

THE CBAM TIMELINE WHAT YOU NEED TO DO, AND WHEN

Carbon is now a border cost. Here's what happens next and what it means for your business.

The transition phase is already underway. Financial obligations begin in 2026. Companies not preparing now will face higher costs and compliance risk.

WHAT IS CBAM?

The Carbon Border Adjustment Mechanism (CBAM) is an EU regulation that applies a carbon price to imported goods linked to the EU Emissions Trading System (ETS).

- Collect emission data from suppliers
- Report emissions accurately
- Verify emissions through a third party
- Submit CBAM declarations and manage carbon costs

2026 **FINANCIAL OBLIGATIONS BEGIN**

CBAM becomes binding
This year determines your cost exposure

Declarant registration must be in place in 2026
Annual declaration deadline 31 May (2027 for 2026 emissions)

Carbon price in 2026
€75.36 per tonne

WHAT TO DO

- Register as an authorised CBAM declarant
- Set up systems for data collection and reporting
- Engage suppliers to collect emission data
- Model your CBAM cost exposure

2027 **VERIFIED REPORTS DUE**

Enforcement begins
Emission data must be third-party verified

31 August 2027 – First major corporate verified reporting deadline for certificate reconciliation

The default value: companies without accurate verified data will be assessed on default values set approximately **30-50% above real emissions.**

WHAT TO DO

- Commission third-party verification early
- Validate and improve supplier data quality
- Prepare and review your CBAM declaration
- Purchase CBAM certificates and manage carbon cost

2027 ONWARDS **ONGOING COMPLIANCE CYCLE**

Annual obligations and rising carbon costs
Each year you must declare, verify, and purchase certificates.

Carbon price projection by 2035
Up to €140 per tonne

WHAT TO DO

- Embed CBAM compliance into business planning
- Continuously monitor and improve supplier data
- Develop and implement decarbonisation plans
- Track carbon price exposure and financial risk

THE IMPORTER VS PRODUCER DISTINCTION

If you are an EU importer

- Legally responsible for CBAM compliance
- Must collect emission data from all suppliers
- Submit annual CBAM declarations
- Purchase and manage CBAM certificates

If you are a producer (Exporting to the EU)

- Must provide accurate, product-level emission data to customers
- Expected to support data verification process
- Risk losing EU customers if data is missing or unreliable
- Increasing pressure to reduce emissions to remain competitive

WHY THIS MATTERS?

Importers are legally responsible, however their compliance depends entirely on supplier data.

KEY FIGURES AND DATES

**€75.36
PER TONNE**

Current carbon price from 2026

**UP TO €140
PER TONNE**

Projected carbon price by 2030

+30-50%

Default emissions values for companies without accurate data.

31 MAY

Annual CBAM declaration deadline beginning in 2027 for 2026 emissions

**31 AUGUST
2027**

First verified corporate reporting deadline for certificate reconciliation

**30 SEPT
2027**

First certificate surrender date.

WHAT HAPPENS IF YOU DON'T PREPARE?

- Default emission value applied
- Increased carbon costs
- Higher compliance and penalty risk
- Potential supply chain disruption



WHAT GOOD LOOKS LIKE

- Reduced carbon costs through accurate data
- Full visibility across your supply chain
- Stronger, more transparent supplier relationships
- Verified emission data ready for reporting



NAVIGATE CBAM WITH CONFIDENCE

CBAM IS NOT JUST A REPORTING EXERCISE, IT'S A SUPPLY CHAIN TRANSFORMATION.

Whether you are at the beginning of your data collection journey or preparing for third-party verification, acting now reduces cost, risk and disruption. The organisations that treat CBAM as a strategic priority will be better positioned as carbon costs rise.

LRQA is the only provider with full lifecycle capability to support organisations at every stage of the timeline, from data collection to third party verification.

FIND OUT MORE →