

# CBAM REPORTING CHECKLIST FOR SUPPLIERS



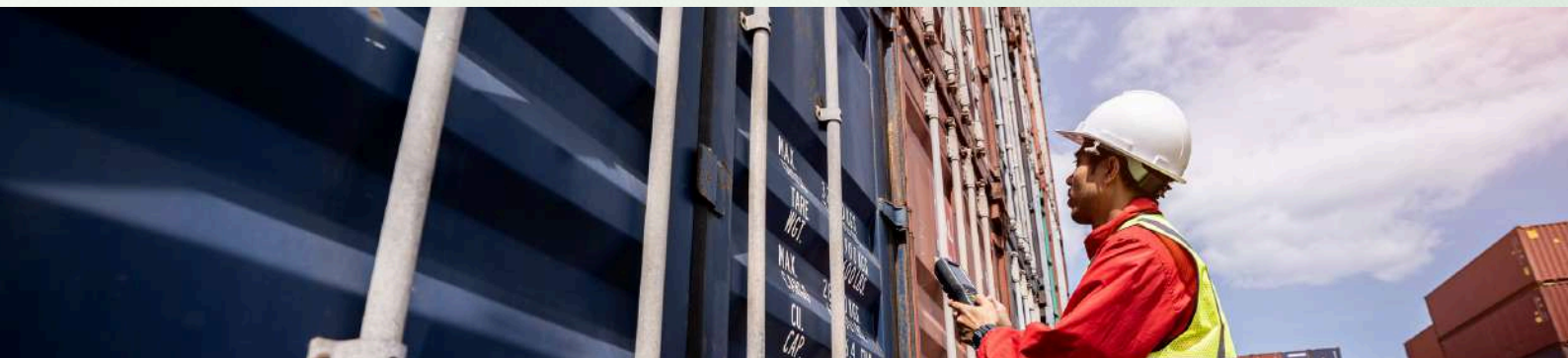
**EU CBAM is very complicated and highly technical compliance that puts emphasis on data accuracy. Here is a list Of 10 CBAM reporting checklist for suppliers.**

- **Check CBAM applicability for your products:** As a supplier, you must cross check if your product and its HSN code is listed under CBAM reporting. This can be done by comparing your HSN code against the published CN codes under the CBAM.
- **Identify production processes:** Under this, suppliers must understand the production processes and techniques used for manufacturing the CBAM listed product.
- **Direct emissions:** Suppliers are mandated to collect direct emissions for CBAM report generation. Direct emissions are carbon emitted at the facility level during production processes.
- **Indirect emissions:** Under the CBAM reporting framework, suppliers have to collect and submit indirect emissions. For example, a company must give details of electricity consumed during the manufacturing processes.
- **Precursors & supply chain data:** All emissions details of the vendors and third-party suppliers are also required under the CBAM reporting requirements.
- **No use of default values:** Suppliers should not use default values and must depend on actual emissions. This is because the usage of defaults values can inflate CBAM tax for buyers in Europe.



- **Verification readiness:** All suppliers must maintain all data records and ensure they have adequate CBAM data collection trails with them. Not facilitating EU-approved data verification can invite penalties for the suppliers and importers.
- **Proper documentation:** Proper documentation of records including accurate details of production processes, raw material usages, fuel purchase and consumption logs, energy bills, emissions calculation spreadsheets among other details must be stored safely to prove accuracy.
- **Engage with importer:** Every supplier must engage with the importer in the EU on a regular basis to ensure seamless CBAM compliance. Suppliers must select only Authorised CBAM Declarants for CBAM compliance.

# CBAM REPORTING CHECKLIST FOR IMPORTERS



**The responsibility to comply with CBAM lies primarily with importers. Hence, importers must be careful in ensuring CBAM compliance. Here is a list of 8 CBAM reporting checklist for suppliers:**



- **Map CBAM listed imports:** First thing is to map all imports and identify which imports fall under CBAM reporting. It is important to understand whether your imported product falls under the CBAM listed category or not.
- **Ask for a CBAM report quarterly:** Every importer must ask for a quarterly CBAM report from all the suppliers whose products fall under the CBAM.
- **Don't accept imports without CBAM report:** No importers should accept imports of any product without CBAM report. If importers show any leniency regarding CBAM reports on the supplier, then they will have to pay a penalty and higher CBAM tax.
- **Map clean suppliers track record:** Importers could map and maintain a list of suppliers that do accurate CBAM compliance. This can be done with the help of [IndiaCBAMRegistry.org](https://indiacbamregistry.org) which is backed by India's premier trade and export promotion organisations such as the Services and Exports Promotion Council of India, EEPC India and FICCI under the Ministry of Commerce and Industries.
- **Verify suppliers' data:** Every importer must verify its suppliers' emissions submitted to it. If this is not done since the start, then the importers could face penalties for inaccurate CBAM reports, and increased CBAM tax.
- **Calculate and forecast CBAM tax for every import:** Maintain a track record for every import and calculate tax for each quarterly report. This helps in advance planning and maintaining CBAM readiness for continuous business with the EU.
- **Submit quarterly reports:** Every EU buyer must submit quarterly CBAM reports to avoid any kind of penalty and do risk-free business.
- **Engage with trusted and CBAM compliant suppliers:** Importers should prefer engaging with CBAM compliant suppliers to maintain trade continuity and risk their ongoing business.