

Date: 27 November 2024

JBCE'S COMMENTS ON THE DRAFT IMPLEMENTING REGULATION FOR AUTHORISING CBAM DECLARANTS¹

INTRODUCTION

JBCE, a cross-sectoral organisation representing companies of Japanese parentage active in Europe, recognises the importance of the smooth implementation of the Carbon Border Adjustment Mechanism in order to avoid disrupting trade with non-EU countries that form part of the resilient global supply chain of EU companies. We therefore appreciate the opportunity to provide feedback on the approval of CBAM declarants.

POINTS TO CLARIFY

- Article 6 (Intended negative decision and appeal)
- 2. The competent authority shall state the following in the communication to the applicant:
- (a) the intention of and the reasons for refusing to grant the status of authorised CBAM declarant;
- (b) the period within which the applicant can submit its **observations**.
- 3. The period referred to in point (b) of the second paragraph shall run from the date on which the competent authority notified the applicant of the communication and **shall not exceed 30 calendar days**.

Please clarify what is expected to be submitted to the competent authority as the applicant's "observations". In view of the fact that the procedure of notification of the intended negative decision is situated between the request for additional information by the competent authority (Article 5) and the appeal (Article 6(5)), it should be made clear what unique role is expected of such intermediate procedures. Otherwise, it cannot function well, as it either duplicates and prolongs the request for additional information or does not allow sufficient time (i.e. 30 calendar days) for the preparation of the evidence.

> Article 9 (Status of authorisation and CBAM accounts)

1. An authorisation shall be registered in the CBAM registry in one of the following

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¹ < https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14116-Carbon-border-adjustment-mechanism-CBAM-authorising-CBAM-declarants en>



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statuses:

- (a) 'active';
- (b) 'revoked'.
- 2. Where a CBAM authorisation is revoked the CBAM account shall remain under the status 'closed' in accordance with Article 16(4) of Regulation (EU) 2023/956 until the fifth year following the revocation. **A 'closed' CBAM account** shall be reopened by the competent authority allowing the owner to fulfil a obligation to surrender the correct number of CBAM certificates further to the review of a submitted CBAM declaration in accordance with Article 19(5) of Regulation (EU) 2023/956.

Please clarify how the 'closed' account can be reactivated. We believe that it is not clear whether the CBAM registrant whose account is closed is expected to open a new active account or to reopen the closed account, which retains the information once registered.

ABOUT JBCE

Founded in 1999, Japan Business Council in Europe (JBCE) is a leading European organisation representing the interests of over 100 multinational companies. Our members operate across a wide range of sectors, including information and communication technology, electronics, chemicals, automotive, machinery, wholesale trade, precision instruments, pharmaceuticals, textiles, and glass products.

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EU Transparency Register: 68368571120-55