

Questions and answers from the 16/01/2024 Webinar

- 1) Where can I find a supplier's Operator ID? Some of my suppliers don't even know CBAM. Is this Operator ID a tax number from the supplier's country or a number allocated by the EU? Is the data relating to the installation and the operator necessary for initial reports?**

Following the webinar I asked the Commission how to obtain the ID and got the following reply: "The operator/installation IDs are to be defined freely by the declarants and are not supposed to be any official IDs assigned by a national or other authority to the operator/installation."

The information is therefore arbitrary and personal and does not correspond to an official figure belonging to the producer in question. The same applies to Installation ID.

- 2) Can the document containing all the customs information be supplied by customs?**

Normally you should keep the information from your own imports. The file presented only contains information that you know because you indicated it during customs clearance. Customs will send you an e-mail informing you that the CN code is one of the goods covered by the CBAM.

- 3) Is it possible to do the reporting if I don't live in Luxembourg? The company is based in Luxembourg.**

The only important factor is that your company has a Luxembourg EORI number. Any company employee can handle the CBAM report.

- 4) Can you please confirm that this number 7312 10 65 99 is not part of CBAM? So no CBAM declaration?**

The number shown is 10 digits long and therefore not a CN code. These have 8 digits. In the regulations you can find all the numbers concerned: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R0956> (Start page 39, Appendix 1). On page 41, you can see that 7312 is not included as the start of the CN code concerned. Assuming an error in the number provided and based on the start of the digit, I would say that it is not affected.

- 5) In the case of indirect representation by my company on behalf of a customer located in Luxembourg or France, the CBAM procedure must be completed by the customer or the customs declarant?**

La procédure doit être remplie par l'entité que vous avez définie. Si le représentant propose le service c'est lui qui doit s'en occuper. S'il ne le propose pas, alors vous devez vous en occuper. Si le client est au Luxembourg et à un numéro EORI luxembourgeois, il doit faire la déclaration sur le registre luxembourgeois. Si le client est en France et à un numéro EORI français, il doit faire la déclaration sur le registre français.

- 6) Some suppliers/distributors are reluctant to provide information on the location of their facility or their own suppliers. In this case, what should be entered into the platform if the information is not known?**

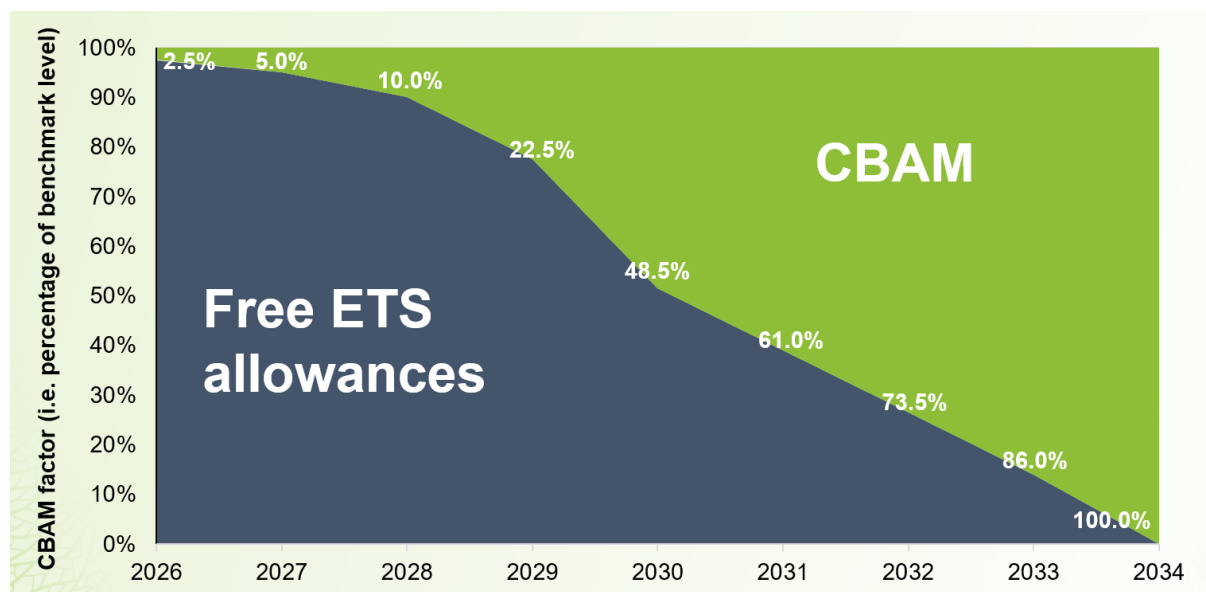
Following feedback from the Commission after the webinar, no precise information on the producer is required apart from the name, country of production and town. The installation and the Operator ID are arbitrary, so please indicate what you want so that you can recognize it yourself. For the contact person, indicate the person who is responsible for selling you CBAM goods. For the town, indicate the town where this person works, for example.

- 7) Should CO2 from the packaging of goods be taken into account?**

No, only the CO2 emitted during the direct production (e.g. heating, fuel oil) or indirect production (electricity) of the good. Packaging and transport are excluded from the calculation of emissions.

- 8) You said that the cost of CBAM certificates will be 3% of the ETS in 2026, rising to 100% in 2034. Where can I find this information, and how it will change each year between 2026 and 2034?**

The price will be based on the "phase out" of ETS free allocations, so that everyone is treated on the same terms. Below is an explanatory diagram. Note that a regulation published at the end of this year will clarify or perhaps slightly change the percentages.



- 9) Will there be a presentation on using the Excel spreadsheet? When will there be a presentation on using the Excel spreadsheet?**

A presentation was planned but had to be cancelled for lack of information. The Commission is working on an Excel template that will serve as an example. It is also planning to produce a webinar, but at present no date has been shared. Until then, the best thing to do is to use the default values. The Excel is a communication tool that is intended to make it easier to gather precise information on emissions from imported products, so that they can be entered in the register.

10) If a pallet comes from Switzerland, say 100 kg of CN steel, do you have to declare it?

Yes, because the country of production is China (CN). The emissions must therefore be declared on the register. If the goods had been produced in Switzerland, they would not have to be declared.

11) As an indirect representative, at what point are we no longer responsible for this report if we do not offer to do it for the customer? Example: I make a declaration, it is released, we deliver the goods and inform the customer of the CBAM, can I still be held responsible?

In our view, you are no longer liable as soon as you indicate that you do not offer a CBAM service and inform your customer of this, so that the latter can take the CBAM step. Note that if the importer is located outside the EU, you are obliged to take the necessary steps, as the importer does not have the right of access to the register.

12) As an indirect declarant for private individuals, how can I obtain the information required for the CBAM declaration, particularly when the CN codes concerned are extended to finished products?

The end of the phase is not very clear. But the CN codes are known by the producer and customs, and you will be told at customs clearance which goods and which quantities of these goods are covered by the CBAM.

13) When can the default values no longer be used?

Technically, they can be used throughout the transition phase BUT from the October report (Q3 2024, due on 31 October 2024) they can only be used for the equivalent of up to 20% of the emissions associated with the production of your goods. For example, on the register you have 10 goods with different CN codes to declare and you have imported 1t of each of these products, so for two of these products you can use the default values and for the other 8 you must indicate actual values (assuming that the default values are very similar for the 10 products).

14) If we use real values, what document do we need to prove that this information is true? You mentioned a "verifier". Would it be located in the country of origin of the goods?

At the moment, the information is based on the quantity imported and on the default values, so there is no problem of veracity. As soon as you use real values, the system is based on trust during the transitional phase. The Commission will compare the reports and the values with the greatest differences will certainly stand out. The veracity of the information will only have to be guaranteed in the final phase. Information on the verifiers is not yet known and should be published around Q4 2024. But in theory, they could come from any country, as long as they comply with the standards.

15) How do I know if Annex 1 has been updated? Or can we check whether a customs code is subject to CBAM? How can I get the latest information without reading the full regulations?

You can find the regulations on the following page: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R0956&qid=1705503330079>

If you are going to be working with this subject, we advise you to take the time to read these regulations in full.

On the left-hand side of the rules is a "consolidated versions" box. Any changes will be indicated here. As of 16 May 2023, only typing errors in certain documents have been corrected.

Normally the document should not change until 2026 or a little before. There will be additional regulations that will be added and that we will share on our page. When major changes are made, we will send information emails to all registry profiles.

16) Quick question: are we talking here about products for the manufacture of goods or finished goods such as cars, cameras, etc.?

A CN code is identified by customs, but finished goods such as cars or cameras are not normally included in the CBAM CN codes.

17) If we have real values, can we enter them in the register?

Of course!

18) How can CBAM costs be estimated so that they can be factored into purchasing budgets?

You can estimate the costs by comparing them with the price of an ETS credit (see the photo in question 8). The evolution of the ETS price can be observed on the following website: <https://sandbag.be/carbon-price-viewer/>

The price should rise gradually as free allowances decrease. Note that there is no equivalence between an ETS credit and a MACF credit, only that the price will be the same.

19) Can you explain what the CBAM certificates available from 2026 are, how to obtain them and what they are used for?

Details will be published in Q3 2024 (July - September 2024).

20) Can the Excel table of a company's imports be supplied by customs? This allows us to have a complete list and work more quickly. NTP(LUCCS) seems do not have possibility to do download/export of data from old declaration, how to have a file as shown?

The table presented at the meeting on 16 January 2023 contains information that is known to the entity that carried out the customs clearance. I put it together myself. You need to bring together all your known information, and perhaps set up a system now to filter all your CBAM imports. Neither we nor customs are going to provide a personalised document on your imports.

21) For aluminium, I understand that CBAM boundary starts at smelting, is this correct?

That's right, you have to declare all the emissions linked to the manufacture of the goods, and that includes precursors.

22) If a company has several sites in Europe and imports from India, China, etc., is it possible to use a single EORI? If all the entities log on using our EORI, will this mean that the tax invoices will only arrive with us in Luxembourg, regardless of the entity?

Normally, each company has only one EORI, which it uses to import throughout Europe. It can connect to the Luxembourg register if this EORI is Luxembourg. You will define one person and a maximum of two additional people (possibly more later) who will have access to the register. The entities spread across Europe must group together the information and send it to this person who has access to the register. It is only a question of grouping the information together; the tax invoices will always arrive at the same place.

23) For an industrial group with several companies in Europe, is there a choice between making a global declaration or making a declaration in each country where there is a factory and for which CBAM products are imported?

You can make a global declaration if you have imported everywhere with the Luxembourg EORI number. The Commission traces the goods based on the two EORI numbers linked to customs clearance. (Yours and that of the customs representative). If you have daughter companies that have their own EORI number that is not Luxembourg, you will have to make the declaration in the respective country.

24) Should transport, e.g. by sea, also be considered as a Co2 emission? What about the packaging of goods?

CBAM does not consider any form of transport, including packaging. For emissions linked to maritime transport, a dedicated ETS is in the process of being set up.

25) You mentioned exempted countries such as the EU and EFTA countries. Is the UK part of this list?

England is not included in this list. All goods produced in England must be declared. However, as the UK has an ETS system, the emissions already taken into account in this system can be deducted in the final phase. At the moment, we just need to provide the information. The rule that will be applied will be European ETS price - UK ETS price = remainder to be paid.

26) Does the CBAM declaration apply to parts seconded to the automotive industry from the UK?

It depends on the complexity of the spare parts. A steel spring will probably be affected. A gearbox will not. Customs will inform you whether the goods are affected or not.

27) Who offers a CBAM service in Luxembourg?

We cannot provide this information.

28) What happens when we can no longer use default values? Especially in cases where resellers are not putting any obligation on producers to provide this data. If they refuse to fill in or do not engage.

At the moment we have no ideal answer to this dilemma. We hope that over the next 9 months discussions with all producers will build confidence in sharing the information required for CBAM. We are informing the Commission of this problem and informing you of any assistance we can provide.

29) Would it be possible to have a Q&A session after the first reporting performed?

There are currently no plans to organise a question-and-answer session. However, if you have any questions, you can send them to us at regadmin@aev.etat.lu.

30) Is it possible to (semi)automate the process? E.g. through an API?

You can use an XSD or XLS file that can be downloaded from the Commission's page: https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en#latest-developments.

A brief explanation of how to use it can be found here: <https://customs-taxation.learning.europa.eu/course/view.php?id=809§ion=1> (1h54).

31) Would you mind clarifying again what you mean by "a document that proves that I am employed within a company signed by a director?"

A Word file containing your company logo, the date, a title stating "certificate of employment", an accompanying text stating your status as an employee of the company and a signature from the company director (which we can then check against the commercial register).

32) is the operator the reseller who sells us the goods or the actual producer?

Ideally, the operator is the producer of the goods, but if you do not currently have this information, you can indicate only the reseller.

33) what if the goods are produced in the EU, but exported to a reseller in U.K. and then the U.K. based vendor sells that to a company based in the EU? does the company still need to file CBAM?

If the goods have not been processed in the UK, then a CBAM declaration does not need to be made.

34) What do you mean by country of origin? the shipping country or the country where the goods were realized fulfilling the origin customs rules? Merci

The country where the goods were produced. This country can only change if there have been significant changes to the product. (But this detail does not change the fact that typically a CBAM declaration must be made at some point if the first country is outside the EU).

35) What if the CN CODE IS same but different producer, how is this submitted on the registry?

You need to make 2 declarations of assets, the only difference being the information on "Operator" and "Installation".

36) Is it required to fill data for operator and installation in the first reports?

Yes, but in the end this information is simple. The most difficult thing is to know the country and the city. You can also indicate the middleman info if you don't know the address of the installation. The "Operator ID" information is arbitrary and personal and does not correspond to an official number belonging to the manufacturer in question. The same applies to Installation ID.

For the contact person, only indicate a contact person from whom you are buying the goods.

37) Are non-EU companies entitled to register on their own when the indirect custom representative is not willing to offer CBAM service? Based on the decision tree presented earlier on a call, I understand that non-EU companies may registered for CBAM on their own when the indirect custom representative does not offer such a service, correct?

Non-European companies do not have the right of access to the register. In these cases, it is the indirect customs representative who must carry out the task. The decision tree will be completed accordingly.

38) What if an operator doesn't want to disclose their installation / production site's locations or if the information is not available yet? What should be entered for the first report?

Enter the most basic information: country of manufacture, seller's town and the person you are in direct contact with.

We hope that over time this kind of information will become easier to obtain, but at the moment this does not seem to be the case.

39) It is possible to add more than 2 additional employees for the registration?

From February, we will be accepting more than 3 people per EORI. The aim was to avoid too heavy a workload before the first report was submitted.

40) Is it possible to use the Excel file template provided, completed, saved in HLM file version and then uploading it?

No, the excel only serves as a document to help collect information and then copy and paste the information into the official register.

41) What are the declarants conditions/requirements?

There are no requirements other than appearing on the transaction at the time of customs clearance. For the person accessing the register, it is sufficient to be an employee of the importer or the customs representative respectively.

42) I do not quite understand what we will need the excel sheet for if we submit all information via this application.

The Excel sheet is for the producers outside the EU. They can use it to calculate the actual embedded emissions, then provide it to you, and you can fill in the values in the registry.

43) Do we have to fill the LRN N° in the declaration? if yes, data could only come from the customs system, or do we have manually to record in excel each import. Therefore, the key is to get download from the customs office.

The LRN number doesn't need not be indicated. Customs will not provide a downloadable document containing all CBAM imports at the end of a CBAM declaration period.