



Carbon border adjustment mechanism (CBAM) - establishment of CBAM Registry

This document presents the comments of the Brazilian National Confederation of Industry (CNI) on the European Commission's <u>Draft Implementing Regulation</u> establishing the Carbon Border Adjustment Mechanism (CBAM) Registry as the electronic database for filing and managing the CBAM declarations, involving checks, indicative assessments, communication and review procedures.

At the outset, CNI requests that equitable, fair and non-discriminatory treatment must be ensured between European Union and third-country products, as well as between EU installations and operators and installations in third countries.

We urge the European Commission to carefully consider our comments and remain at the Commission's disposal for further engagement to address any topics mentioned below.

About CNI

CNI is the main representative of the Brazilian industry. It is the highest body of the industry trade union system and, since its foundation in 1938, it has defended the interests of the national industry. It also acts as the main interlocutor with the Executive, Legislative and Judiciary, besides several entities and organizations in Brazil and abroad. We represent 27 state federations of industry and 1.280 trade unions, to which almost 700 thousand industries are affiliated.

Since its establishment, CNI has played a leading role in society, promoting debate and building consensus on key national issues. Especially concerning those matters that have strong influence on the development of Brazilian industry and economy. CNI is recognized as a key voice at the national level, examining and presenting suggestions for the development and refinement of policies and laws that strengthen the productive sector and modernizes the country.

Structure of the CBAM Registry (Article 4)

The CBAM Registry's components, such as the CBAM Operators Portal (CBAM Operator), and the public CBAM page on the European Union website (namely the Europa website), are extremely important for foreign producers, entities representing foreign producers and operators.

Therefore, CNI urges the Commission to provide timely, accurate and clear information for all stakeholders so that operation of the registry does not constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade.

CBAM Operators Portal (Article 10)

While Article 10 provides several obligations regarding profile assignment and registry access for operators, further clarification is still needed. This relates specifically to operational processes,



technical training, support for operators and document requirements. Topics to be covered in the regulation include specific timelines for reviewing and approving requests submitted to the Commission, feedback if supporting documents are deemed insufficient, confirmation of profile, and whether any additional verification steps or document requirements may apply beyond those listed.

Training and Communication Support on the Use and Functioning of the CBAM Registry (Article 17)

Article 17 states that the Commission may support the competent authorities in the use and functioning of the components of the CBAM registry by providing the appropriate training and communication material, and that the competent authorities are responsible for managing trainings and providing the national service desk support to authorized CBAM declarants and applicants.

Given the substantial burden imposed by CBAM and the voluntary nature of the registration for operators and installations in third countries, it is crucial that the Commission and/or competent authorities offer technical training or user guides. This will assist operators, companies and entities in third countries to navigate the CBAM Operators Portal and make available dedicated helpdesk services or contact points for resolving technical issues.

Confidentiality

Considering the confidential nature of most of the information to be provided by operators from installations in third countries, particularly data on production cost and process details, the Commission shall clearly state which information is inherently confidential. The Commission should also outline the guarantees to ensure that such information will not be made available or leaked to the public. Furthermore, the Commission shall allow for the request for confidential treatment of data submitted by operators and installations in third countries.

Advantages for Operators and Installations in Third Countries

In light of the significant burden imposed by CBAM and the voluntary nature of the registration for operators and installations in third countries, as required by Article 10 of the CBAM Regulation, the Commission should consider affording additional benefits to companies willing to provide their real emissions and comply with Article 10 requirements.