CBAM Webinar III – Become a CBAM verifier: all about accreditation and verification

16 July 2026

Directorate-General for Taxation and Customs Union (DG TAXUD)

Welcoming remarks

CBAM webinar series

- **Webinar I – CBAM has launched: What changes for me?**
  - how CBAM emissions are calculated
  - verification and accreditation processes

- **Webinar II – How to make your decarbonisation efforts pay off**
  - for exporters in third countries
  - understanding the CBAM methodology

- **Webinar III – Become a CBAM verifier: all about accreditation and verification**

- Upcoming webinars

Three additional webinars are planned for **Autumn 2026**

- Audience

European Commission

Housekeeping rules

- Identify yourself with name and surname + company
- Q&A: questions previously submitted

- After the webinar:
  - Webinar recording
  - Key takeaways
  - Satisfaction survey

Agenda

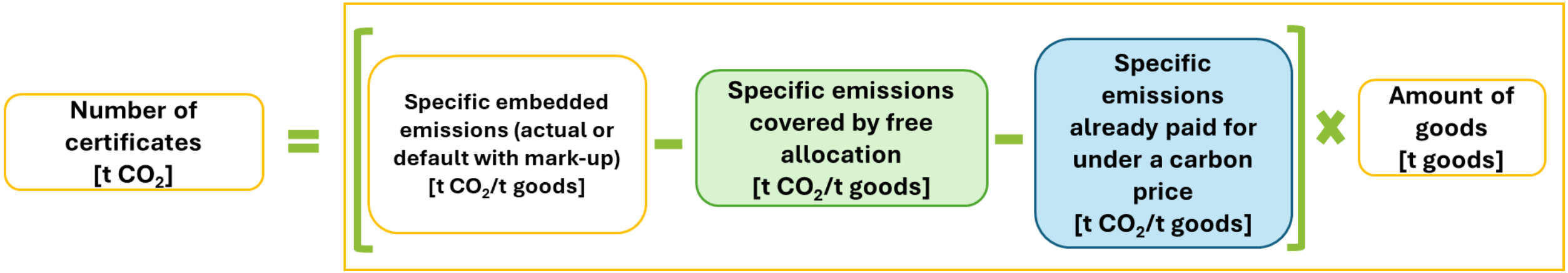
1. Introduction to CBAM
2. Accreditation
3. CBAM Registry - apply for registration to the NCA
4. Verification
5. Methodology
6. Q&A

1. Introduction to CBAM

Introduction

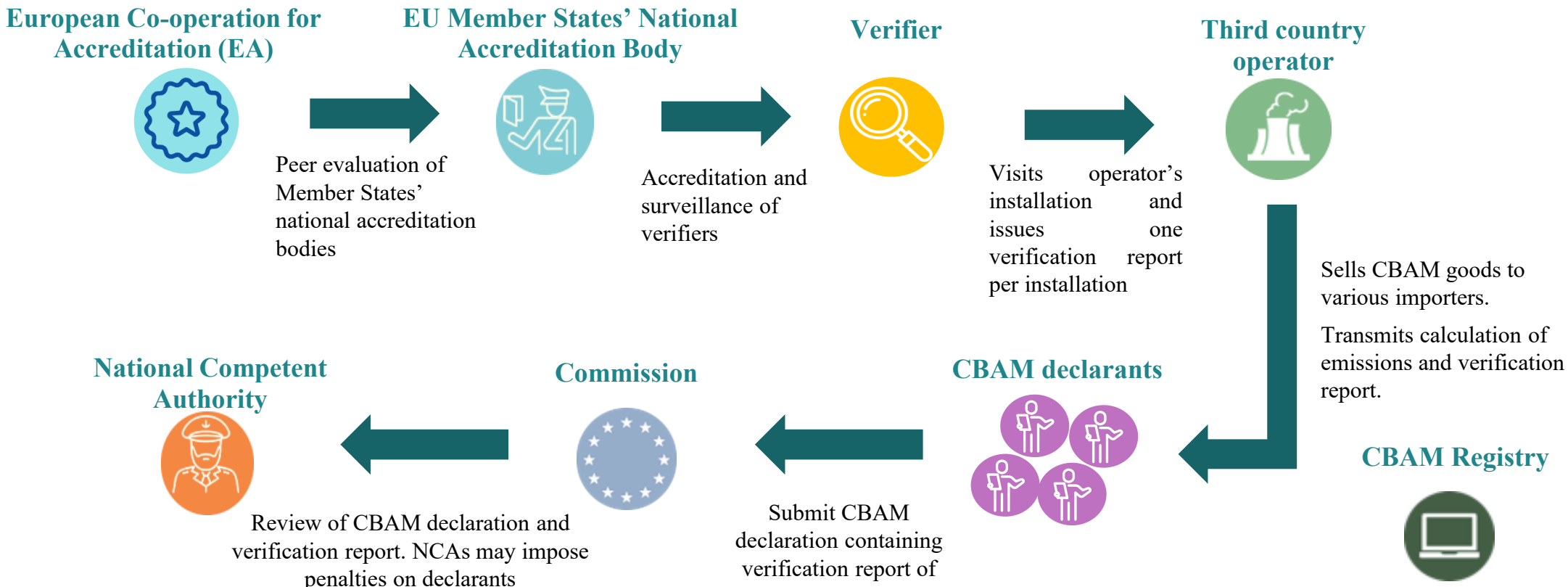
- From 1 January 2026, imports of CBAM goods are subject to a CBAM financial adjustment.
- Authorised CBAM declarants ('importers') report CBAM embedded emissions in a CBAM declaration, on the basis of either (i) actual verified emissions, or (ii) default values.
- To use actual verified emissions, the operator must calculate the embedded emissions and ensure their verification by an accredited verifier.
- The Commission and national competent authorities (NCAs) have the responsibility to review CBAM declarations submitted by declarants and ensure that emissions, where based on actual values, were duly verified.

Emissions calculation overview



- Implementing act on methodology on embedded emissions (EU) 2025/2547
- Implementing act establishing default values (EU) 2025/2621
- Implementing act on free allocation adjustment (EU) 2025/2620
- Implementing act on carbon price effectively paid in third country *(in progress)*

Actors involved in CBAM accreditation and verification



The role of the importer

The authorised CBAM declarant:

- Applies for the status of 'authorised CBAM declarant' and obtains CBAM registry access, provides, where applicable, a financial guarantee;
- Imports CBAM goods and, if above the annual 50 tonnes mass-based threshold, is covered by CBAM;
- Submits a CBAM declaration by 30 September 2027 containing:
  - the total quantity of each type of goods imported;
  - the total embedded emissions in the goods, calculated using default values or actual verified emissions (operator's emissions report and verification report);
  - the free allocation adjustment and carbon price deduction in the third country (if applicable);
  - the total number of CBAM certificates to be surrendered;
- Purchases and surrenders CBAM certificates to settle the CBAM financial liability.
  - Price of CBAM certificates for Q1 2026: EUR 75,36 for Q2 2026: EUR 75,28.

Legislation

Art. 18(3) CBAM Regulation

Commission Delegated Regulation supplementing Regulation (EU) 2023/956 of the European Parliament and of the Council by specifying the conditions for granting accreditation to verifiers, for the control and oversight of accredited verifiers, for the withdrawal of accreditation and for mutual recognition and peer evaluation of accreditation bodies

- Adopted on 20.11.2025 Delegated regulation - EU - 2025/2551 - EN - EUR-Lex

Art. 8(3) CBAM Regulation

Commission Implementing Regulation on the application of the principles for verification of declared embedded emissions pursuant to Regulation (EU) 2023/956 of the European Parliament and of the Council

- Adopted on 18.12.2025 Implementing regulation - EU - 2025/2546 - EN - EUR-Lex

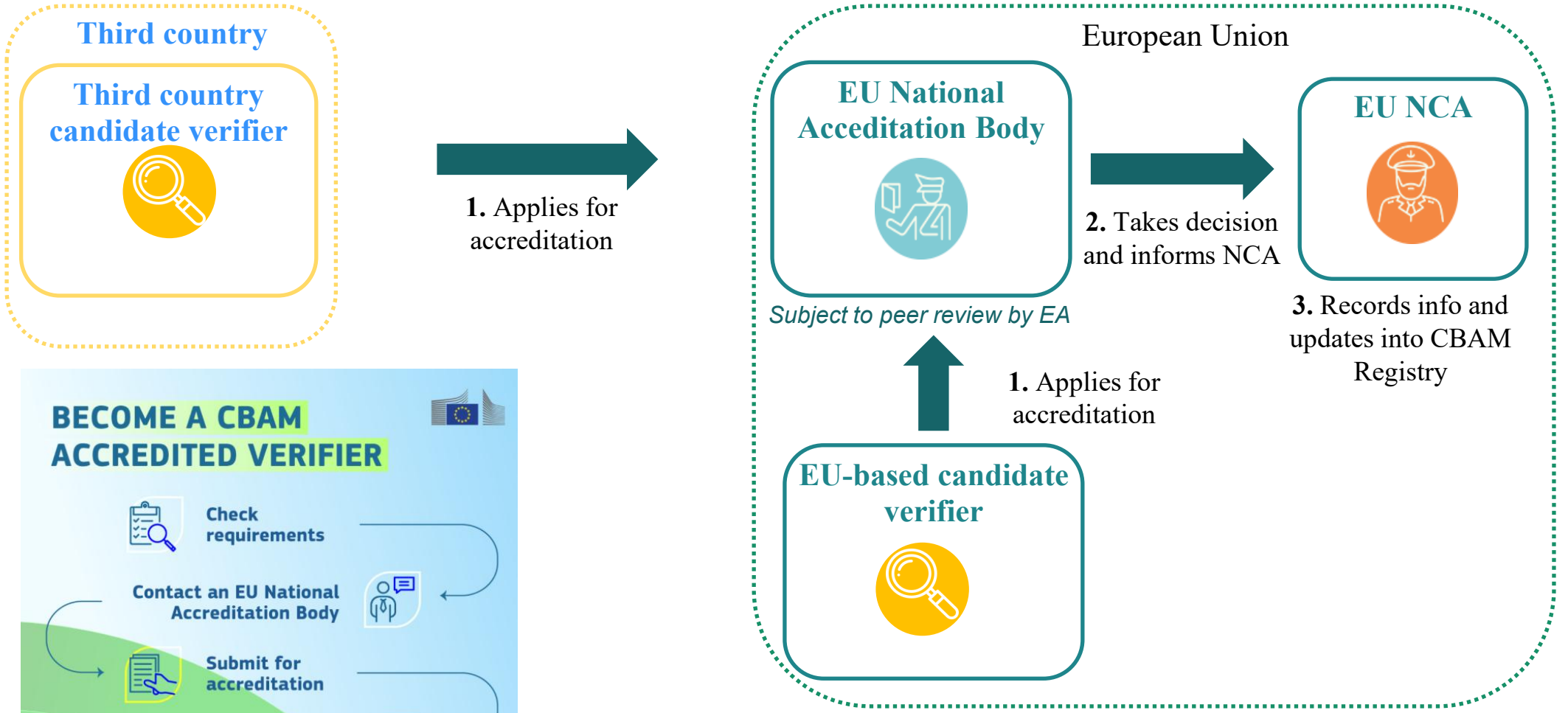
Art. 7(7) CBAM Regulation

Commission Implementing Regulation laying down rules for the application of Regulation (EU) 2023/956 of the European Parliament and the Council as regards the methods for the calculation of emissions embedded in goods

- Adopted on 10.12.2025 Implementing regulation - EU - 2025/2547 - EN - EUR-Lex

2. Accreditation

Become a CBAM verifier



European Commission

State-of-play CBAM accreditation 1/2

Country / NAB	Agreed to provide CBAM accreditation	Ready to accept applications	Agreed to accredit third-country applicants	Already accepting third-country applications
Austria Akkreditierung Austria (AA)	**Yes**	**Yes**	No	No
Belgium Belgian Accreditation Council (BELAC)	**Yes**	**Yes**	No	No
Bulgaria Bulgarian Accreditation Service (BAS)	**Yes**	**Yes**	No	N/A
Croatia Croatian Accreditation Agency (HAA)	**Yes**	No	No	No
Cyprus Cyprus Organisation for the promotion of quality (CYS-CYSAB)	No	N/A	No	N/A
Czech Republic Czech Accreditation Institute (CAI)	**Yes**	No	No	No
Denmark Danak Den Danske Akkrediteringsfond (DANAK)	**Yes**	**Yes**	No	N/A
Estonia Estonian Accreditation Centre (EAC)	No	N/A	No	N/A
Finland Finish Accreditation Service (FINAS)	**Yes**	**Yes**	No	No
France Comité français d'accréditation (COFRAC)	**Yes**	No (20 August 2026)	**Yes**	No
Germany Deutsche Akkreditierungsstelle GmbH (DAkkS)	**Yes**	**Yes**	No	No
Greece Hellenic Accreditation System (ESYD)	**Yes**	No	**Yes**	No
Hungary National Accreditation Authority (NAH)	**Yes**	No (August 2026)	No	N/A
Ireland Irish National Accreditation Board (INAB)	No	N/A	No	N/A

State-of-play CBAM accreditation 2/2

Country / NAB	Agree to provide CBAM accreditation	Ready to accept applications	Agreed to accredit 3rd country applicants	Already accepting third-country applications
Italy Ente Italiano di Accreditamento (Accredia)	**Yes**	**Yes**	**Yes**	**Yes**
Latvia Latvian National Accreditation Bureau (LATAK)	**Yes**	**Yes**	No	No
Lithuania Lithuanian National Accreditation Bureau (LA)	**Yes**	Yes	No	No
Luxembourg Luxembourg Institute of standardisation, accreditation, safety and quality of products and services (ILNAS)	**Yes**	**Yes**	No	N/A
Malta National Accreditation Board Malta (NAB-MALTA)	No	N/A	No	N/A
Netherlands Raad voor Accreditatie (RvA)	**Yes**	**Yes**	**Yes** **+ Agreement with TK's TURKAK**	**Yes**
Norway Norsk akkreditering (NA)	**Yes**	N/A	No	N/A
Poland Polskie Centrum Akredytacji (PCA)	**Yes**	**Yes**	**Yes**	**Yes**
Portugal Instituto Portugues de Acreditacao (IPAC)	**Yes**	No	No	N/A
Romania Romanian Accreditation Association (RENAR)	**Yes**	No	No	N/A
Slovakia Slovak National Accreditation Service (SNAS)	**Yes**	No (Oct 2026)	**Yes**	No
Slovenia Slovenska Akreditacija (SA)	**Yes**	No (Nov 2026)	No	N/A
Spain Entidad Nacional de Acréditacion (ENAC)	**Yes**	**Yes**	No	N/A
Sweden Swedish Board for Accreditation and Conformity Assessment (Swedac)	**Yes**	**Yes**	**Yes** **+ Agreement with UA's NAAU**	**Yes**
Total	**24**	**13**	**7**	**4**

Scopes of accreditation

CBAM activity group No.	Scope of accreditation	Activity groups pursuant to Annex I to Regulation (EU) 2018/2067
Aggregated goods category		
I	Calcined clay Cement clinker Cement Aluminous cement	1a, 1b, 6, 98
II	Hydrogen Ammonia	1a, 1b, 8, 98
III	Nitric acid	1a, 1b, 9, 98
IV	Urea Mixed fertilisers	1a, 1b, 98
V	Sintered ore Pig iron DRI (direct reduced iron) Crude steel	1a, 1b, 3, 98
VI	Ferro alloys (FeMn, FeCr, FeNi)	1a, 1b, 4, 98
VII	Unwrought aluminium	1a, 1b, 4, 5, 98
VIII	Iron or steel products Aluminium products	1a, 1b, 4, 98
Other activities		
L	Carbon capture, utilisation and storage (CCUS)	10, 11
LI	Electricity imported into the customs territory of the Union	n/a
LII	Indirect emissions	n/a

Accreditation process

Candidate verifier seeking accreditation:

Complies with EN ISO standard 17029 & 14065 and EU legislation

- Pays application, evaluation, and yearly fees to NAB.
- Submits application documentation, containing information on e.g.:
  - Internal management system (describes internal policies, responsibilities, internal audits, actions to address risks and opportunities, etc.).
  - Competence process to check all employees' competence for undertaking verification.
  - Guarantees of impartiality and independence (incl. of staff).
  - Information on the technical experts and key personnel involved in verification.
  - Internal verification documentation.
- Signs accreditation contract governing accreditation and surveillance.

NAB assessing the application:

Complies with EN ISO standard 17011 and EU legislation

- Checks eligibility of applicant and completeness of application.
- Appoints an assessment team and a lead assessor, who must apply EU standards.
- Organises on-site witness audit to check competence, actual performance and independence.
- Notification of decision, which may include the accreditation certificate.
- Signs accreditation convention with verifier, which includes provisions on surveillance.

European Commission

Exchange of information on accreditation

- Operators and verifiers collaborate through CBAM Registry, create emission's report and verification report
- Operator shares actual verified emissions with importers

Installation operator

CBAM Registry

Accredited verifier

- Verifier enters and updates registration info (scope of accreditation, administrative measures, etc.).
- Verifier issues verification reports.

National Accreditation Body (NAB)

- NAB shares info on accreditation certificate, administrative sanctions.
- NAB sends annual accreditation work programme and management report.
- NCA shares relevant results from review of verification report by COM/NCAs, complaints.

National Competent Authority (NCA)

- NCA checks verifier registration information and uploads information on verifier (annual accreditation work programme, management report) in CBAM Registry

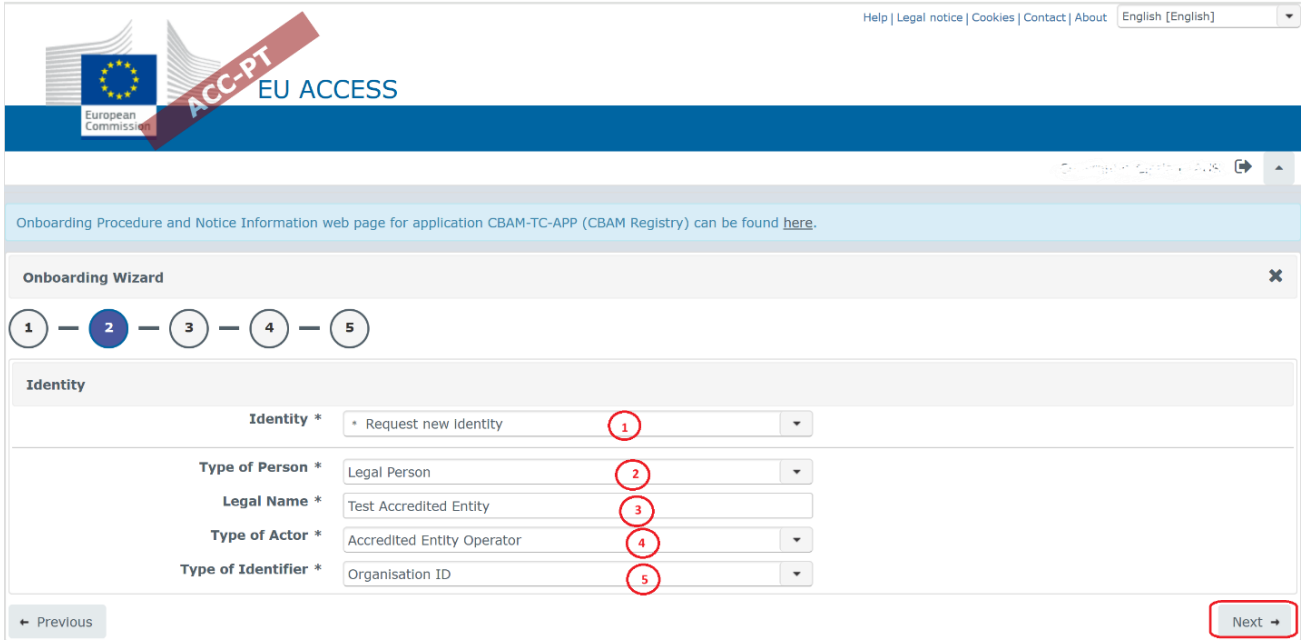
3. CBAM Registry - apply for registration to the NCA

Using the CBAM Registry – registration of accredited verifiers

Starting with 1 September 2026, an accredited verifier may use the CBAM Registry to apply for a registration to the EU NCA country of accreditation

Step 1 – Create a login account and request for access:

- Create an EU Login account: https://webgate.ec.europa.eu/cas/
- Access the CBAM Registry O3CI portal: https://cbam.ec.europa.eu/o3cinstallation
- Request access to the Registry by following the on-boarding steps in EU Access:



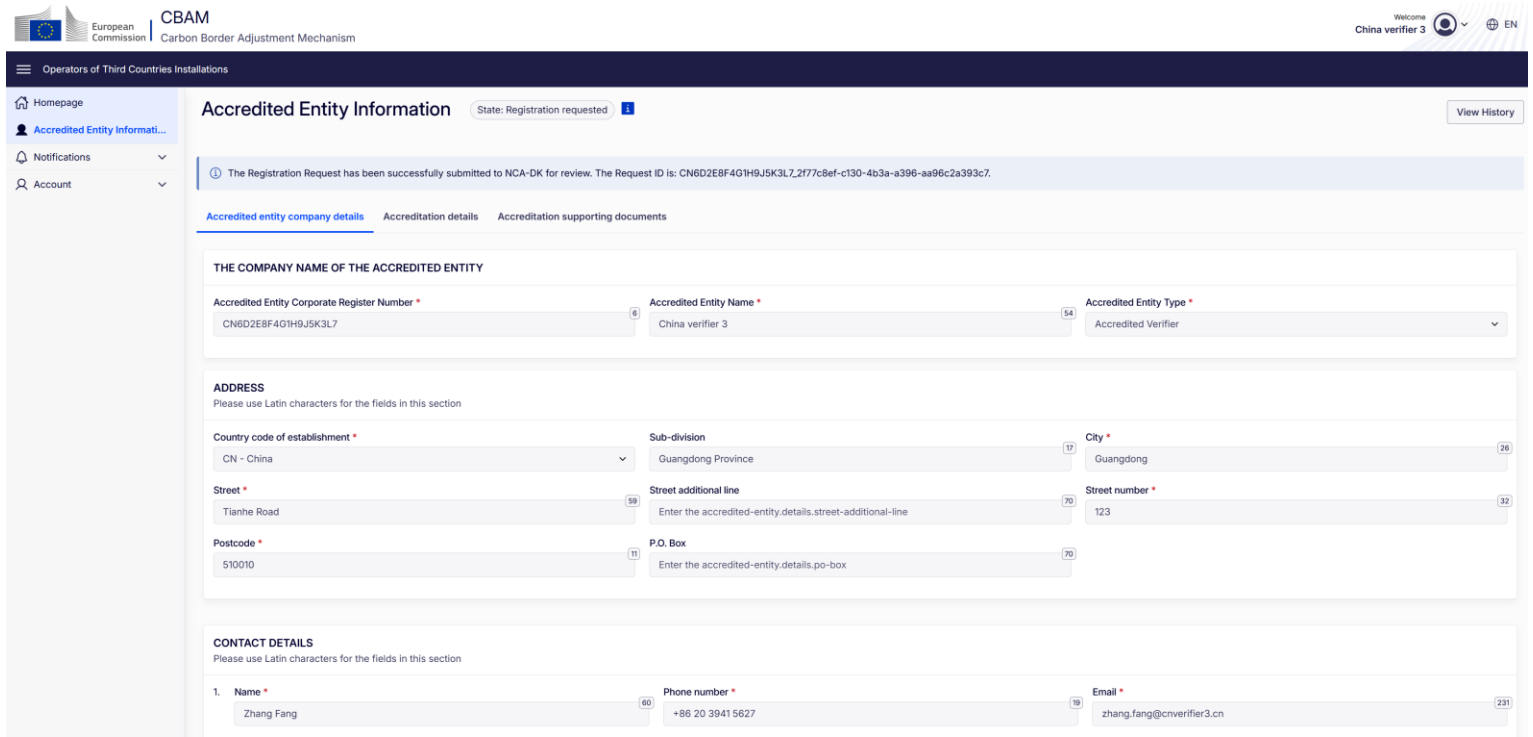
European Commission

Using the CBAM Registry – registration of accredited verifiers

Accredited verifier may use the CBAM Registry to apply for a registration to the EU NCA country of accreditation

Step 2 – Submit request for registration as accredited verifier to the NCA

- Access the CBAM Registry O3CI portal: https://cbam.ec.europa.eu/o3cinstallation
- Fill-in the request for registration and submit to the NCA



European Commission

4. Verification

What is verification?

- **Verification** (according to ISO 14065:2020) = process for **evaluating** an environmental information statement **based on historical data** and information to determine **whether the statement is materially correct** and conforms to criteria

- **Validation** = process for **evaluating** the **reasonableness** of the assumptions, limitations and methods that support an environmental information statement (3.1.5) **about the outcome of future activities**

→ Assessing the monitoring plan is covered by this standard under “validation”

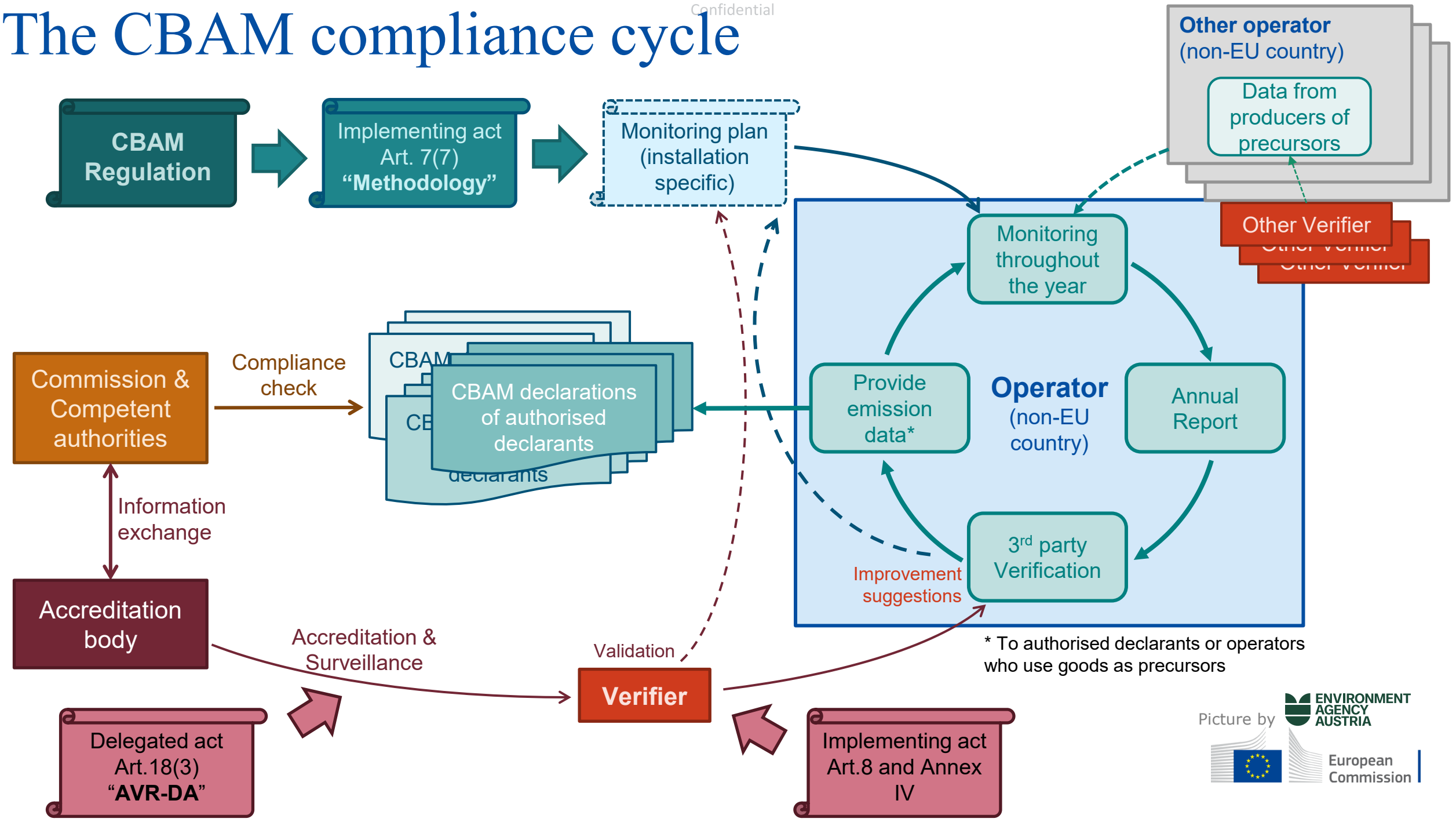
Legal basis for CBAM verification

Requirements	Legislation	Standards	Mechanism to ensure conformity
Requirement for Accreditation body	Accreditation Regulation (EU) 765/2008	EN ISO/IEC 17011	EA / IAF MLA Peer evaluation
Requirement for verification / validation bodies		EN ISO/IEC 17029	Accreditation
Sectoral approach (CBAM verification)	AVR-DA (Regulation (EU) 2025/2551) Verification Principles Act (Regulation (EU) 2025/2546)	EN ISO 14065	
Requirements of the GHG system: CBAM methodology	CBAM Regulation, Methodology (Reg. 2025/2547)	(EN ISO 14064-03)*	Verification

* ISO 14064-03 is applicable to GHG emissions in general, but not specific enough for the CBAM. Instead, only the requirements of the Methodology Regulation apply

ENVIRONMENT AGENCY AUSTRIA

The CBAM compliance cycle



Roles and responsibilities

- **Operator** of an installation in a third country: Responsible for providing actual data on embedded emissions of the produced goods.
  - Such monitoring & reporting is voluntary!
  - But if operator chooses to do M&R → Rules have to be complied with (mandatory)
- **Verifier**: Confirms the correctness of data and compliance of operator with the CBAM requirements.
  - Responsibility higher than e.g. in EU ETS: There is no competent authority to approve the monitoring plan (core element of MRV) - to be prepared in English
- **Authorised declarant** (= importer of CBAM goods) is responsible for the use of actual data from operators – and may only use them if duly verified.

Verification Principles

- The verifier must be **competent** and **independent** from the operator and the national competent authority.
- The verifier needs to maintain **professional scepticism** → being critical when assessing evidence obtained from the operator.
- Verification must provide **reasonable level of assurance** that the emission report is free from **material** misstatement.

Reasonable assurance

Reasonable level of assurance

- Extent of verification activities carried out under reasonable level of assurance engagement is high.
- Reasonable level of assurance means that the verification opinion statement is to be phrased in a positive wording:

  "We have found that the emissions report is a fair representation of the emissions of the installation, and contains no material misstatements…"

- Less intense testing would be needed for "*limited level of assurance*":
- Verification statement would be phrased with double-negative wording:

  "Nothing has come to our attention that causes us to believe that the data is not stated in all material respects in accordance with the relevant criteria…"

Materiality

- Materiality determines whether one misstatement or several misstatements jointly are material, in which case the report cannot be verified as satisfactory.
- A “tool” to plan* and conclude on the verification.
- Quantitative and qualitative aspect:
  - **Quantitative**: materiality thresholds (5% of total specific embedded emissions** of each good by CN code);
  - **Qualitative**: factors that can influence the user’s decision (non-compliance, circumstances, frequency).
- Materiality is **not a tolerance band**
  → any identified misstatement and non-conformity must be corrected by the operator

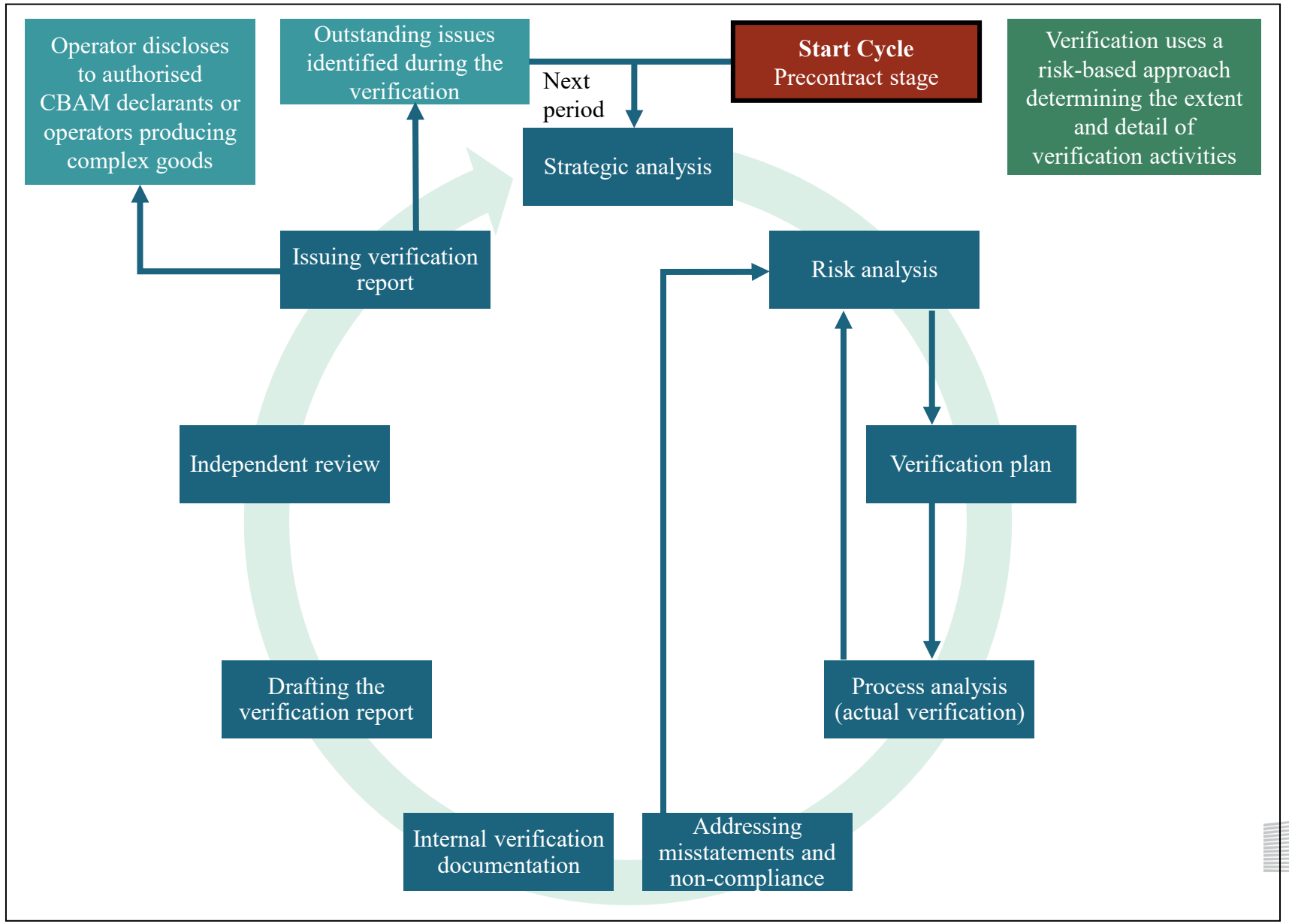
* Materiality is one of the parameters which determine the size of a sample to be taken for a parameter under verification, e.g. the number of invoices to be checked in detail out of the total number of invoices for e.g. fuels or precursors received. Other parameters include the risk determined, the required level of assurance and the total number of data points from which samples are to be taken.

** For other parameters like e.g. the quantity of precursors used for a complex good, this kind of threshold needs to be applied using an “error propagation” calculation to establish if the error is material or not.

Scope of verification

- The conformity of the **monitoring plan** with the requirements of the Methodology Act;
- The conformity of the **applied monitoring** methodology with the monitoring plan;
- The **completeness of data** used:
  - Fuels, materials, precursors, heat and electricity flows;
  - At level of installation as well as for each production process;
  - Quantitative data as well as qualitative data.
- The **correctness of data**;
- The correct application of **data flows and calculations**;
- The functioning of the **control system** of the operator;
- Whether recommendations for improvement can be given;
- “Intensity” of verification:
  - Reasonable assurance!
  - Materiality level defined per CN code of produced goods.

The verification process



The precontract stage

- Gather all relevant information from the operator
- Based on monitoring plan etc., determine team competence needed
  - Sectoral coverage
  - Language capabilities*
  - Availability in-country
- Estimate time requirement
- Make a cost quotation
- Assess business risks – can independence and impartiality be guaranteed?
- Decide on accepting the engagement
- Keep track in internal verification documentation

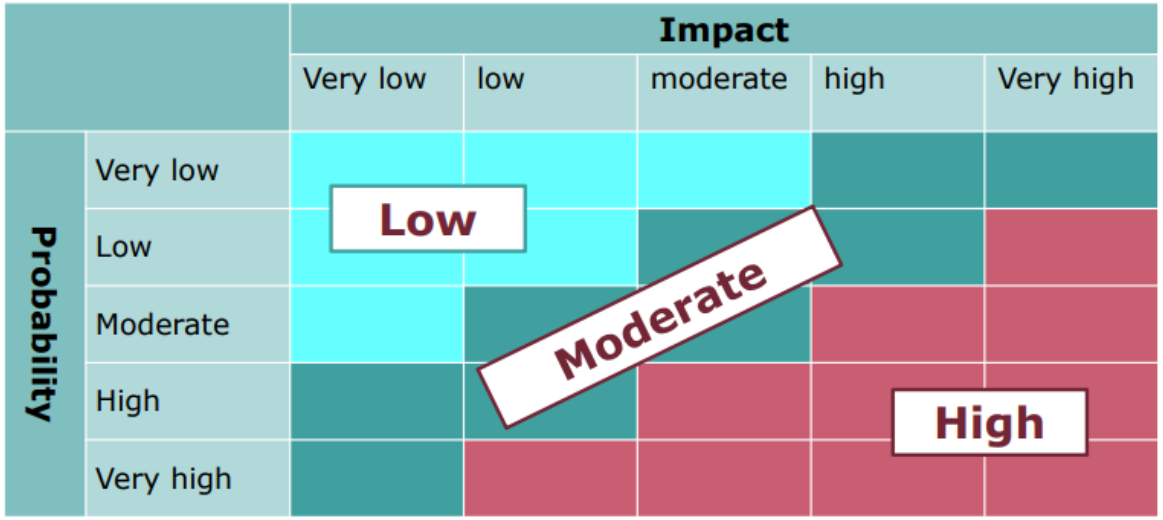
No lump-sum or "all-in" contracts allowed! There may be more time required than anticipated

* Monitoring plan, emissions report and verification report must be drafted in English, but it is likely that the verification requires communication in the country's language

Strategic Analysis

- Document review
- Needs detailed technical understanding
- Get a thorough understanding of the installation and its production processes and produced goods
- Most important: the installation's monitoring plan and procedures
- Essential: Installation plans, drawings (to be confirmed later by site visit)
- Understand the operator's data flow and control system
- Understand the quantity of data to be checked (how many fuels, materials, goods, measuring instruments, invoices, etc.)

Risk assessment



- Based on the strategic analysis
- Determine risks for misstatements for all relevant variables and data flows
- Take into account if the operator's control system may be able to mitigate risks (and get confirmation during process analysis)
- Produce a **verification plan** that covers in particular (but not exclusively) high and medium risk elements
- Where appropriate, prepare for sampling of data
- Identify tasks requiring a site visit
- Etc.

Site visit(s)

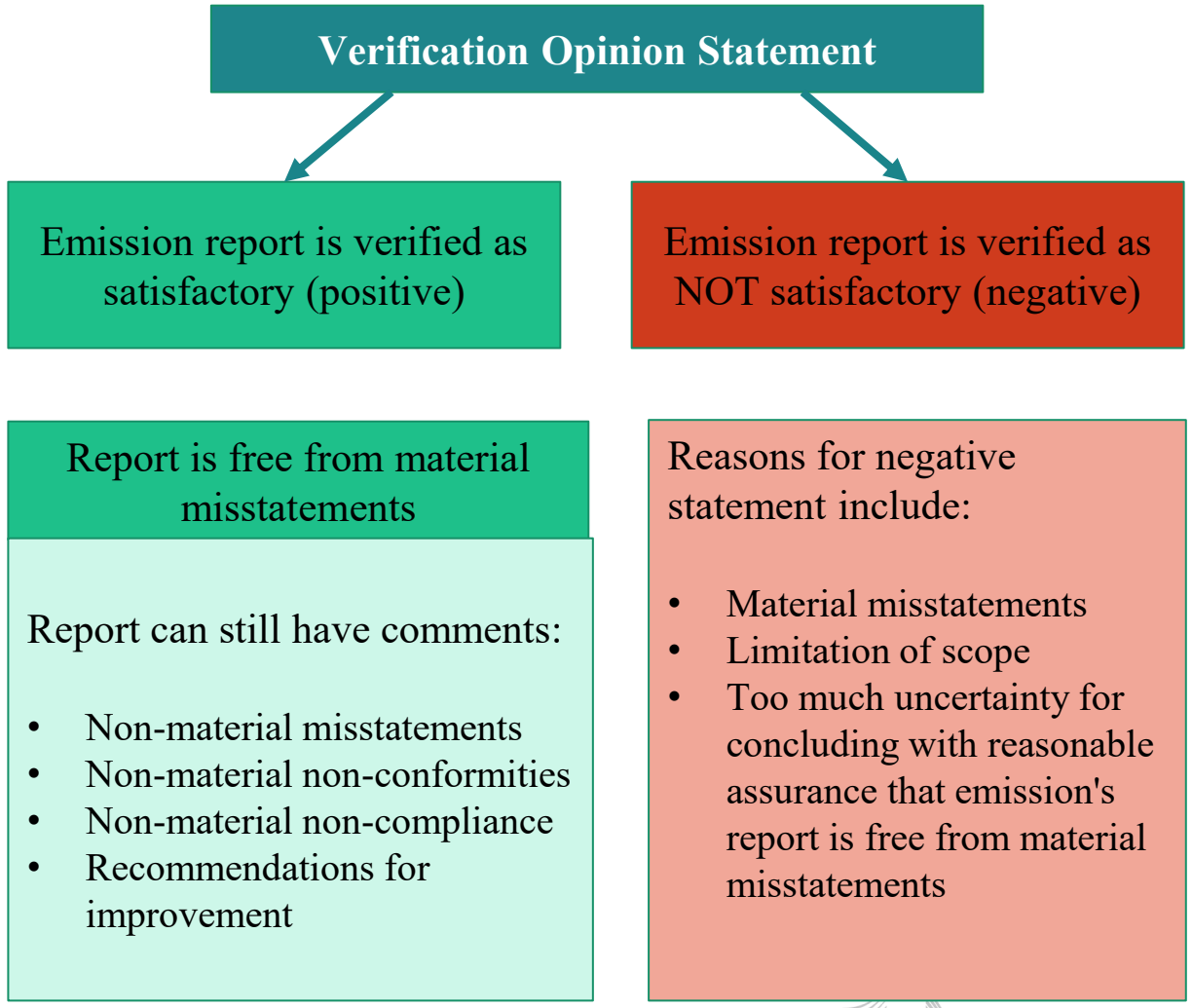
- Default = have at least one **physical site visit every verification** (i.e. every year). Operator must grant access
- A site visit can be **waived** only:
  - based on the verifier's risk assessment, **showing that reasonable assurance is possible**; and
  - if all relevant information is accessible remotely; and
  - If at least once in the previous two periods there was a site visit (i.e. there can't be a waiver upon the verifier's first verification); and
  - there were no significant changes of the installation since then.
- As simplification (and for dealing with *force majeure* situations), a site visit may be carried out as **virtual site visit**.
- If there is a virtual site visit (outside *force majeure*), the minimum visit cycle may be e.g.:
  - Year 1: physical site visit;
  - year 2: virtual site visit;
  - year 3: physical site visit.
- Site visit can take place during the reporting year (finalisation of verification is possible only after end of the reporting year)
- Special exception: "Zero emissions power plants" regarding indirect emissions (visit only once every 5 years)

Process analysis

- Testing of data flow and control system
- Data verification
- Checking if the monitoring plan was applied
- Checking of specific issues (e.g. precursors' data)
- **Methods:**
  - Walk-through tests
  - Substantive testing (using sampling techniques)
  - Analytical procedures (e.g. horizontal and vertical tests)
- **Results may lead to an update of the verification plan, and additional checks to be performed**

Addressing misstatements, non-conformities

- Operator has to follow-up on all verifier's findings;
- Need to correct errors such as typos or calculation errors;
- Fill data gaps: either by redundant measuring systems, or by *conservative* estimates;
- If relevant: update the monitoring plan for avoiding mistakes in the future;
- If mistakes cannot be fully corrected: Verifier decides if the misstatements individually or jointly are *material*;
- If material misstatements remain, the verification statement must be negative.



Independent review

- Important quality control measure on side of the verifier.
- Independent reviewer must have competence of a lead auditor and was not otherwise involved in the verification (=independent).
- Review must not be outsourced!
- Reviewer checks complete internal verification documentation for consistency, completeness, and whether the conclusions are based on actual findings (evidence).
- The review may cause some earlier activities to be repeated or extended before conclusions can be drawn.
- Review is also for proof reading of the final verification report.
- If the reviewer agrees with the findings of the verification team, the **verification report is signed** by the lead auditor (or a company's authorised representative) and **issued to the operator**.

CBAM-specific issues (1)
Assessing Monitoring Plans (MPs)

- The monitoring plan is the cornerstone of MRV for both operator and verifier.
- The MP must be compliant with the "Methodology Act" (Regulation (EU) 2025/2547).
- Verification involves assessing the MP.
- If the MP is not changed significantly (e.g. stable over several years), there could be the possibility to rely on the previous assessment of the MP.
- Verifier's competence has to cover MP assessment no matter if assessment is carried out separately.
- Verification statement can only be positive if monitoring plan is compliant with legislation (except for non-material issues).

CBAM-specific issues (2)
The production / reporting year

- Some data for precursors depend on their production year:
  - If default values are used, the "mark-up" for the default values (specific embedded emissions) depend on the production year of the complex good subject to verification;
  - If actual emissions are used, the operator using the precursor must obtain the verification report from the relevant installation and production year;
  - Specific embedded free allocation is also year-dependent.
- Default rule: Production year of the precursor = production year of the complex good for which it is used.
- The first possible year is 2026 (there are no verified data before this)
- In future years, operator will be able to deviate from the default rule if they provide evidence to the verifier that the precursor was produced in a previous year.

CBAM-specific issues (3)
Relying on other verification reports

- Actual data for precursors must be taken from valid verification reports of accredited CBAM verifiers.
- "Valid" means:
  - Verification statement must be positive and cover the appropriate reporting year;
  - The verifier must have been duly accredited (no suspension of accreditation) at the time of issuing the verification statement;
  - Accreditation is required for each scope in accordance with Annex I to the AVR-DA.
- The verifier of the installation using the precursor must check those criteria, but shall not repeat the verification.
- If criteria are not fulfilled, the operator must use default values for that precursor.

CBAM-specific issues (4)
"Averaging" of precursors (and electricity, heat)

- For precursors from different installations or different production years, Article 14 of the Methodology Act requires that weighted averages for embedded emissions are calculated.
- Where the operator can demonstrate evidence that specific precursors are used in specific production processes, a deviation from the default weighted average is allowed for specific production processes.
- Operators can apply the FIFO (first in, first out) principle to report precursors.
- The emission report template will offer a powerful tool for this calculation.
- The template will also calculate the average data for the remaining stocks
  → verifiers must check in the subsequent year if those data are applied for those stocks going into the calculation of the weighted average.
- Similar calculation applies to electricity for indirect emissions and heat used in various production processes, but there is always only the actual reporting year, and no stocks.

CBAM-specific issues (5)
Actual emission factors of electricity as a good

- Criteria of Section 5 of Annex IV to the CBAM Regulation apply:
  - The relevant amount of electricity must be covered by a power purchase agreement (PPA)
  - Directly connection to the Union transmission system or demonstrated that there was no physical network congestion at the time of export
  - Emissions < 550 g CO2 of fossil fuel per kWh;
  - Firm nomination to the allocated interconnection capacity by all responsible transmission system operators
  - The fulfilment of the above criteria is certified by an accredited verifier, who shall receive at least monthly interim reports demonstrating how those criteria are fulfilled.
- The verifier must check the information provided by the operator of the installation producing electricity for export to the EU
- As each authorised declarant importing the electricity requires that information, the operator must attach to the emission report "*Declarant-specific addendums*" which the verifier must include in the verification
- Verifier must have appropriate accreditation scope.

CBAM-specific issues (6)
Actual emission factors for indirect emissions

- If indirect emissions are relevant for an installation (i.e. if it produces fertilisers or cement), the operator uses either a country-specific default emission factor for electricity, or actual emission factors, or a combination thereof.
- For actual emissions, additional criteria need to be fulfilled and checked by the verifier:
  - Either a power purchase agreement – quantities to be confirmed with smart metering
  - Or demonstration of a direct technical link – checking by single line diagram etc.
- Appropriate averaging where several electricity sources are used (e.g. public grid, specific other installation and own installation).
- Verifier must have appropriate accreditation scope.

Where to find further information

DG TAXUD's CBAM website is the one-stop-shop.
DG TAXUD's dedicated webpage for CBAM verification:
https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism/cbam-verification_en

CBAM guidance:

- The (upcoming) guidance document for verifiers and accreditation bodies
- The (upcoming) emissions report template
- The (upcoming) guidance for CBAM operators
- Guidance on the use of the CBAM Registry to apply for registration as verifier

5. Methodology

Introduction to the Methodology

- This presentation provides an **overview of the key changes** to the methodology introduced in the **definitive phase of CBAM,** as set out in **Commission Implementing Regulation (EU) 2025/2547.**
- The focus is on **changes relevant to operators and verifiers**.
- More **technical, detailed, and comprehensive guidance** will be provided in the
  - **Guidance Document for non-EU operators.**
  - **Guidance Document for verifiers and accreditation bodies**.

Functional unit: what changes in the definitive period

Unit of measure for the definitive period : the **functional unit is "the reference unit used for the calculation of embedded emissions in goods"**.

Why?
Comparability of products sharing similar characteristics in terms of function, quality and performance

General rule:
The quantities of goods produced **in tonnes** classified **under the same 8-digit CN code** shall constitute the functional unit (FU).

Specified exceptions:
- Cement: tonnes of clinker contained in the good.
- Fertilisers: kilograms of nitrogen contained in the goods.
- Electricity as a good: kWh.

What it means in practice
- The functional unit is the reference unit to measure the production of each production process
- No more production processes than FUs, i.e. CN codes
- Disaggregation per production route cannot be allowed

Functional unit: How this affects the calculation of embedded emissions

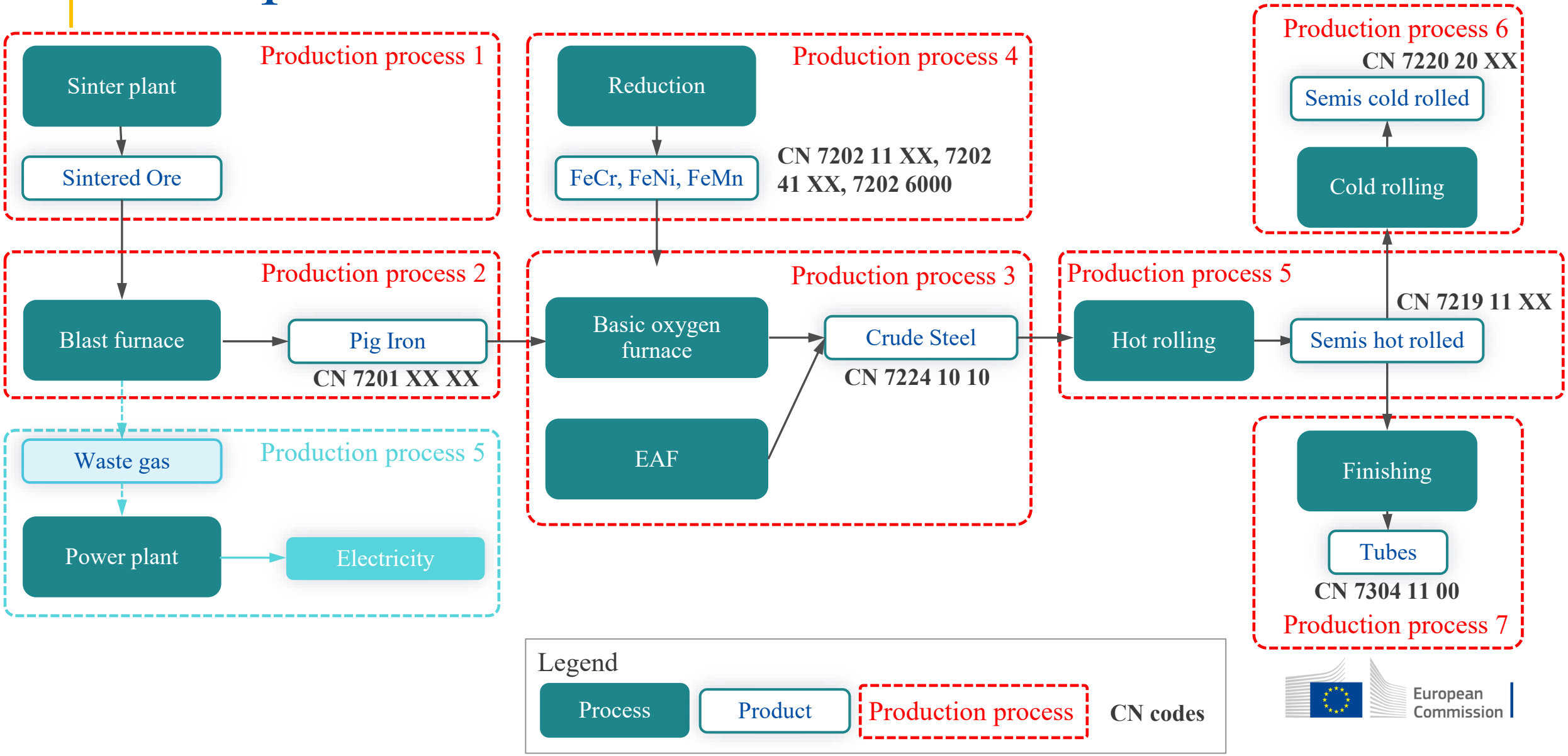
Cement	Fertilisers
Specific embedded emissions = attributed emissions ÷ activity level in the functional unit	
The denominator changes for cement and fertilisers, so operators must monitor composition-related parameters	
Quantity of cement produced → **Clinker to cement ratio (CCR)** → **Activity level in tonnes of clinker content**	**Quantity of fertilizer produced** → **Nitrogen content in the goods / relevant supplementary unit** → **Activity level in the functional unit (kg N content)**
• For cement goods, the functional unit is no longer the simple mass of cement; it is the **tonnes of clinker** contained in the good. • Operators need to monitor clinker content and to convert quantities of cement goods into the functional unit. • This makes the denominator more closely linked to the characteristic of the good that drives emissions.	• For fertiliser goods, the calculation no longer follows only tonnes of product; it is the **kilograms of nitrogen** contained in the goods, or the relevant supplementary units. • Operators need composition data so that product quantities can be converted into the functional unit • This makes the denominator more closely linked to the characteristic of the good that drives emissions.

Production processes: main changes

Definitive-period approach: the production process is linked to the functional unit and, where relevant, shall encompass all production routes used within the installation for producing those goods.

2023: Transitional period	2026: Definitive period
General rule: production process cover processes carried out in parts of an installation to produce goods under an aggregated goods category, and its specified system boundaries regarding inputs, outputs and corresponding emissions. **What it meant in practice:** • Separate production processes could still be assigned by production route for goods within the same aggregated goods category. • Embedded emissions could therefore be calculated separately for each production route and production line. • No comparability was possible: too heterogeneous aggregated goods categories coexisted with lower levels of disaggregation that could be freely defined.	**General rule:** a production process shall be identified for goods **to which the same functional unit applies**; where relevant, it shall **encompass all production routes** used within the installation for producing those goods. **What changes:** • The starting point is goods to which the same functional unit applies. • FU are always linked to goods under the same CN code: **no more production processes than CN codes.** • **Multifunctional processes** and **joint production processes** are also provided for in the definitive-period rules. • **Mandatory aggregation rules** also apply for multifunctional processes in the metals and fertilisers sectors.

Example



European Commission

Joint production process for precursors and good

Article 4

9. Where precursors relevant for complex goods are produced in the same installation as the complex goods, and where the respective precursors are not transferred out for sale or use in other production processes, the production of precursors and complex goods may be covered by a **joint production process**. In that case, monitoring and calculation of embedded emissions of the precursors and complex goods shall be carried out jointly.

Multifunctional production process

Article 4(8):
Where goods to which different functional units apply are produced through the same processes, the operators may determine a single multifunctional production process. In that case, attribution rules in accordance with point A.2 of Annex III shall apply. In situations specified in point A.4 of that Annex, the determination of a single multifunctional production process shall be mandatory.

Recommendations for iron and steel products:

- First level of grouping: production processes of goods whose CN codes share the **same range in composition of ferroalloys** covered by CBAM
- Second level of grouping: production processes whose CN codes are made of the **same material** (non-alloy steel, stainless steel)
- Third level of grouping: production processes that **whose processes do have relevant emissions**

Multifunctional production process

Annex II.A.4. Specific provisions of division of installations into production processes

For the goods under the aggregated goods categories crude steel, iron and steel products, unwrought aluminium and aluminium products, where different functional units that **only differ in size or shape** are **produced with the same precursors in types, quantities and proportions**, a single multifunctional production process shall be defined for that group of goods and attribution rules set out in point A.2 of Annex III shall apply.

For the goods under the aggregated goods categories fertilisers, where different functional units are **produced with the same precursors in types, quantities and proportions** or are **composed by the same substance, and only differ in concentrations**, a single multifunctional production process shall be defined for that group of goods and attribution rules set out in point A.2 of Annex III shall apply.

Criteria for metals:

- "Functional units that only differ in shape and size" ? → The CN code description is the same but only different in shape or size
- "same precursors in type" ? → same CN codes for precursors
- "same precursors in […] quantities and proportions" ? → the different CN codes contain precursors in same ranges

System boundaries: main changes

- In the definitive period, system boundaries shall cover: (Art. 3 of the Methodology Regulation)
  1. direct emissions,
  2. indirect emissions,

  } Emitted by all processes directly or indirectly linked to the production process

  (for goods **not** listed in Annex II to Regulation (EU) 2023/956)
  3. embedded emissions of any precursor.
- Definition of system boundaries (Art.1(3) of the Methodology Regulation) : 'group of chemical or physical processes included in the calculation of embedded emissions of goods under the same aggregated goods category;'
- Sector-specific rules: 'Aggregated goods categories' are used to identify processes that are typically included in the production process of goods in the same aggregated goods category
  - the production process defined by the operators should then identify the specific processes in the production of goods using the sector-specific rules

System boundaries: sector-specific changes

Topic	Transitional period	Definitive period
Iron or steel products	System boundaries included production steps such as: **re-heating, re-melting, casting, hot rolling, cold rolling, forging, pickling, annealing, plating, coating, galvanising, wire drawing, cutting, welding, finishing**.	System boundary includes: **re-heating, re-melting, casting, hot rolling, cold rolling, forging, annealing, coating, galvanizing, wire drawing, pickling;** and **excludes plating, cutting, welding and finishing of iron or steel products**.
Aluminium products	Guidance and transitional approach were broader in practice for downstream forming/fabrication steps.	System boundary for aluminium products includes direct emissions from combustion of fuels and process emissions from flue gas treatment, **excluding cutting, welding and finishing of aluminium products.**
Precursor treatment inside system boundaries	Sector sections identified relevant precursors explicitly in the sectoral production-route descriptions.	The **definitive methodology relies on cross-sectoral rules**: precursor treatment is no longer set out in the same sector-by-sector "relevant precursors" format. All CBAM goods are potential precursors. **Excluded are "*the purchase and maintenance of infrastructure and equipment*".**

Example

- Are blasting and painting considered as part of “finishing” and therefore excluded for iron or steel products under the Methodology?
  - Finishing is a process step with minor emissions. Blasting and painting can be considered as finishing processes and thus excluded from the system boundary.

- Is galvanizing out of the system boundary when it is carried out in another installation?
  - No. Galvanizing is explicitly mentioned in the system boundaries in Annex I to Implementing Regulation (EU) 2025/2547, thus emissions of the galvanising process are to be accounted for, whether it occurs in the same installation or in another one.

Operator's emissions report: MRV is voluntary; mandatory requirements apply only where actual data are used

Key change: The reporting package changes → operator support to importer reporting becomes a formal annual operator's emissions report, summary report and, where relevant, a declarant-specific addendum.

Transitional period

No formal annual operator's report: Operators communicated emissions data to EU importers so that reporting declarants could complete quarterly CBAM reports.

Commission template: Spreadsheet-based and voluntary, designed to facilitate communication on installation information, production processes and routes, specific direct and indirect embedded emissions, methods used, default values, sector-specific parameters and carbon price due.

Verification: Not required during the transitional period; voluntary verification only as a recommended improvement.

Definitive period

Full operator's emissions report
annual report prepared where embedded emissions are calculated based on actual emissions → basis for verification

Summary emissions report
made available to users of the goods: authorised CBAM declarants and, where relevant, operators using the goods as precursors

Declarant-specific addendum
attached where electricity actual emissions are used; confidential and only for the relevant declarant

Registry and confidentiality: if the operator registers, only the summary report and, where applicable, the declarant-specific addendum are transmitted to authorised CBAM declarants.

6. Questions & Answers

Questions & Answers

- Why does the current structure require that CBAM verifiers be accredited by an EU NAB and not third-country accreditation bodies outside the EU?

- I am an ETS verifier. What additional competence do I need for CBAM? can I use my ETS accreditation to prove my competence?

Questions & Answers

- Can we (verifiers) rely on local experts? For which tasks?
- Will there be a minimum duration for the verification (minimum man-days based on sectors)? How else to show that the verifier has allocated sufficient time?

Questions & Answers

- For a non-EU operator, the CBAM Regulation allows verification to be performed on an annual basis. However, some EU importers require their suppliers to provide CBAM data on a quarterly basis. What should be the frequency of verification?

- For precursors used in the production of complex goods, should the verifier apply the same level of detailed verification to precursor as for the final reported CBAM goods?

Questions & Answers

- Is it acceptable to include multiple installations (with different names) under the same operator within one emissions report? And so the verification statement will be valid for all the installations.

- Distinguish between co-product and by-product according to CBAM?

Questions & Answers

- An aluminium profile manufacturing plant (Company A) generates aluminium scrap during production. This scrap is sent to Company B for remelting. In return, Company B supplies new aluminium billets to Company A. No monetary payment is made; instead, the value of the scrap and the supplied billets is offset between the two companies. In this situation, should the new aluminium billets received from Company B be included in the CBAM embedded emissions calculation?

Questions & Answers

- Company A manufactures aluminium profiles. The semi-finished aluminium profiles are sent to external subcontractors, Company B and Company C, for painting and/or anodizing. After the painting and/or anodizing process is completed, the semi-finished profiles are returned to Company A. In this situation, should the painting and/or anodizing processes be included in the CBAM embedded emissions calculation?

Questions & Answers

- To what extent can low-carbon hydrogen — certified under EU Delegated Regulation (EU) 2025/2359 — reduce the embedded carbon intensity of an importer's eligible goods, and what is the estimated CBAM cost saving per tonne of hydrogen substituted into their production process?

- Could you provide a case study demonstrating how the free allowance is calculated for a typical BOF steel plant's final steel coil product?

Closing remarks

Useful links

- CBAM newsletter: https://ec.europa.eu/newsroom/taxud/user-subscriptions/9510/create
- Customs & Tax EU Learning Portal: https://customs-taxation.learning.europa.eu/
- CBAM website: https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en
- Implementing Regulation (EU) 2025/2547 of 10 December 2025 is available here: Implementing regulation - EU - 2025/2547 - EN - EUR-Lex

Thank you

European Commission