

Call for evidence on the determination of embedded emissions for electricity for the definitive period

Brussels, 25 September 2025

We support the overall objective of CBAM as a tool to put a fair price on the carbon emitted during the production of carbon-intensive goods imported into the EU, to avoid carbon leakage, and to encourage cleaner industrial production in non-EU countries.

The inclusion of electricity imports within the scope of CBAM should respect the **principle of proportionality**, ensuring that European businesses face no excessive costs or administrative burdens and that a proportionate carbon price is applied.

Implementing acts should be published as early as possible, ensuring that market participants have sufficient preparation time to adapt systems and processes before the start of the definitive period.

For more details, supporting evidence and legal justification on the proposals below, please see our previous response to the [Call for evidence on rules for electricity imports for the definitive period](#) (August 2025).

1. Change default value from CO₂ emission factor (only fossil fuels) to average emission factor (all generation technologies) before 1st January 2026

Default values should reflect or provide the best approximation of the actual carbon intensity of the electricity mix imported from of a third country. Therefore, emission factor for electricity should be calculated taking into account all generation technologies (including low-carbon sources) and not just fossil fuels technologies (as currently foreseen with the CO₂ emission factor).

We understand that the CO₂ emission factor is currently foreseen in Regulation (EU) 2023/956 (Annex IV, page 49), however **the current methodology applies a disproportionate carbon price**, overestimates the actual emissions from third countries and should be therefore changed before the start of the definitive period.

2. Align the granularity of the default values with electricity trading timeframes

After the implementation of the average emission factor, the carbon intensity of electricity imports of a third country should be measured as close as possible to real time and therefore **match the time interval of electricity trading** of the third country (60 minutes or 15 minutes).

3. Rely exclusively on commercial flows for CBAM declarations

Once produced and injected into the grid, electricity flows cannot be physically traced. Furthermore, market participants who are CBAM declarants are limited to commercial flows. Therefore, with the exception of dispatch data from power plants (equivalent to the physical injection into the grid), **commercial flows should be the only relevant data for CBAM declaration.**

4. Exempt transit flows (EU -> non-EU -> EU and non-EU -> EU -> non-EU)

The interpretation of Article 5, paragraph 4 is that CBAM should be applied **only to imported values**, without consideration for exported values (to which CBAM is not applied) nor transited values (to which CBAM should not apply).

5. Request TSOs to provide disaggregated import, export and transit data

TSOs issue monthly reports to importers, with various degrees of details:

Jurisdiction	TSO	Country	Status
WB6	NOS BiH	Bosnia & Herzegovina	Detailed transit data per border
	CGES	Montenegro	Detailed transit data per border
	OST	Albania	Detailed transit data per border
	KOST	Kosovo	Detailed transit data per border
	MEPSO	North Macedonia	Detailed transit data per border
	EMS	Serbia	Cumulative transit data
EU	TRE	Romania	Detailed transit data per border
	ADMIE	Greece	Cumulative transit data
	ESO	Bulgaria	No transit data
	HOPS	Croatia	No transit data
	MAVIR	Hungary	No transit data

For a proper application of CBAM to electricity imports, both EU and third countries TSOs should adapt their processes to guarantee the preparation of TSO reports containing **disaggregated import, export and transit data**, including the direction of transit flows at the granularity of electricity trading timeframes (60 mins or 15 mins).

6. Enable importers to prove transit in case of unavailable TSO data

In cases where the relevant TSO(s) cannot provide complete disaggregated data per border and at hourly level, **CBAM declarants should be allowed to rely on alternative evidence** such as nominations and confirmation reports to substantiate the transited volumes declared under CBAM.

7. Not apply the “no physical congestion” as a condition to utilise actual embedded emissions

CBAM declarants should not be required to demonstrate the absence of physical network congestion, since such information is not made available to market participants and it lies outside their control. Instead, the absence of physical network congestion as defined in [Commission Regulation \(EU\) 2015/1222](#) can be demonstrated by the CBAM declarant by **matching evidence between electricity generation and nominated cross-border capacity in a given hour within the same market area.**

8. Recognise all PPAs with a proven commercial link between producer and importer

The nature of the PPA contract is not relevant for CBAM compliance once a CBAM declarant can prove:

- 1) Hourly matching between electricity production and capacity nomination
- 2) Guarantees of Origin (GOs) eventually issued are immediately cancelled (in case of the absence of a framework for the recognition and exchange of “green certificates” between the EU and the third country)
- 3) Contractual link between producer and importer, even through intermediaries

Any additional restrictions on the types of eligible PPAs contracts under CBAM would give fewer options to demonstrate low-carbon content of electricity, hence reducing flexibility for importers and producers in sourcing electricity and creating additional barriers for cross-border trading.

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