Weightmans

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in Tomorrow

UK CBAM is coming. Start planning now.

From 1 January 2027, UK CBAM will apply to certain imported goods in the aluminium, cement, fertiliser, hydrogen, iron and steel sectors.

So what does CBAM mean for your business and how can you start preparing? Here are six steps to help you get started.

Step 1

Know what's in scope

CBAM applies to imports of specific goods identified by commodity codes.

Action: Create a list of potentially in-scope imports to understand your CBAM exposure.

Check commodity codes, product description, country of origin, supplier, import value, quantity and any relevant emissions information.

Step 2

Monitor the £50,000 threshold

The registration threshold for CBAM is based on importing £50,000 or more of CBAM goods within the relevant rolling 12 month period.

Note this is not the amount of tax you pay but the figure that determines whether you are eligible.

Action: Put a process in place with clear responsibility to monitor relevant imports on an ongoing basis.

Step 3

Check whether Carbon Price Relief applies

Carbon Price Relief (CPR) may be available where the emissions embodied in imported goods have already been subject to a qualifying carbon pricing scheme.

Action: Start to gather the appropriate evidence on:

- Supplier carbon pricing information
- Verified emissions data
- Evidence of carbon price paid
- HMRC-required verification
- Records of relief claimed

Step 4

Get your emissions data in order

Businesses will need to provide data on the embodied emissions in relevant imported goods.

Action: Talk to suppliers about what emissions data they can provide, whether it can be verified and which approach, either Actual Emissions Data or Government Defaults, is likely to work best for your business.

Step 5

Review your contracts

CBAM may create new responsibilities and risks within your supplier relationships.

Action: Ensure your contracts clearly state who is responsible for providing emissions data, meeting compliance requirements and managing any associated costs or risks.

Step 6

Put clear ownership in place

CBAM should not sit with one team alone. Procurement, logistics, finance, legal, compliance and sustainability may all have a role to play.

Action: Agree who is responsible for monitoring imports, managing emissions data, overseeing suppliers, maintaining records and managing CBAM-related risks.

Think your business is ready? Ask these three questions:

1. Can we identify all of our potentially in-scope imports?
2. Can our suppliers provide the emissions data we will need and can it be verified?
3. Do our contracts and internal processes clearly allocate CBAM responsibilities, costs and risks?

If you cannot answer these questions confidently, now is the time to address the gaps.

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Need support preparing for UK CBAM?

The Weightmans team can help you understand your potential CBAM obligations, identify areas of risk and put practical steps in place ahead of 2027.

Book a 30 minute consultation call to discuss your business and how CBAM may affect you.

Book a call