

Plans to exempt small importers from meeting the Carbon Border Adjustment Mechanism requirements 3/12/25



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We have previously informed our readers about the impact of the Carbon Border Adjustment Mechanism ("CBAM") on companies importing goods (one of the most recent articles for Mindlink subscribers is available [here](#)). In short, from October 2023, companies (and economic operators) based in the European Union are subject to reporting requirements on the embedded emissions of goods imported from third countries that fall within the scope of the CBAM. Conversely, under the CBAM framework, as of next year, only companies that have obtained the status of registered CBAM reporters will be allowed to continue importing these goods.

Recognising that compliance with the CBAM requirements may create additional administrative and financial burdens, the European Commission (EC) has prepared a draft amendment to Regulation 2023/956 establishing a carbon border adjustment mechanism providing for amendments to the existing regulatory framework and allowing for an exemption from the regulatory requirements for most importers.

Current situation

Currently, goods such as aluminium, iron and steel products, fertilisers, cement, chemicals and electricity are covered by the CBAM Regulation (certain goods are listed in Annexes I and II of the CBAM Regulation). Companies must obtain detailed information from manufacturers/suppliers about the manufacturer, the production facilities, the type of electricity used, the product and the emissions it contains and provide this information in special quarterly declarations (reports) (which will be replaced by annual declarations from 2026).

In order to import these goods after 1 January 2026, companies must register as CBAM reporters by 31 December 2025. From 1 January 2026, the status of reporter will allow importers to purchase CBAM emission allowances in order to have the right to import CBAM goods. The allowances will be cancelled according to the total mass of embedded emissions of the imported goods.

Recognising that the additional administrative burden of the requirements (including requesting data from manufacturers or suppliers) could be disproportionate for small importers (and that it can be problematic to obtain the necessary information from the manufacturer), the EU published a draft amendment to the CBAM Regulation in February 2025, which provides for the implementation of a number of simplifications.

Proposed changes

Information on the developments proposed by the EU and amendments to the current regulations is

summarised in the following table.

Current framework

Exemptions for importers: Goods covered by the CBAM Regulation need not be declared if the value of one consignment is less than EUR 150 or if the goods are manufactured in third countries/territories covered by the exemption.

Right to submit a declaration: an CBAM declaration for the importer's goods may be submitted by the importer or by an indirect customs representative.

Deadline for submission of the annual declaration: on or before 31 May for the previous year (first declaration to be submitted in 2027)

Start of the purchase period for emission allowances: January 2026.

Minimum number of allowances available: The number of CBAM certificates in the reporter's account in the CBAM registry at the end of each quarter must equal at least 80% of the embedded emissions since the beginning of the calendar year.

Proposed amendments

Exemptions for importers: In addition to the current exemption, importers will be exempted from the CBAM Regulation requirements if the total weight of CBAM goods imported during the year does not exceed 50 tonnes. In this case, it will not be necessary to obtain the reporter unless the requirements for submitting declaration concern the indirect customs representative.

Right to submit a declaration: There will be an option to delegate this task to a third party, such as a consultant.

Deadline for submission of annual declaration: extended until 31 August for the previous year

Start of the purchase period for emission allowances: January 2027 - importers are expected to be able to purchase allowances for 2026 emissions at the price for the year.

Minimum number of allowances available: The number of CBAM allowances in the reporter's account in the CBAM registry at the end of each quarter shall be equal to at least 50% of the embedded emissions since the beginning of the calendar year.

Future developments and conclusions

The proposal to reduce the administrative burden for small importers is part of the EU's efforts to drive forward deregulation by also reducing the bureaucratic requirements for companies. For example, companies with imports of up to 50 tonnes per year are to be exempted from the high administrative and financial burden associated with the declaration of CBAM goods and the purchase of emission certificates. This exemption could apply to around 90% of EU importers without them losing control over 99% of the legally required emissions.

Importers who do not qualify for this exemption may benefit from other facilitation mechanisms, including extended preparation times for the purchase of allowances and simplified requirements such as the submission of third party declarations.

The proposal is currently in the approval phase. It is expected to be scrutinised by the EU decision-making bodies in early 2026.