



Carbon Border Tax in Practice

Are you ready for the EU CBAM regulation?

The Carbon Border Adjustment Mechanism (CBAM) has been in transitional phase since 1 October 2023 and imposes new administrative and reporting obligations on importers of selected goods to the EU.

Which goods are covered by the CBAM? Does the CBAM apply to your company? How can you best prepare your company for the CBAM?

Our Deloitte experts will answer these questions and help you navigate the rapidly changing rules.



What is the CBAM?

The Carbon Border Adjustment Mechanism ("CBAM") is the EU's instrument for fair pricing of carbon emitted during the production of goods imported into the EU.

In practice, this means more extensive **administrative and reporting obligations of importers to the European Commission** with regard to imports from third countries,

including direct and indirect emissions of imported goods.

Additionally, the **permanent CBAM** will require importers to **purchase CBAM certificates** corresponding to the carbon price that would be paid if the EU's carbon pricing rules were applied to the production of specific goods.

Which companies does the CBAM apply to?

Those that import **steel, aluminium, iron, cement, electricity, fertilisers, hydrogen** or products made from such commodities from **third countries** exceeding **EUR 150** in value.

Important deadlines

Transitional phase: 1 October 2023 – 31 December 2025

Companies are required to meet administrative and reporting obligations with regard to imports of goods and embedded emissions.

Permanent CBAM: 1 January 2026

In addition to administrative and reporting obligations, there will also be an obligation to purchase CBAM certificates as financial compensation for imported goods and embedded emissions.

Deloitte can help you:

- **Identify** which of your products are covered by the CBAM.
- **Summarise your obligations** during the transitional period and after full CBAM implementation.
- **Determine** which contractors in your supplier chain are covered by the CBAM.
- **Review** your contract documentation and **design the implementation** of appropriate changes in accordance with CBAM requirements.
- **Ensure** communication with public authorities and **provide** you with full support in meeting regulatory requirements.
- **Provide assistance** with preparing CBAM reports.



If you anticipate that the new CBAM obligations may apply to your business, do not hesitate to contact our experts.



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