imported to the EU during the previous quarter.



Any carbon price due or paid in a country of origin for the embedded emissions in the imported electricity, deducting any rebate or other form of compensation already received.

For direct emissions, quarterly reports should be based on the actual emissions produced during production of the goods. If the importer does not have all necessary information, default values can be used to some extent throughout the transitional period. For indirect emissions, reporting is generally based on default values, but actual embedded indirect emissions may be reported under certain conditions.

The first CBAM report should be submitted by 31 January 2024, covering electricity imported during the fourth quarter of 2023.

You and your international trading partners can find all details needed to calculate the embedded emissions in the guidance and e-learning materials available on the dedicated website.

Visit: https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en

