## КРМС

# KPMG Trade Data Check CBAM

Technological support for managing your CBAM reporting process

The Carbon Border Adjustment Mechanism has required importers of energy-intensive goods to submit quarterly reports since October 2023. Collecting the data that is required can be a challenge for many companies. Our Trade Data Check CBAM tool provides you with support in meeting the new legal requirements.

#### Challenges

Since 1 October 2023, companies affected by the new requirements have had to record their imports of specific goods from non-EU countries and determine and disclose the emissions along the supply chain in a quarterly report. Many of these companies already have a problem insofar as they do not have an overview of what products are imported from which countries. As such, they have to identify flows of goods and the origin of products before they can start working out the carbon emissions that have been generated. Under the legislation, the emissions data must be based on actual values - which means that importers are reliant on the co-operation of their suppliers. Inadequate reporting and missed deadlines can result in fines.

### KPMG Trade Data Check: Four steps to a complete reporting file

In order to support you in this administrative process with made-to-measure technology, we have added the CBAM reporting requirements to our tried and tested KPMG Trade Data Check. Using the tool ensures a smooth process flow – from generating the data to creating the finished file for upload:

#### Step 1: Automated impact analysis

On the basis of your import data, Trade Data Check analyses your flows of goods, filters them according to their relevance under the CBAM and identifies goods and suppliers affected by the requirements.



Analysis of flows of goods and filtering based on relevance for the CBAM.

Source: KPMG in Germany, Trade Data Check

#### Step 2: Collecting the supplier data

The suppliers identified, which are also integrated in the workflow through our Digital Gateway platform, receive an individualised list showing their deliveries that are relevant under the CBAM. They can conveniently edit these in Excel Online using the Digital Gateway.

As it is not expected that every supplier will deliver the required data, the European Commission has defined what it refers to as default values, which our Trade Data Check also uses if any information is missing. In accordance with the legislation, this procedure can be applied without restriction, but only until the end of July 2024.





## Step 3: Delta analysis of total emissions reported and default values

In this step, the plausibility of the data provided is checked in the tool and a delta analysis of the total emissions reported and the default values is produced. You can verify the degree of deviation using a kind of traffic light system: An amber value indicates deviations of at least 10 per cent, while a red value indicates deviations of 50 per cent or more.



Delta analysis of total emissions reported and default values; deviations shown in amber/red. Source: KPMG in Germany, Trade Data Check

#### Step 4: Generating the CBAM report

At the end of the process, you will receive your final reporting file. All you have to do next is upload it to the CBAM Transitional Registry.

#### A continuous overview

Your individual dashboard in the Trade Data Check tool allows you to keep track of your imports, countries of origin and suppliers as well as the validated  $CO_2$  values at all times. You can use the integrated filter function to view individual countries or the process status of specific suppliers.



Source: KPMG in Germany, Trade Data Check

#### Your benefits at a glance

- Your customs data is evaluated automatically and systematically
- Individualised lists are pre-filled for completion by your suppliers
- The tool performs the entire communication process with your suppliers
- The data submitted is consolidated and validated
- Official default values are automatically added if data is missing
- Your report is generated at the end of the quarter
- You have full transparency over the current process status at all times

#### Ideally positioned for you

Our experts from customs and digitalisation have worked together to develop and refine our KPMG Trade Data Check CBAM and will be happy to assist you with their knowledge and their interface expertise. Get in touch with us.

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