

Table of Contents

Chapter / Section	Page
List of Abbreviations	x
Introduction	1
PART ONE: THE BIG PICTURE	6
1. Why the EU Created CBAM	6
2. What is Carbon Leakage — and Why It Matters to You	7
3. CBAM in the Context of Global Climate Policy	9
4. Which Countries and Industries Are Most Affected	11
PART TWO: UNDERSTANDING CBAM — THE BASICS	17
5. How CBAM Works — The Core Mechanism	17
6. Products Covered: Is Your Export in Scope?	19
7. The 50-Tonne Threshold and Exemptions	46
8. The CBAM Timeline — From 2023 to 2034	48
9. Upcoming Scope Expansion — 180 New Products	51
PART THREE: CARBON TRADING & THE EU ETS — SIMPLIFIED	54
10. What is the EU Emissions Trading System (ETS)?	54
11. How Carbon Prices Are Set — and Where They Are Heading	57
12. EU Allowances (EUAs) Explained	63
13. How CBAM Certificate Prices Are Linked to the ETS	66
14. Carbon Pricing in Your Country — Can You Claim a Deduction?	70
PART FOUR: YOUR ROLE AS AN EXPORTER	87
15. Who Legally Pays — The EU Importer vs. You	87
16. Why Your EU Buyer Will Come to You for Data	88
17. What Happens If You Do Nothing — The Real Risks	99
18. How CBAM Affects Your Price Competitiveness	103
19. Turning CBAM Compliance Into a Sales Advantage	106

PART FIVE: MEASURING YOUR EMBEDDED EMISSIONS	115
20. What Are Embedded Emissions?	115
21. Direct vs. Indirect Emissions — Know the Difference	118
22. Simple Goods vs. Complex Goods — The 80/20 Rule	124
23. Default Values vs. Actual Measured Data — The Cost Difference	138
24. Practical Steps to Start Measuring Your Emissions	142
25. Working With Your Supply Chain to Collect Data	164
PART SIX: COMPLIANCE — STEP BY STEP	170
26. Registering as an Installation Operator in the EU CBAM Registry	170
27. What Data to Provide and in What Format	176
28. Third-Party Verification — What It Is and How to Prepare	179
29. Supporting Your EU Importer's Annual Declaration	186
30. Record-Keeping Requirements — The 4-Year Rule	190
31. Penalties for Non-Compliance	195
PART SEVEN: STRATEGIC & PRACTICAL TOOLS	199
32. Your CBAM Readiness Checklist	199
33. Simple CBAM Cost Calculator (With Examples)	201
34. Key Dates and Compliance Calendar 2026 to 2030	202
35. Glossary of Key Terms	205
36. Useful Resources, Links & Official Portals	208
Annexure 1 — List of 180 Products (Proposed for Jan 2028)	217
Annexure 2 — What Will a CBAM Data Collection Consultant Charge?	223
Annexure 3 — What Other Countries Besides EU and UK Are Planning	233
Annexure 4 — Recycled Steel Opportunities for India	241
Annexure 5 — Power Requirements for a Recycled Aluminium Smelter	259

Annexure 6 — Coal-Based vs Gas-Based DRI: Carbon Emissions and CBAM Cost Impact	265
References	211
Index	271