

New obligations from 1 January 2026 for importers of goods subject to the carbon border adjustment mechanism

CBAM

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The **Carbon Border Adjustment Mechanism (CBAM)**, introduced by **Regulation (EU) 2023/956**, is one of the key instruments of the **European Green Deal** and represents the Commission's response to the growing risk of **carbon leakage**, i.e., the relocation of carbon-intensive production to countries with more lenient climate regulations.

01 *The new EU carbon border adjustment system*

CBAM introduces a **carbon price on goods imported** into the territory of European Union, proportionate to the **embedded emissions** associated with those products. The objective is to establish a level **playing field** between EU manufacturers—subject to the EU Emissions Trading System (EU ETS)—and non-EU producers operating in less stringent regulatory environments. The mechanism ensures greater alignment with EU decarbonisation policies, supporting the transition to a **low-carbon economy** and contributing to the 2030 climate targets (-55% emissions) and **climate neutrality by 2050**.



Starting from **1 January 2026**, CBAM will enter into its **definitive phase**, introducing:

- a **mandatory authorisation system** for importers
- the **trading and surrender of CBAM certificates**
- new reporting and traceability obligations
- a **more rigorous verification system** for embedded emissions compared to the transitional phase.

The mechanism is based on a central principle: **the carbon price applied to imported products must be aligned with that paid by EU producers**. This alignment is determined by the value of the EU ETS market, the benchmark for the price of CBAM certificates.

02 *Scope of application: which goods fall within the scope of CBAM?*

CBAM applies to **imports into the EU from third countries**, except for those **already integrated into or fully linked with the EU ETS**¹. The product scope is strictly defined in **Annex II of Implementing Regulation (EU) 956/2023** and includes products characterised by are highly energy- and carbon-intensive industrial production processes.

The main categories of goods subject to CBAM are:

1. Cement
2. Iron and steel
3. Aluminium
4. Fertilisers
5. Electricity
6. Hydrogen

¹ Iceland, Liechtenstein, Norway and Switzerland.

These are sectors which typically generate significant emissions throughout the product lifecycle, due to fossil fuel consumption, emission-intensive chemical reactions or energy-intensive processes.

CBAM covers not only direct emissions (Scope 1) but may also include indirect emissions (Scope 2), where relevant for the specific product category.

Practical implications for operators

Companies importing these products must will need to set up internal systems and documentation processes designed to:

- correctly identify imported products **falling under CBAM-related customs codes**
- collect and verify **emission data from non-EU producers**
- communicate standardised information to the competent authorities.

Many operators will need to engage directly with foreign suppliers to obtain reliable and compliant emission data—marking a significant shift from current commercial practices.

03 *The transitional phase (2023-2025): obligations and operational challenges*

The **transitional phase** run from **1st October 2023** to **31st December 2025**. It does not yet require the purchase of certificates, but it introduces a reporting framework enabling the Commission to assess the maturity and quality of data submitted by importers.

Obligations during the transitional phase

Importers must submit a **quarterly CBAM report** via the dedicated online portal, including:

- **volumes imported** for each CBAM category
- **embedded emissions** of imported goods
- any **carbon price applied in the country of origin**
- information on the production process, where available.

In the absence of primary data from the producer, default values published by the Commission may be used; however, this option will be progressively phased out when the definitive regime applies.

Deadlines

Reports must be submitted within **one month after the end of each quarter**.

The final report for the transitional phase (**Q4 2025**) must be submitted by **31st January 2026**.



04

The definitive regime from 1st January 2026

With the entry into force of **Regulation (EU) 2083/2025**, CBAM becomes fully operational. The definitive phase introduces more comprehensive obligations, requiring companies to review internal processes, contractual relationships with non-EU suppliers and procurement strategies.

Authorisation requirement for importers

Operators importing quantities above the de minimis threshold of 50 cumulative tonnes per year must obtain the status of **authorised CBAM declarant**.

Electricity and hydrogen are excluded from the exemption threshold; authorisation is mandatory regardless of quantity.

Authorisation procedure

- Submission of the application to **MASE (Ministry of the Environment and Energy Security)** by **31 March 2026**.
- Assessment by the authority within a maximum period of **120 days**.
- Evaluation of:
 - economic and financial soundness
 - adequacy of internal controls
 - capacity to trace and verify embedded emissions.

Non-EU operators without a permanent establishment in Europe importing CBAM-covered goods must appoint an **indirect customs representative**.

During the review phase, imports may continue, provided that the customs declaration indicates that the application has been submitted.

Penalties and corrective measures

If the application is not submitted on time, authorities may:

- initiate **reporting** procedures
- impose **administrative penalties**
- in more serious cases, **block goods at customs** until compliance is ensured.

Companies must therefore promptly analyse their import flows and take the necessary steps to obtain authorisation.



05 CBAM certificates and subsequent obligations (from 2027)

From **1st February 2027**, Member States will begin selling **CBAM certificates** to authorised declarants via the central EU platform. Certificates represent the financial equivalent of the CO₂ embedded in imported products.

Certificate pricing

The price will be updated **weekly** by the Commission, in line with developments in the **EU ETS market**, which remains the main reference.

For imports made in 2026, the certificate price will be calculated based on the **quarterly average** of ETS values.

Annual obligations from 2027

Importers will be required to:

- purchase a number of certificates proportionate to the **embedded emissions** of goods imported in the previous year
- surrender certificates annually by the established deadline
- record transactions in the **CBAM Registry**
- maintain supporting evidence and documentation for declared emissions
- cooperate with the authorities during audits or inspections.

Corrective mechanism

The regime also provides flexibility instruments, including:

- **buy-back of excess certificates** by the competent authority;
- **crediting** of any carbon price applied in the country of origin, if recognised as equivalent to EU mechanisms.

Andersen team remains at your disposal for activities relating to the analysis and assessment of your company's structure, with the aim of determining whether your organisation falls within the scope of the CBAM obligations. We also provide comprehensive assistance, where required, in the following areas:

- Management of the authorisation procedure to obtain the status of Authorised CBAM Declarant;
- Fulfilment of all monitoring and reporting obligations, both for the transitional phase (including any regularisation) and for the definitive regime starting on 1 January 2026.

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