

Carbon Border Adjustment

Mechanism: simplification and strengthening (Omnibus I)

2025/0039(COD) - 10/09/2025 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 617 votes to 18, with 19 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2023/956 as regards simplifying and strengthening the carbon border adjustment mechanism (CBAM).

The proposal aims to simplify certain obligations and strengthen the mechanism adopted by the Union to prevent the risk of carbon leakage and thereby reduce global carbon emissions. These amendments are part of the Omnibus I simplification package presented on 26 February 2025, which aims to simplify existing legislation in the areas of sustainability and investment.

The European Parliament adopted its position at first reading by amending the Commission's proposal as follows.

De minimis exemption

The Regulation provides for the introduction of a **new single mass-based de minimis threshold of 50 tonnes**, which will exempt the vast majority of importers – mainly small and medium-sized enterprises and individuals – who import only small quantities of goods covered by the CBAM. A single mass-based threshold should apply cumulatively to all goods in the sectors of **iron and steel, aluminium, fertilisers and cement**. Imports of electricity or hydrogen should not be included in the de minimis exemption.

Where, within the relevant calendar year, an importer, including any importer with the status of an authorised CBAM declarant, exceeds the single mass-based threshold, the importer or the authorised CBAM declarant will be subject to all obligations under this Regulation in respect of all emissions embedded in all goods imported in that calendar year.

The establishment of the single mass-based threshold that reflects the average emissions intensity of the quantity of the imported goods **pursues the objective of ensuring that at least 99 % of emissions embedded in imported goods** remain within the scope of the CBAM and that therefore the de minimis exemption applies to no more than 1 % of emissions embedded in imported goods.

By 30 April of each calendar year, the Commission will assess, on the basis of import data for the preceding 12 calendar months, whether the single mass-based threshold ensures that the de minimis exemption does not apply to more than 1% of the embedded emissions of imported goods and processed products. The Commission will adopt delegated acts to amend the single mass-based threshold where the value of the resulting threshold deviates from the applicable threshold by more than 15 tonnes.

Guarantees

The rules on imports still covered by the CBAM are also simplified, regarding for instance: the authorisation process, the calculation of emissions, verification rules and the financial liability of authorised CBAM declarants. Anti-abuse provisions are strengthened to prevent circumvention of the rules.

Sanctions and fines

Where an authorised CBAM declarant **fails to surrender the correct number of CBAM certificates** as a result of incorrect information provided by a third party, namely an operator, a verifier or an independent person certifying the carbon price documentation, the competent authorities, when applying penalties, should be able to take into account the specific circumstances concerned, such as the duration, gravity, scope, intentional or negligent nature or repetition of the non-compliance or the level of cooperation of the authorised CBAM declarant.

Importers other than authorised CBAM declarants that have exceeded the single mass-based threshold should be subject to a penalty. For that purpose, the entirety of the emissions embedded in the goods imported by such an importer without authorisation in the relevant calendar year should be taken into account. It is appropriate to provide that the payment of the penalty releases the importer from the obligation to submit a CBAM declaration and surrender CBAM certificates in respect of those imports. The competent authorities should be able to impose a lower penalty where the single mass-based threshold has been exceeded by no more than 10 %.