



CARBON BORDER ADJUSTMENT MECHANISM

INFORMATION FOR IMPORTERS OF FERTILISERS

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 fertilisers, 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 fertilisers products, you have a key role to play in the CBAM's implementation, and the achievement of the EU's climate targets.



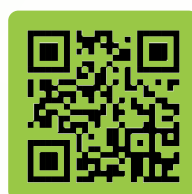
You must submit quarterly reports on the quantities of fertiliser goods you import into the EU, the greenhouse gas emissions released as they were produced (embedded in those goods), as well as information on effective carbon prices already due or paid on the goods during their production.

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 FERTILISERS TO REMEMBER IN THE CBAM TRANSITIONAL PHASE

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



The quantity of fertiliser products (in tonnes) in the scope of CBAM being imported to the EU during the previous quarter.



Direct CO₂ emissions (plus nitrous oxide emissions for some fertiliser goods) embedded during production of the goods being imported to the EU, at installation or production site level.



Indirect CO₂ emissions embedded in the goods as a result of activities involved other than the physical production (e.g. electricity, heating / cooling).



Any carbon price due or paid in a country of origin for the embedded emissions in the imported goods, 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 goods imported during the fourth quarter of 2023.

Fertilisers falling within the scope of the new reporting obligations are detailed in Annex I to the CBAM Regulation.

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

