



SMART ENERGY

# A Call for Coherence: Integrating Energy and Customs Frameworks for Effective CBAM for Electricity

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# Agenda

1. Anticipated Consequences of CBAM for Electricity
2. A Call for Coherence: Integrating Energy and Customs Frameworks for Effective CBAM
3. Case Study: Understanding Cross-Border Flows and Transit in the Context of CBAM
4. How to fix it: Key Recommendations

# Anticipated Consequences of CBAM for Electricity

- **Legislative Incoherence:** Inconsistent use of concepts from energy and customs legislation means it is not clear which definitions are correct.
- **Operational Impossibility:** Without clear definitions and unified/centralised data responsibilities, consistent application is impossible and regulatory uncertainty is high.
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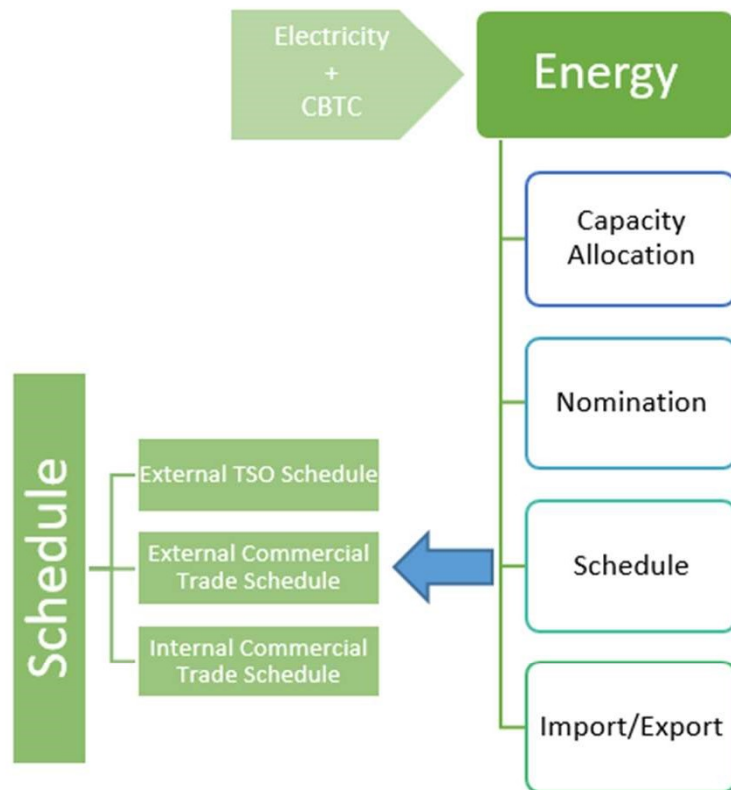
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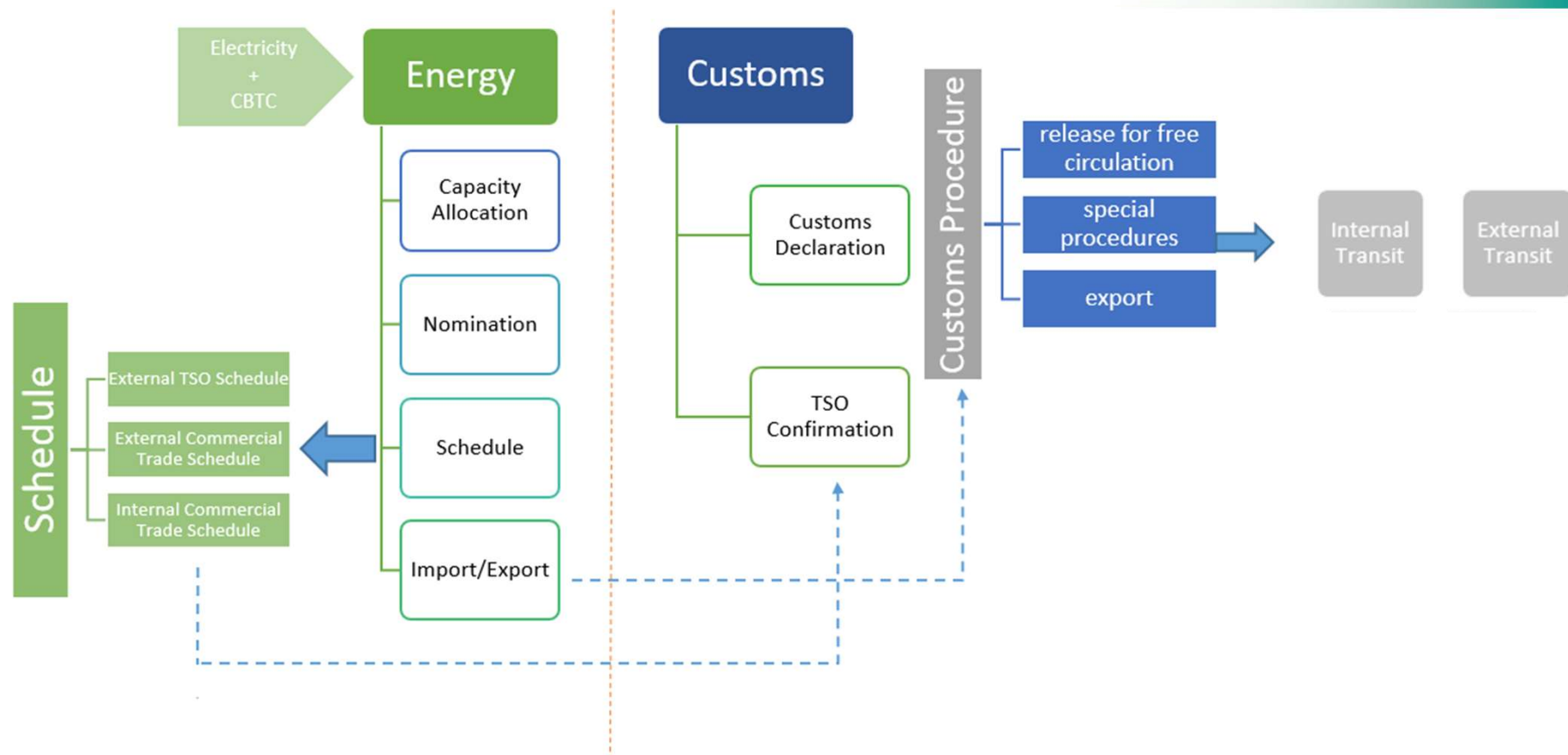
The Western Balkans under CBAM will become an **energy island**, cut off from the EU (!).

# **A Call for Coherence: Integrating Energy and Customs Frameworks for Effective CBAM**

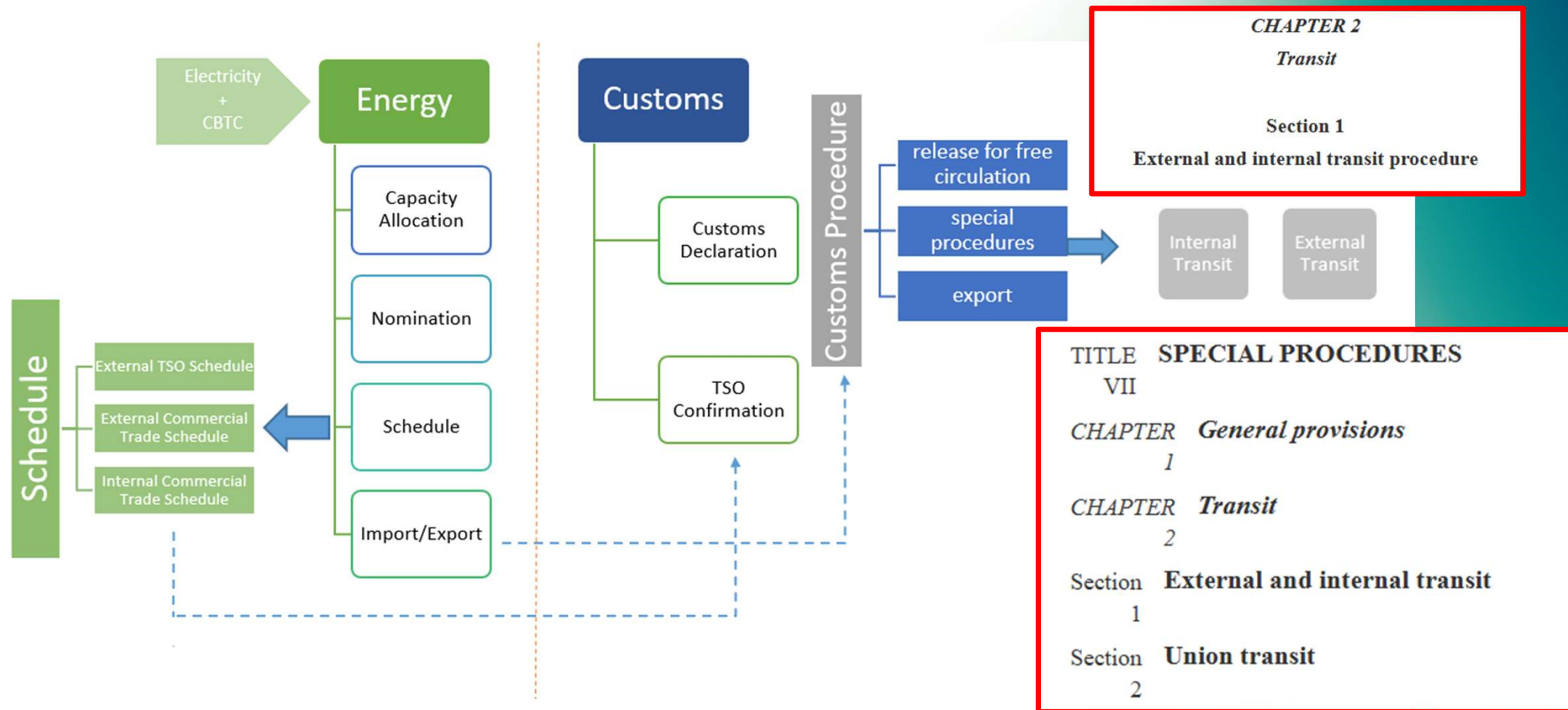
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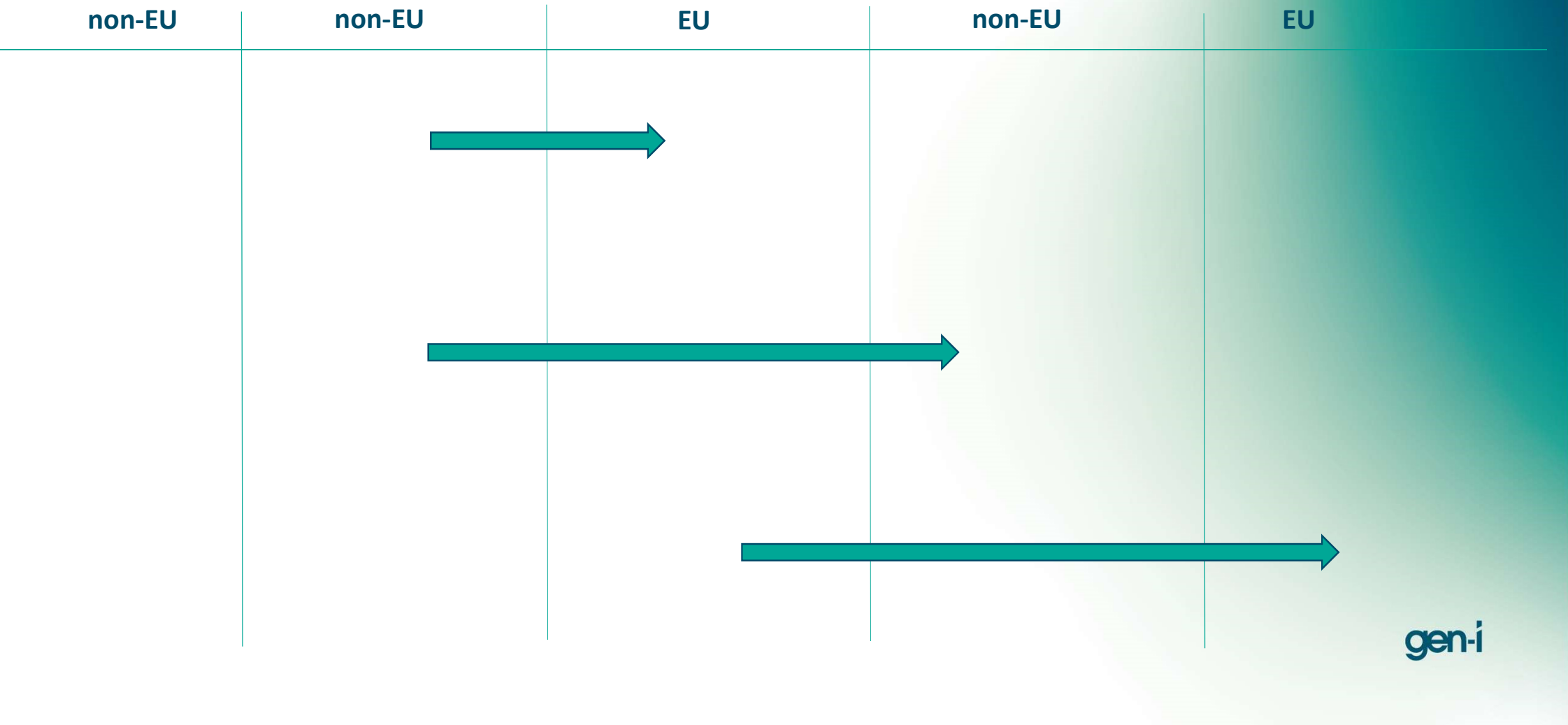
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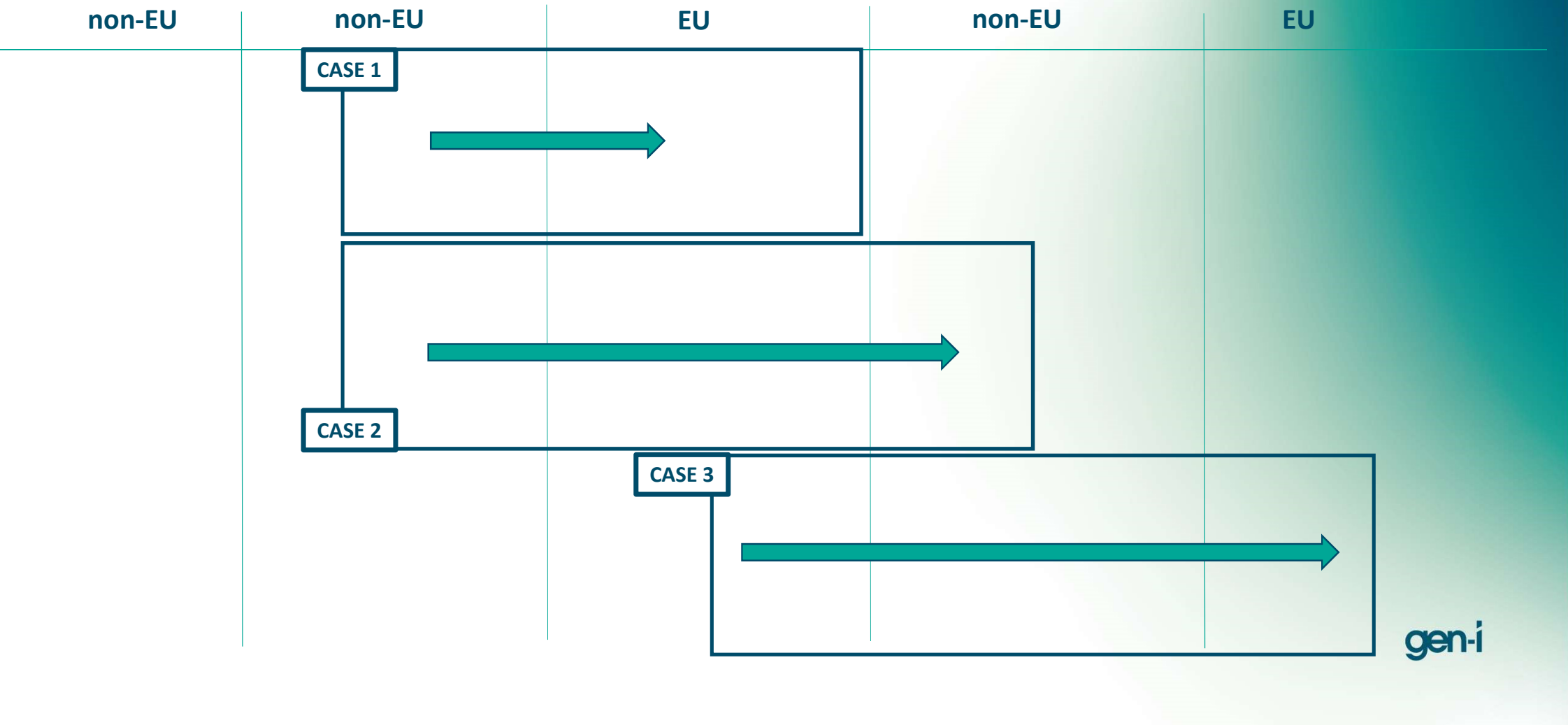
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32013R0952>  
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## **Case Study: Understanding Cross-Border Flows and Transit in the Context of CBAM**

# CBAM – Cross-Border Electricity Flows

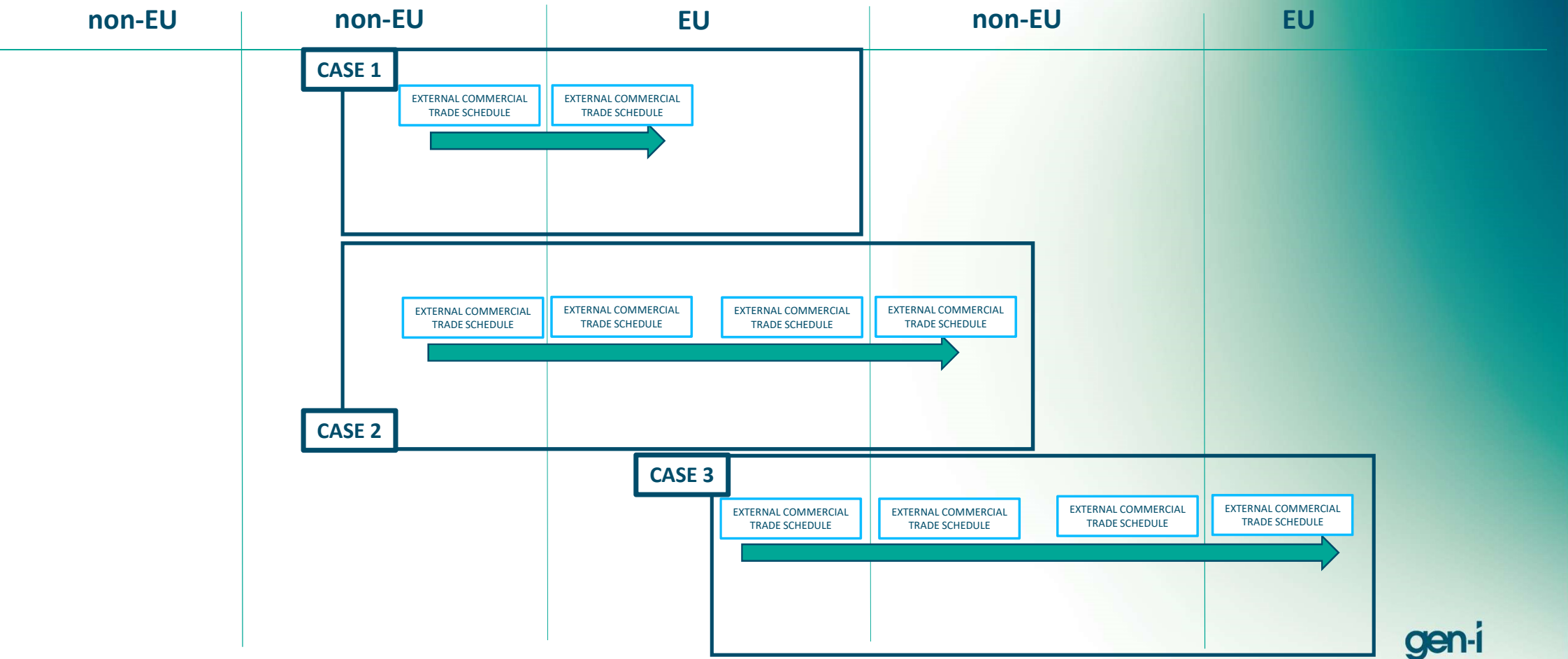


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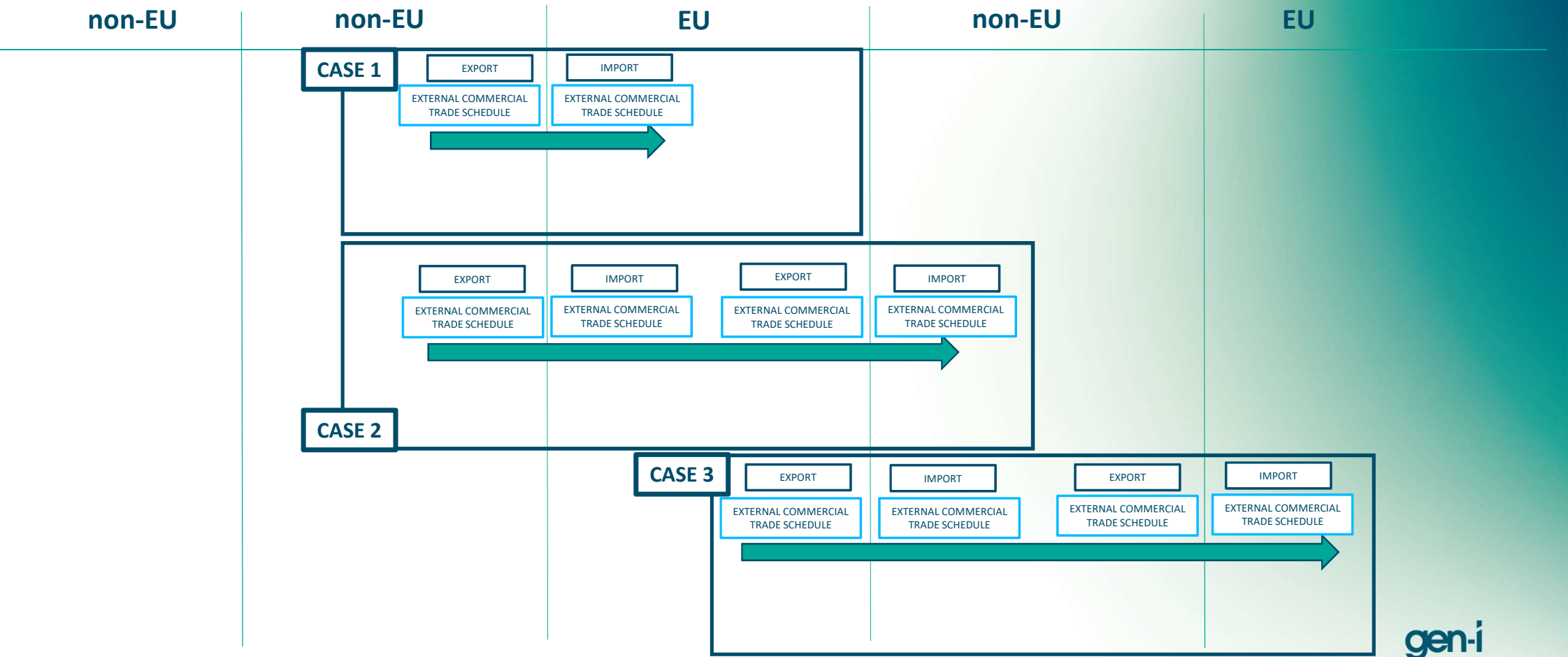


# CBAM – Consolidated Shematic

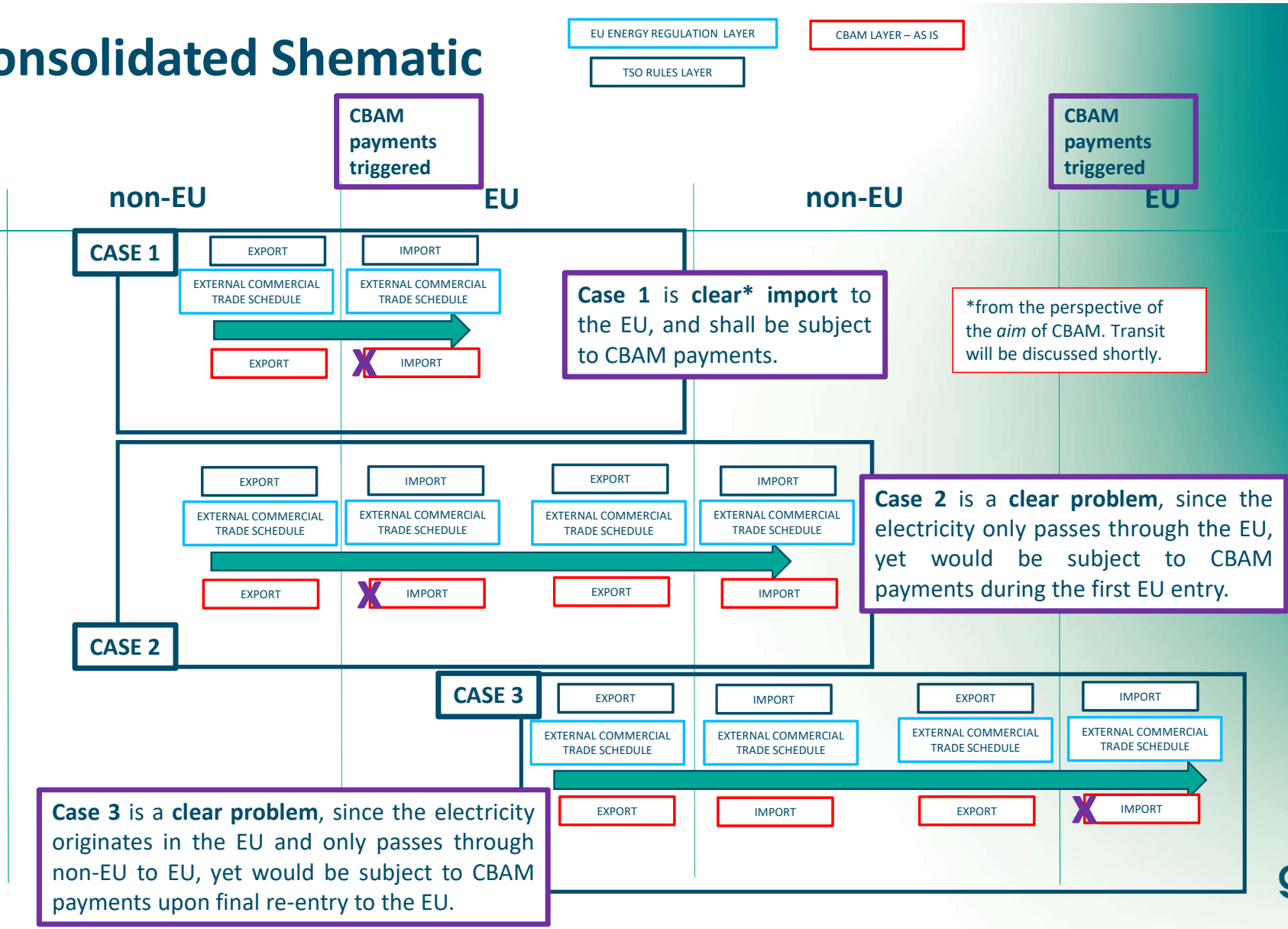
EU ENERGY REGULATION LAYER



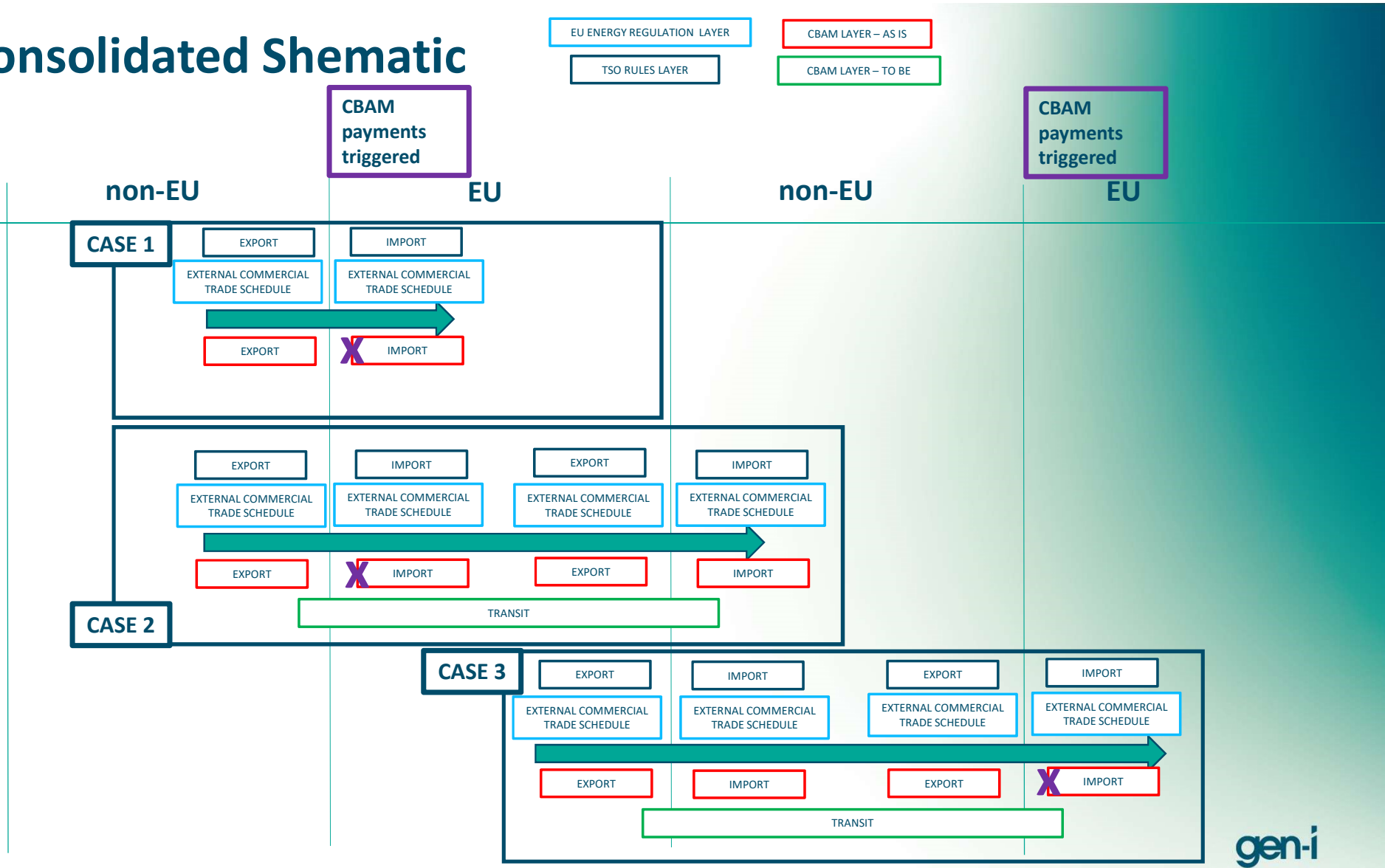
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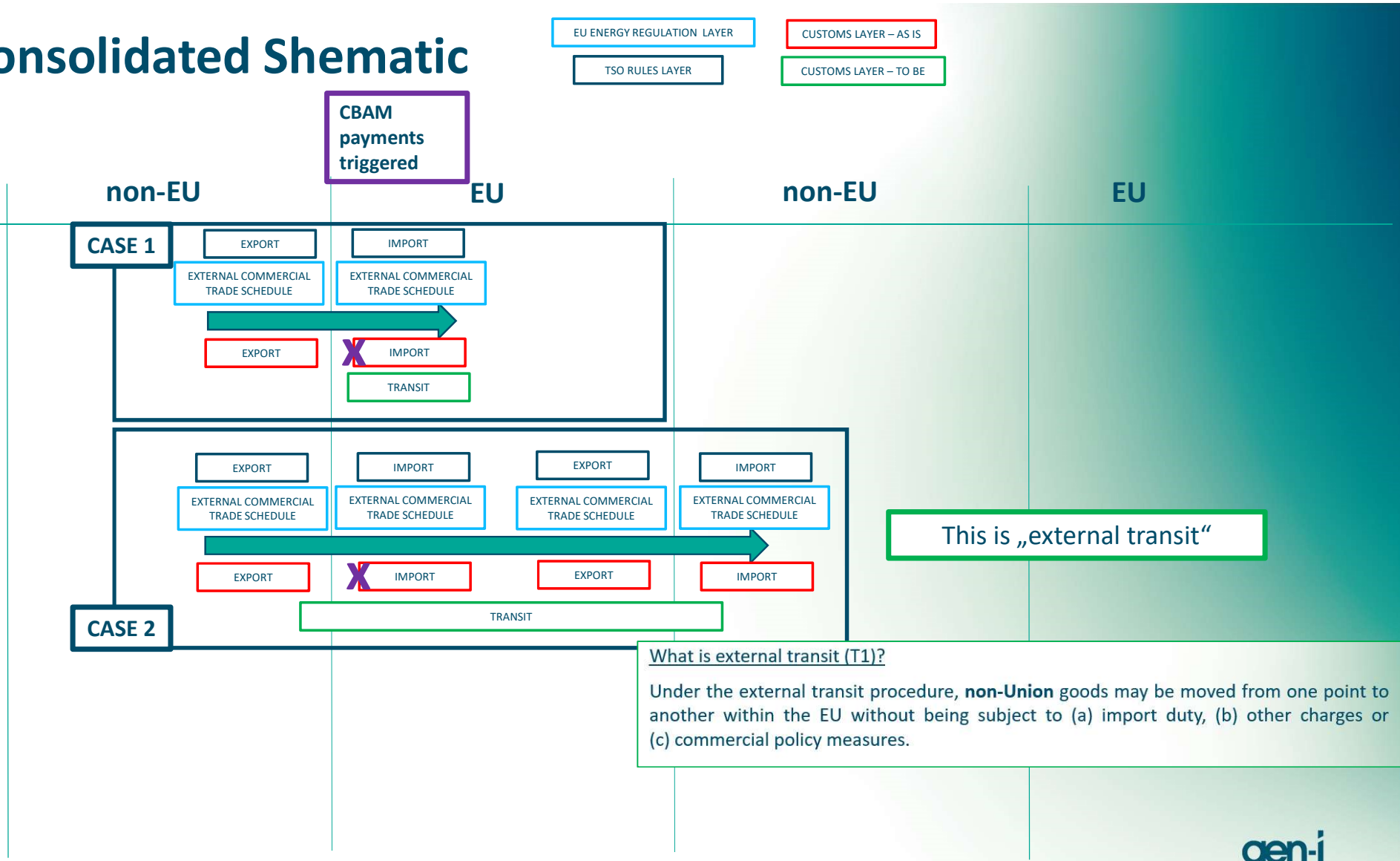
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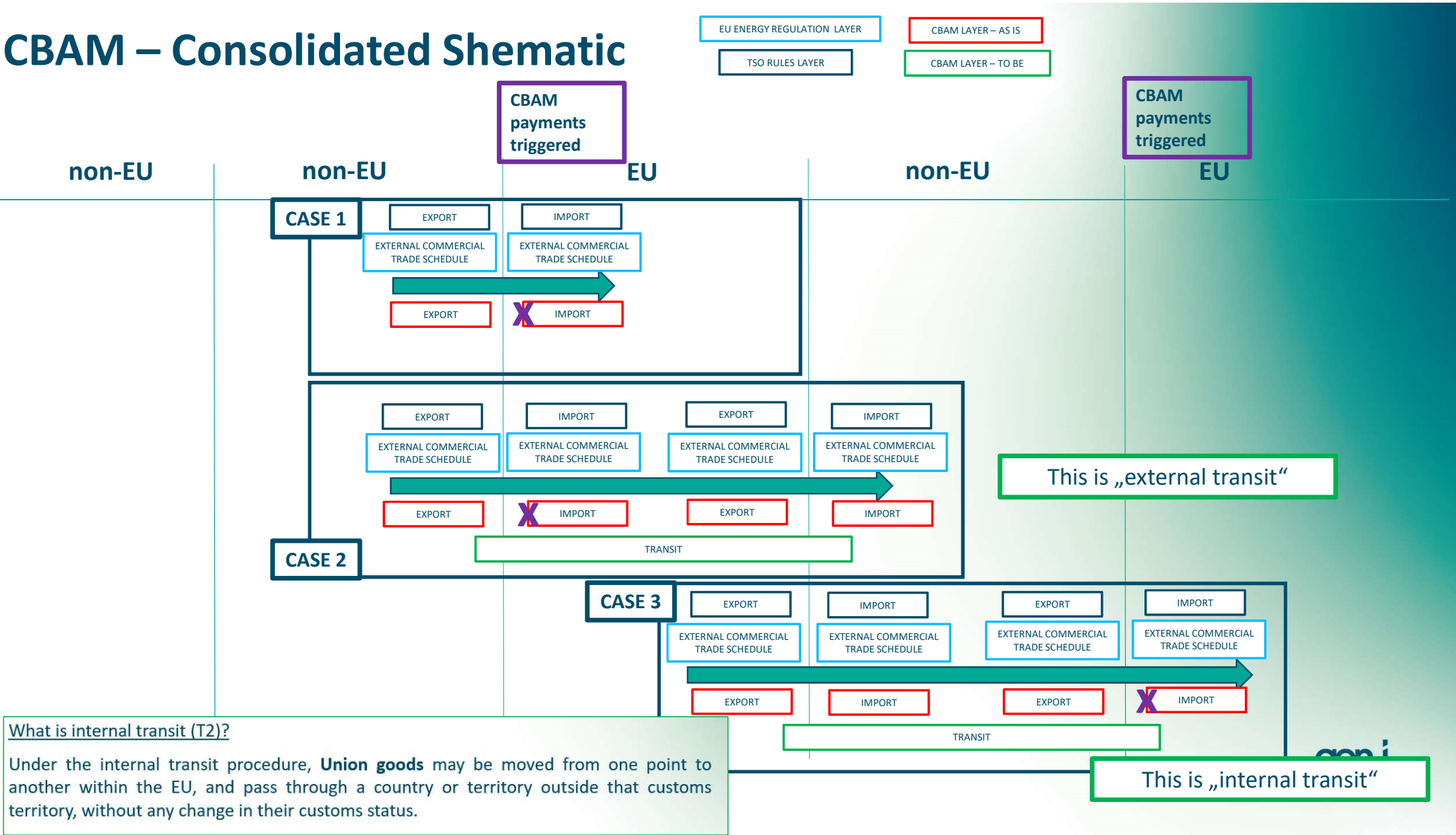
# CBAM – Consolidated Shematic



What is external transit (T1)?

Under the external transit procedure, **non-Union** goods may be moved from one point to another within the EU without being subject to (a) import duty, (b) other charges or (c) commercial policy measures.

# CBAM – Consolidated Shematic



## **How to fix it: Key Recommendations**

# Recommendations for Swift Resolution

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COMMISSION

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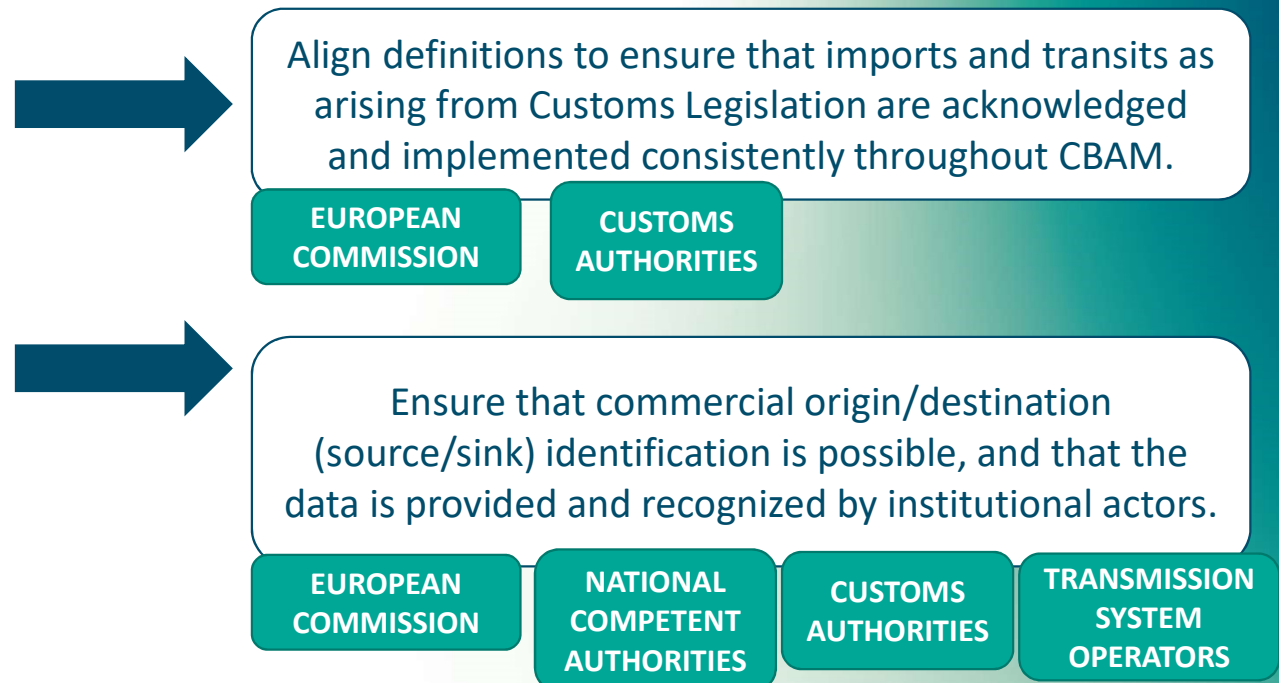
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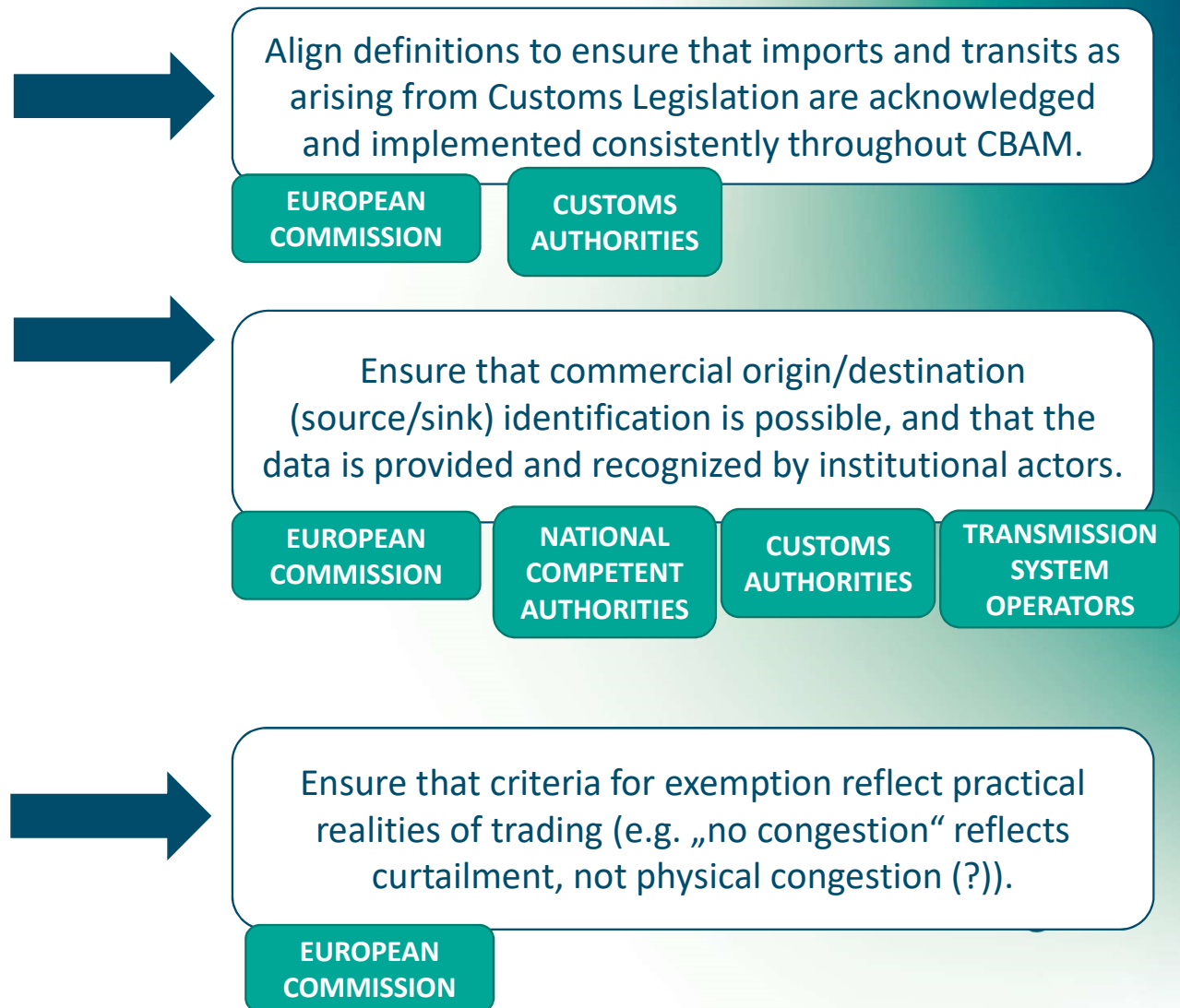
TRANSMISSION  
SYSTEM  
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Ensure that criteria for exemption reflect practical realities of trading (e.g. „no congestion“ reflects curtailment, not physical congestion (?)).

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# Detailed Recommendations for Swift Resolution

- **Each cross-border electricity flow has a clear commercial origin (“source”) and destination (“sink”) — enabling the identification of true transit flows.** Declarants should coordinate with National Competent Authorities and national-level Customs Authorities to document the source and sink of each commercial transaction.
- **Customs authorities should establish procedures to verify and monitor electricity transits and cross-border commercial flows,** using source and sink data, and work with CBAM declarants to ensure proper documentation — including clear **transit identification**.
- **Electricity is traded based on contracts and nominations, and stands out as the most commercially transparent good,** with all cross-border flows accurately recorded and traceable through established market systems operated by TSOs and ENTSO-E. **CBAM should leverage existing market data.**
- **TSOs should support customs procedures** by providing **monthly confirmation reports** that clearly specify import, export, and **transit volumes** per border pair — enabling accurate CBAM implementation and traceability.
- **CBAM National Competent Authorities (NCAs) and national-level Customs Authorities** should receive clear, centralized guidance from the European Commission to ensure **harmonized CBAM enforcement across Member States**.

**Thank you for your attention!**

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