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Wopke Hoekstra
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CBAM: urgent call for corrections

Dear Commissioner Hoekstra,

We have taken note of the public announcement by DG TAXUD on 14 January 2026, in which the Commission states that CBAM successfully entered into force on 1 January 2026. This may apply to the public authorities involved in CBAM. However, this certainly does not apply to the actual addressees of the CBAM, namely European companies importing CBAM goods.

For the European fastener distributors, the full implementation of CBAM marks another escalation of recent negative experiences. Important provisions for calculating CBAM costs were published only a few days before the start of the implementation phase on 1 January 2026 and are immature and unsuitable for downstream products such as fasteners while guidance documents are lacking.

As things stand, European fastener distributors will not be able to use the actual emission values for imports in 2026 since it seems highly unlikely that they will be verified on time before 30 September 2027. This means that, through no fault of their own, our companies are forced to use default values. These default values are, however, much higher than expected in 2025, leading to a drastic increase in the cost of fasteners - published only two weeks before application for supply chains that cover six to nine months from order placement to receipt of goods. As a result of these flaws, CBAM does not function as a climate policy instrument designed to reduce emissions, but rather as a de facto punitive tariff, resulting in significant cost increases for European manufacturers of products 'made in the EU' and assembled with internationally sourced fasteners, which further exacerbates the competitive problems faced by European manufacturers on global markets. Third countries will stress this de facto effect at the WTO.

In order to prevent further damage to our industry, and to all industries in Europe that build appliances using fasteners supplied by our companies, the Commission must take urgent action.

1. The **CBAM system boundary for iron and steel products must be aligned with those of the ETS**. To this end, the current system boundary for iron and steel products must be corrected and limited to those production processes that are also covered by the ETS. This is necessary to ensure that EU importers, in particular of complex downstream products such as fasteners, are not unfairly burdened with CO₂ costs and thus placed at a competitive disadvantage compared to domestic manufacturers, and to have WTO-compatibility. Above all, both manufacturers of such products and verifiers urgently need legal certainty regarding the remaining unresolved question on which production process related emissions must in the end be verified for the actual emissions embedded in fasteners.
2. EU importers **must be permitted to use the actual emission data even if they provide the verified data after 30 September of the following year**. As important legal requirements and verification procedures, including the accreditation of verifiers, are still lacking and given the fact that there will likely be only a limited number of verifiers available to verify thousands upon thousands of companies in the short period from January to the end of September 2027, there will inevitably be extreme bottlenecks in verification. Production processes that are further removed from the raw material, as is currently the case with fasteners, will be particularly affected by the bottleneck. As the timeframe does not allow for proper data verification, the deadline for the annual CBAM declaration must be postponed from 30 September. This will be necessary in any case for the declaration in 2027 regarding imports made in 2026. Alternatively, importers must be entitled to reimbursement of all excessive CBAM certificate costs as soon as the verified data for 2026 is available after 30 September.
3. If the actual emission values cannot be used and European fasteners importers are required to use the default values, the **default values must be comprehensible and reasonable**. The current default values are incomprehensibly high, in some cases contradictory and incomplete, and must therefore be revised immediately. The default values for fasteners from countries such as China, India and Turkey are significantly exceeding the actual emission values collected during the transition phase, leading to a drastic and unjustified increase in costs. Furthermore, the values for different countries and different precursor substances are inconsistent, and for some countries, such as Malaysia, they are missing altogether. It is inexplicable on which basis the default values were calculated as the Commission has not provided any explanations. However, the fact that CBAM results in alarming price increases of fasteners, in some cases up to 30-50%, already in the first year the full CBAM implementation phase proves that the default values are wrong and unjustified. Overall, the absurdly high default values create an intolerable situation and pose an existential threat to our industry. They must therefore be remedied as a matter of urgency.

Our criticisms mentioned here are limited to individual significant errors that need to be corrected. We have compiled a list with detailed explanations on these and many other points, which we will forward to staff in the competent units of DG TAXUD.

We would like to reiterate that the points raised require action as soon as possible. Further delay is not acceptable. Supply chain logistics require that European fastener distributors must already now instruct their supply chain about precise requirements of their monitoring systems, calculate their prices and compete in the market, create provisions and ensure sufficient liquidity for CBAM costs due in 2027. Failure to act now would threaten the existence of thousands of European companies for the reasons stated.

We are available at any time to answer your questions and to provide more information on the specific areas of our criticism or to discuss your requirements in person.

Yours sincerely,



Andreas Bertaggia
President