

What is the EU CBAM?

The EU CBAM is the EU's landmark tool to put a fair price on the carbon emitted during the production of certain carbon-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. **Since 1 October 2023**, the EU's Carbon Border Adjustment Mechanism (EU CBAM) applies in its transitional phase.



As a producer of electricity that is exported to the EU, CBAM is relevant for you!

What does this mean for me?



Since the EU CBAM entered into application in its transitional phase, EU importers must report quarterly on the quantities of electricity they import into the EU, the greenhouse gas emissions released as it was produced (embedded in that electricity) and the carbon price due in the country of origin.

The determination of the embedded emissions of electricity is largely based on CO₂ emission factors that are determined at country level. However, if certain conditions are fulfilled, the EU importer may report actual emissions. As a producer, you will need to submit information on the actual emission factor to the EU importer in that case.



How does the European Commission help?



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

To take the first step, consult our <u>dedicated website here</u>.



KEY POINTS FOR PRODUCERS OF ELECTRICITY TO REMEMBER IN THE CBAM TRANSITIONAL PHASE AS OF 1 OCTOBER 2023

Producers of electricity need to provide information on the actual emission factor of the electricity produced to the EU importer if the latter reports actual emissions. Otherwise, the producer of electricity does not need to provide any information.



How should I determine the embedded emissions of CBAM goods?

The methodology to determine embedded emissions of CBAM goods is laid out in Implementing Regulation (EU) 2023/1773. Further guidance is available on the CBAM website, in particular the guidance for operators in third countries and sector-specific guidance in the form of a recorded webinar and an e-learning module.

Can I report my data directly to the European Commission?

From January 2025 onwards, third-country operators will be able to provide information directly to the European Commission through the operator's portal of the CBAM Registry. Operators may provide information on their installations and the embedded emissions in the produced CBAM goods. Operators may decide if they wish to share such information with EU importers. The objective of this direct reporting is to reduce administrative burden, as data can only be reported once and importers then simply refer to those data. Moreover, the direct reporting allows restricting access to some sensitive data only to the authorities.



You can find all details needed to calculate and report the embedded emissions in the guidance and e-learning materials available on the dedicated website: **Visit:** https://encr.pw/QryJu

The Frequently Asked Questions
The Guidance Documents for operators in third countries.

Also available in Spanish, German, French, Italian, Polish, Arabic, Chinese, Hindi, Korean, Ukrainian and Turkish.

EU CBAM and developing countries
The Communication template
Recorded course on how to use the template
Sector specific guidance: the webinar and the
e-learning

The CBAM self-assessment tool when available and the TARIC consultation page.