

CBAM simulator presentation

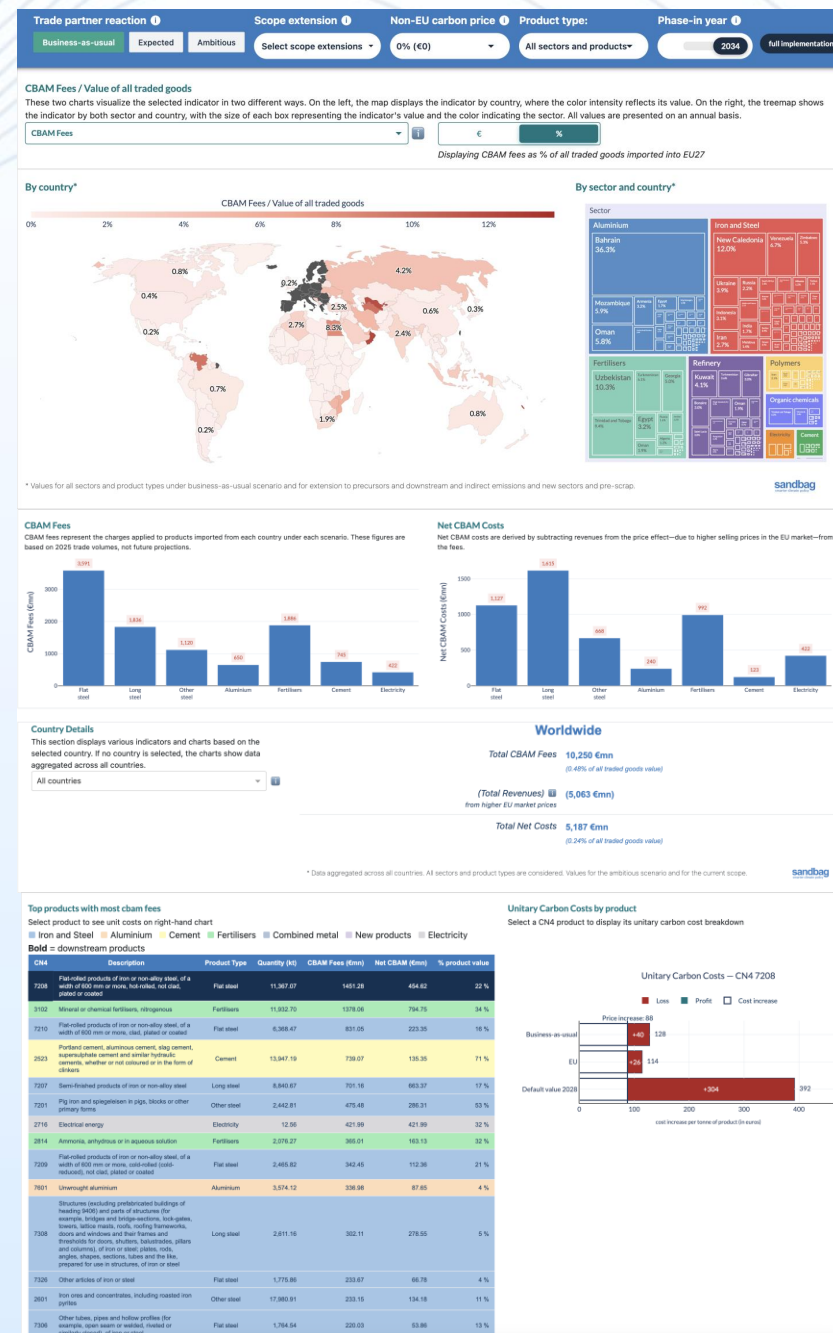
Focus on India

Chloé Barré

CBAM simulator

The tool is designed in three parts

Available on Sandbag's website



The tool is designed in three parts



CBAM simulator

World level

The tool is designed in three parts

Scope level

Available on Sandbag's website



CBAM simulator

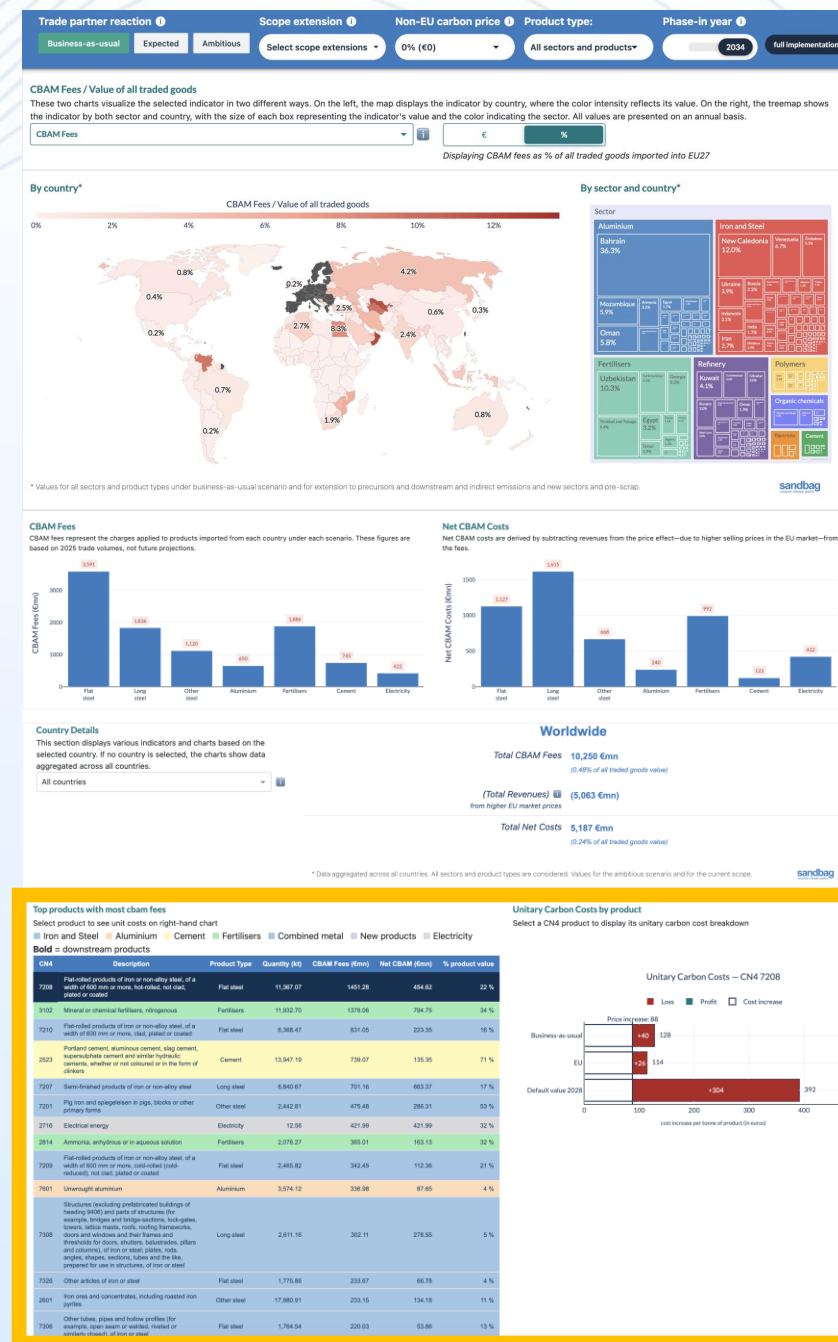
World level

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Scope level

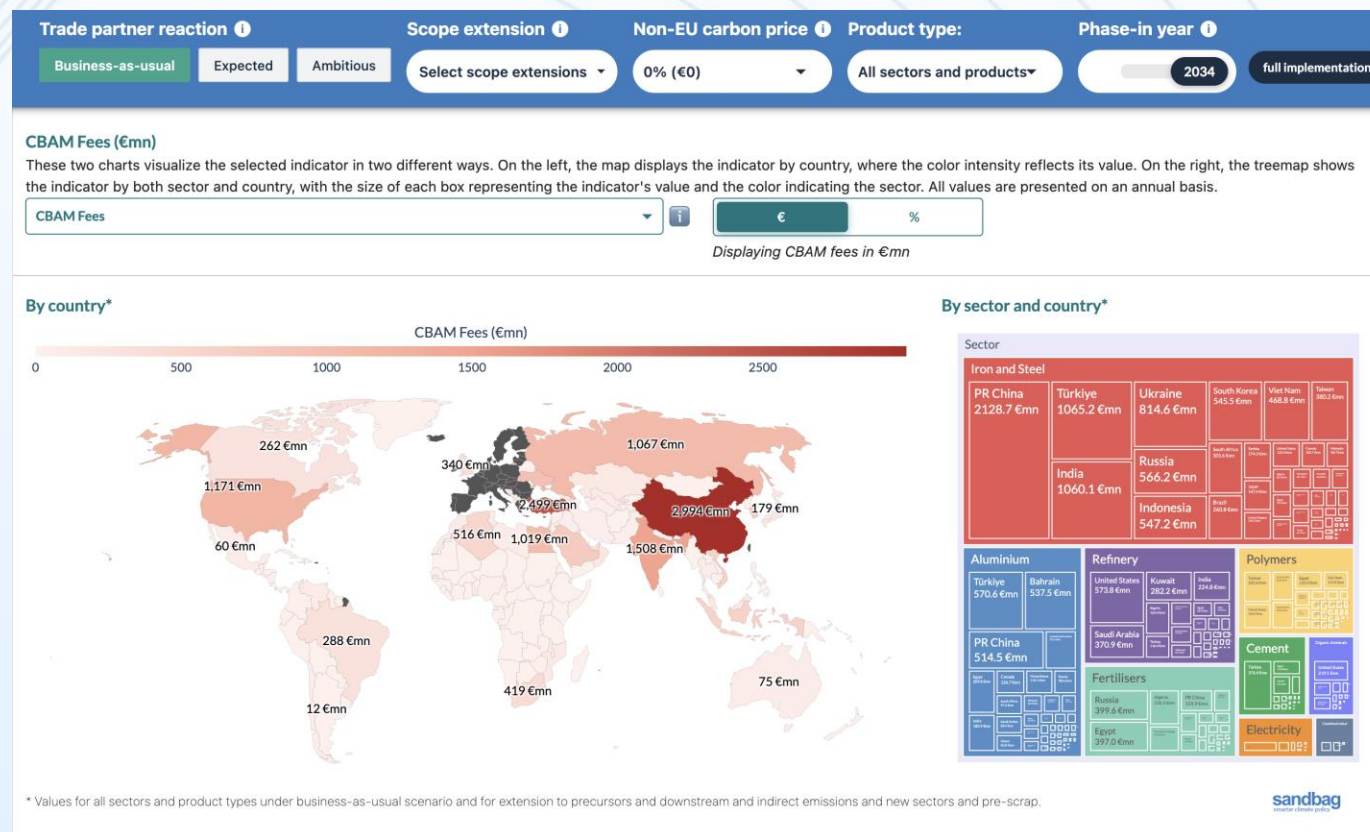
Country
product level

Available on Sandbag's website



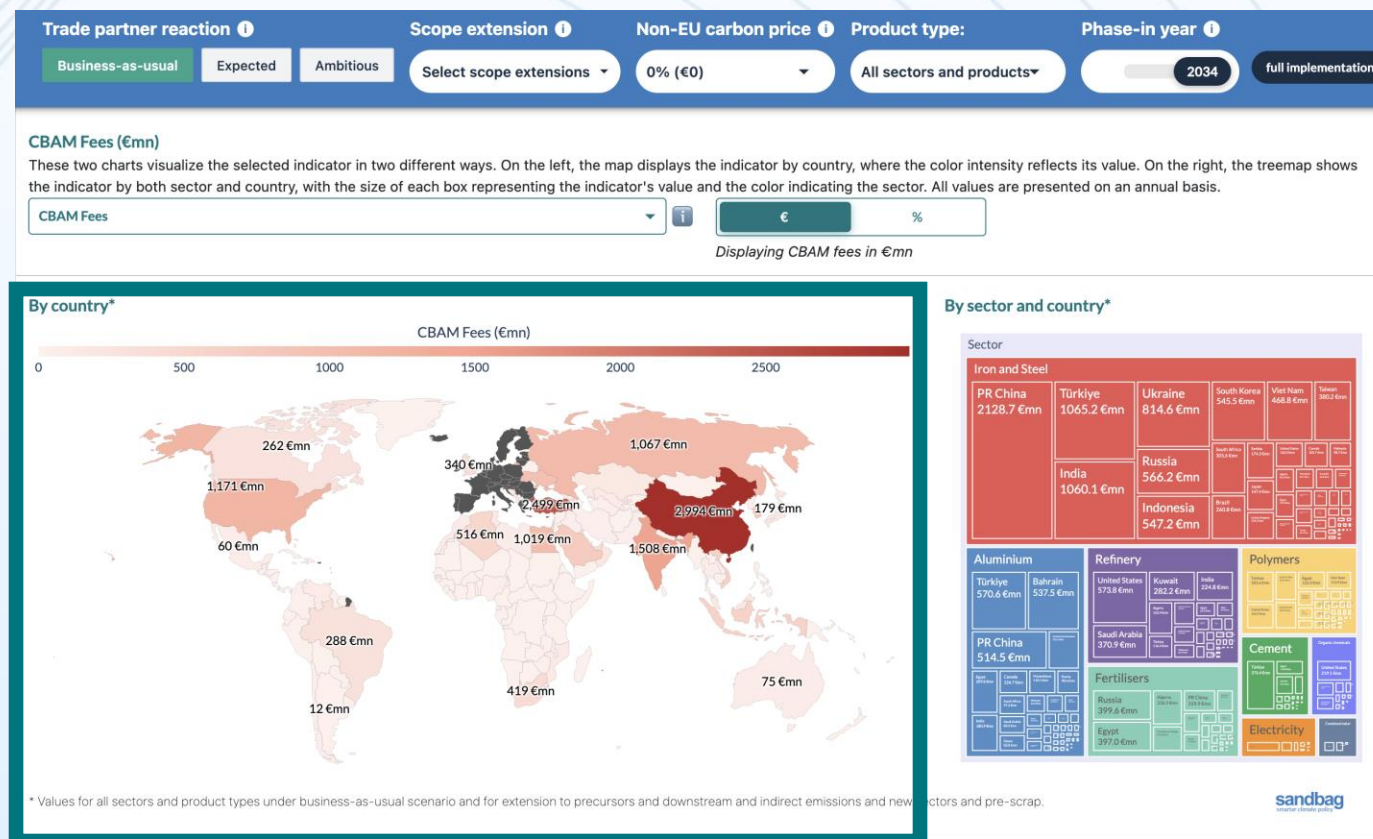
Functionalities of the Tool

- Assess impacts down to the country, sector and even individual product level
- Explore **different responses** of exporting countries
- Explore **future evolutions of the CBAM**: the phase-in through 2034, and scope extensions currently proposed or under discussion by the Commission.



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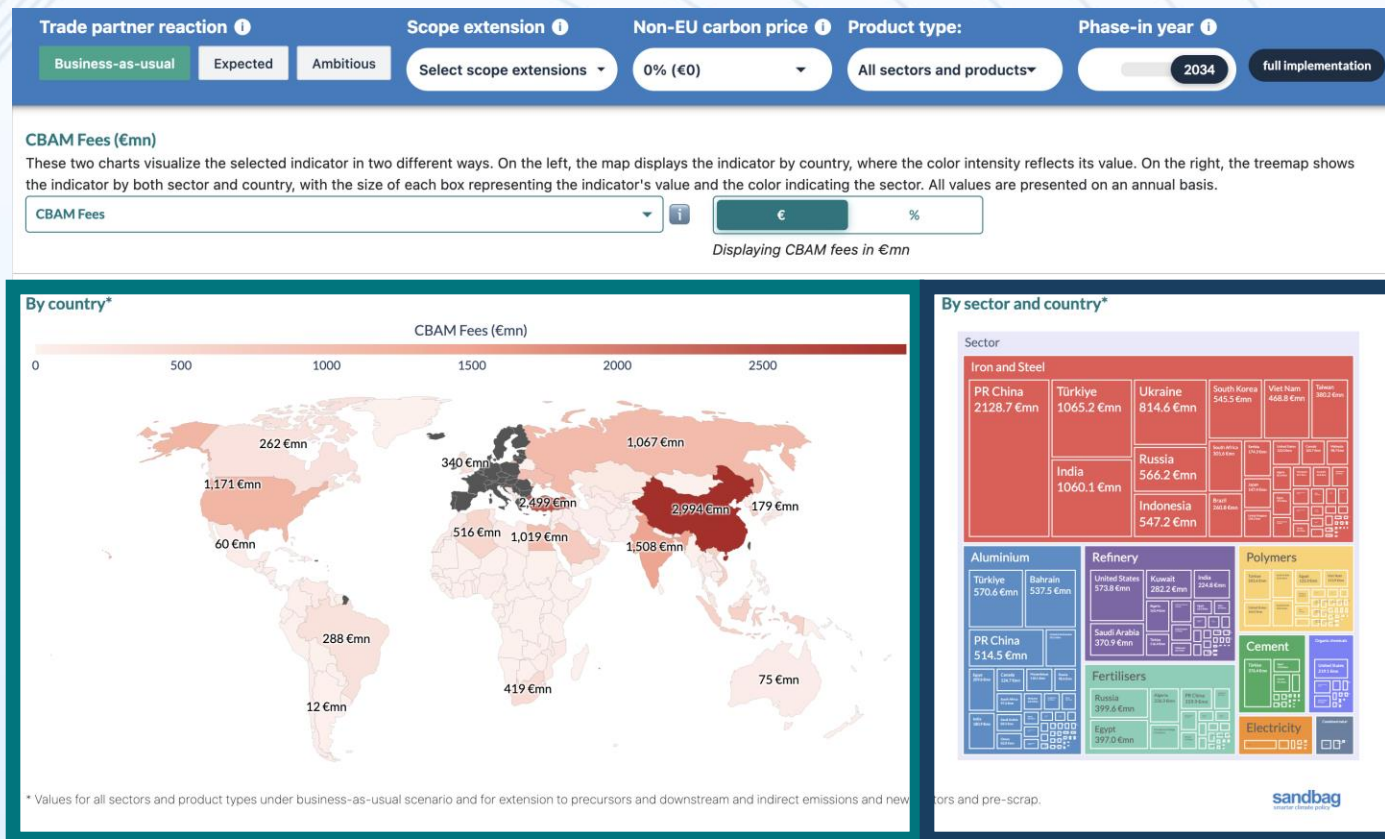
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Country map

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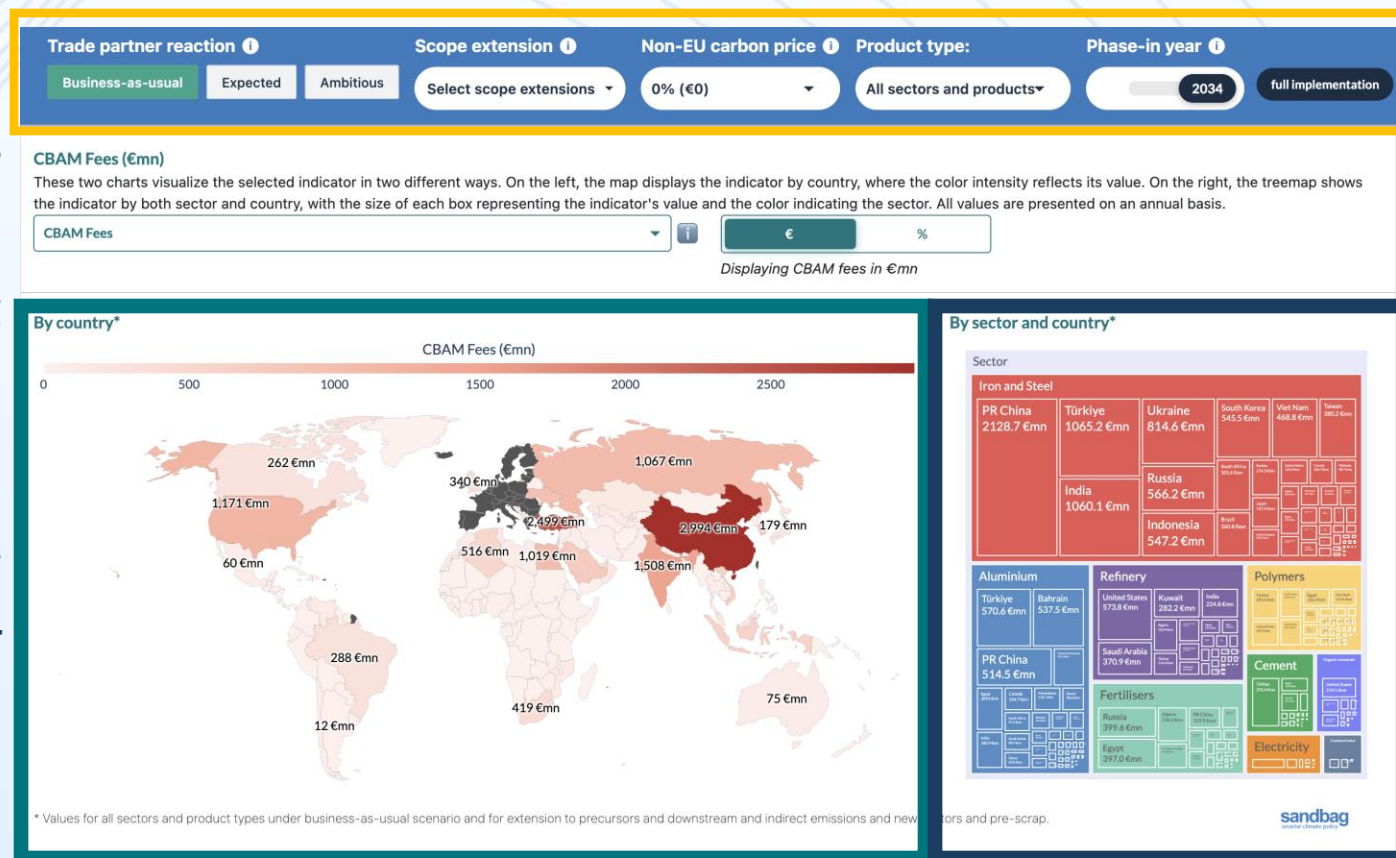
Country map

Sector Treemap

Functionalities of the Tool

Toolbar

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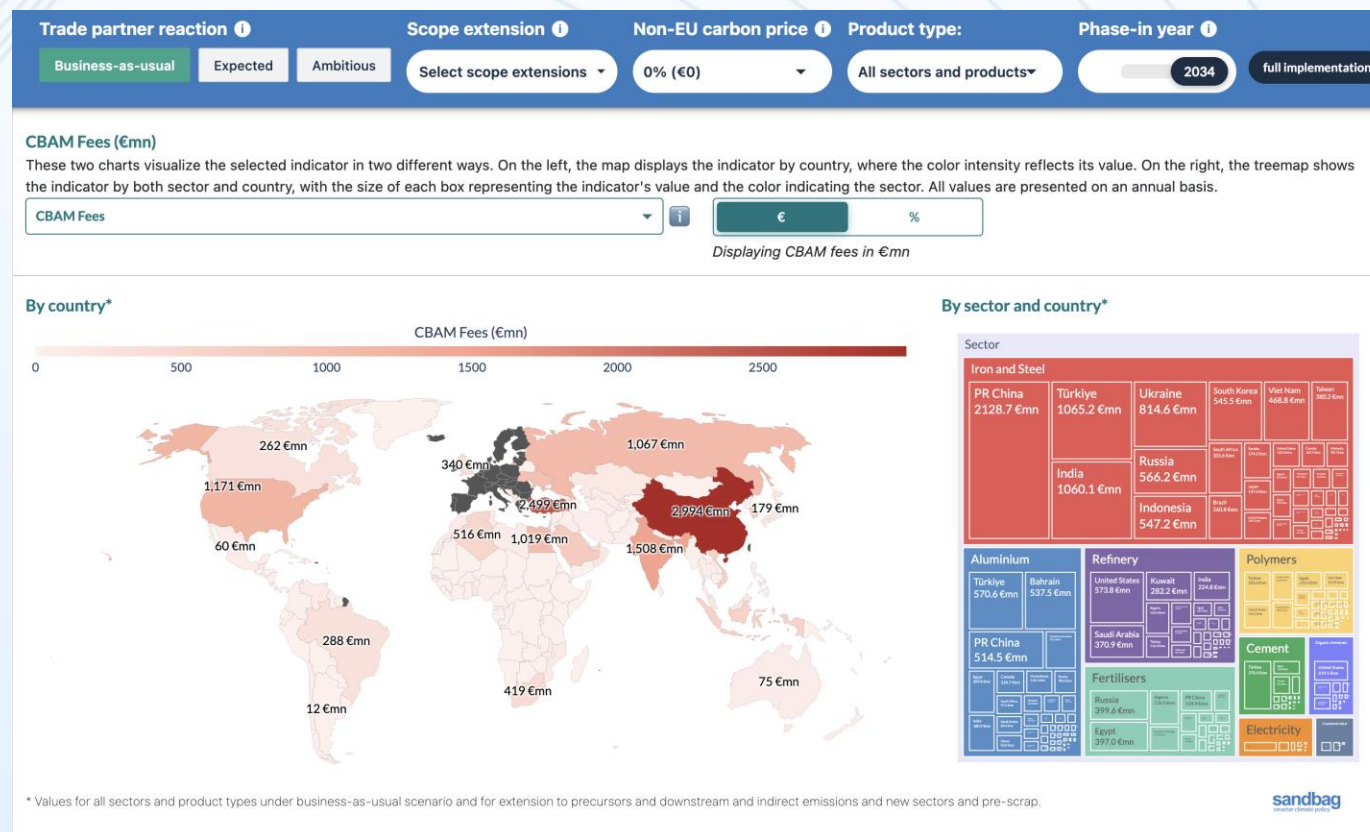


Country map

Sector treemap

Assumptions

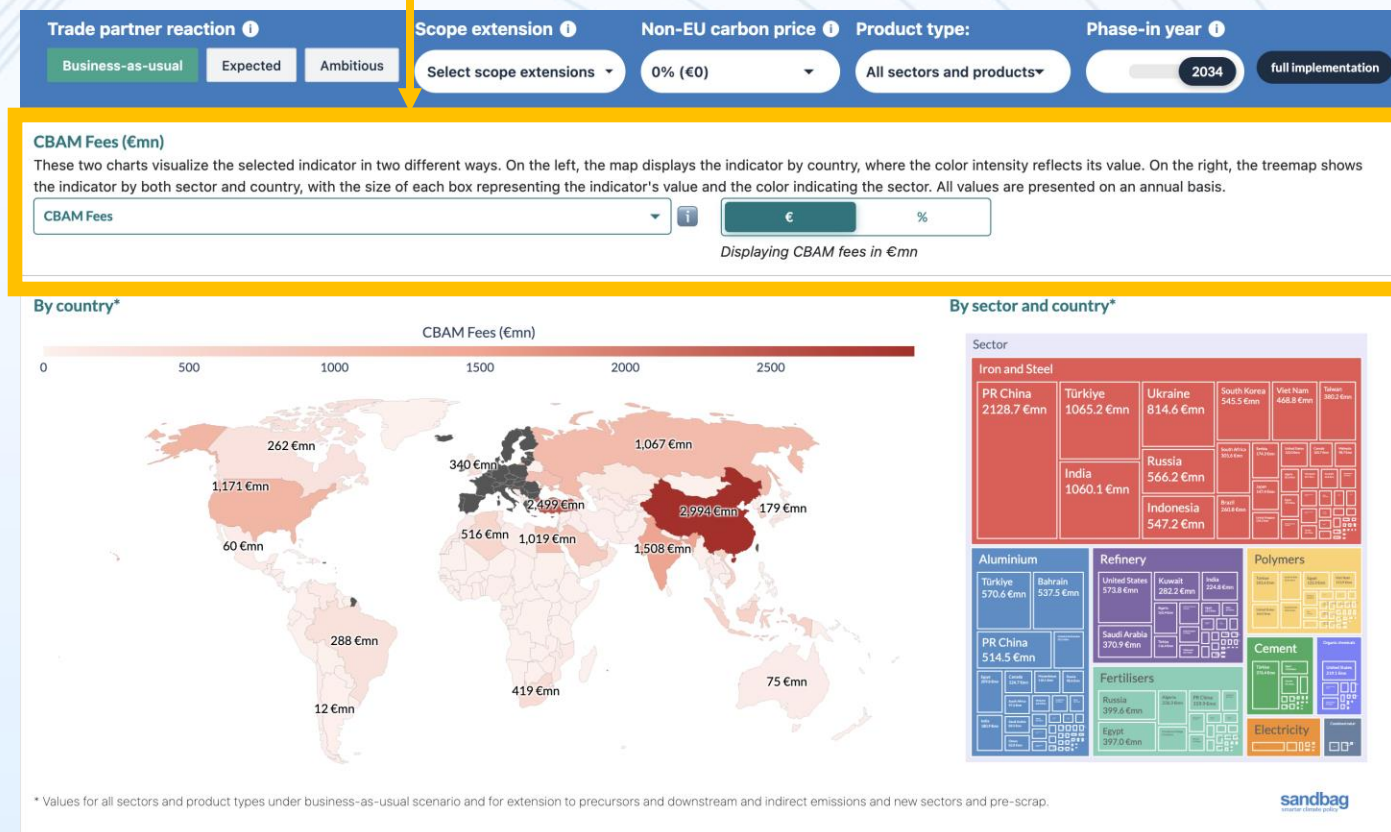
- The costs are based on **2025 trade**
- Assumed future carbon price of **80€**



Indicators

Key Metrics Used in the Tool

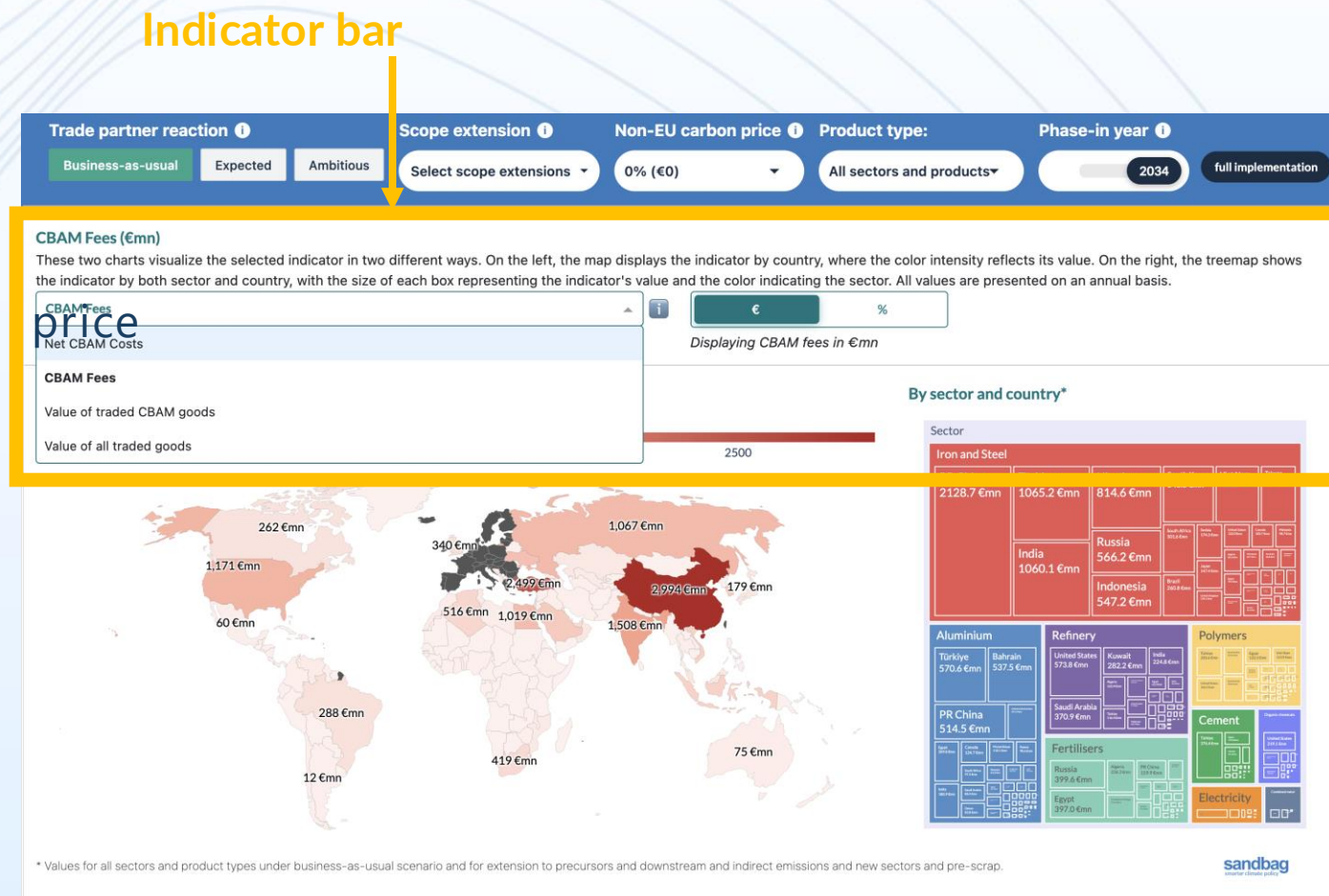
Indicator bar



Indicators

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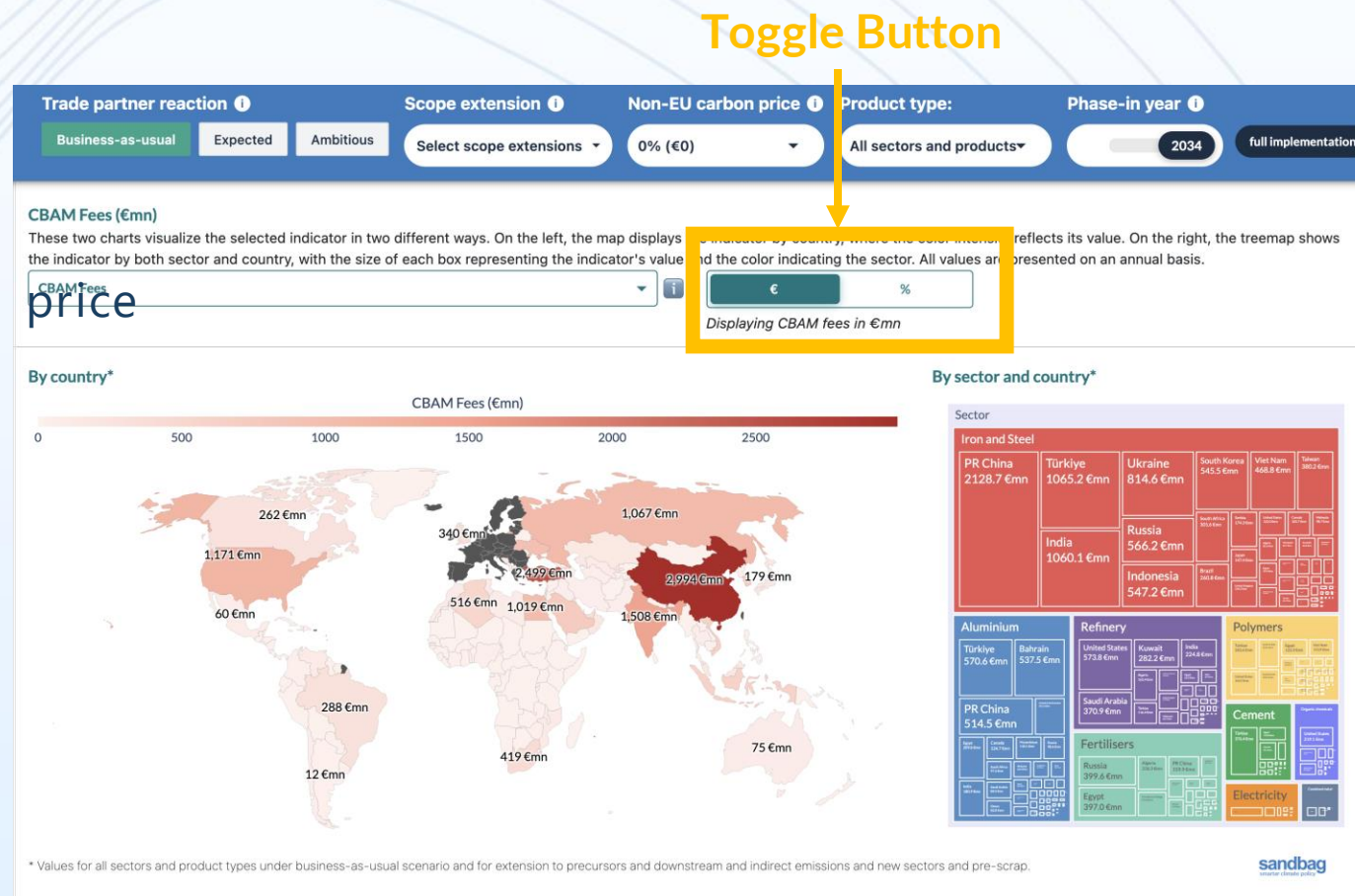
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= CBAM Fees – revenues from EU increases
- **CBAM Fees:** CBAM fees charged on imports.
- **Value of traded CBAM goods:** Total value of CBAM-covered goods exported to the EU.
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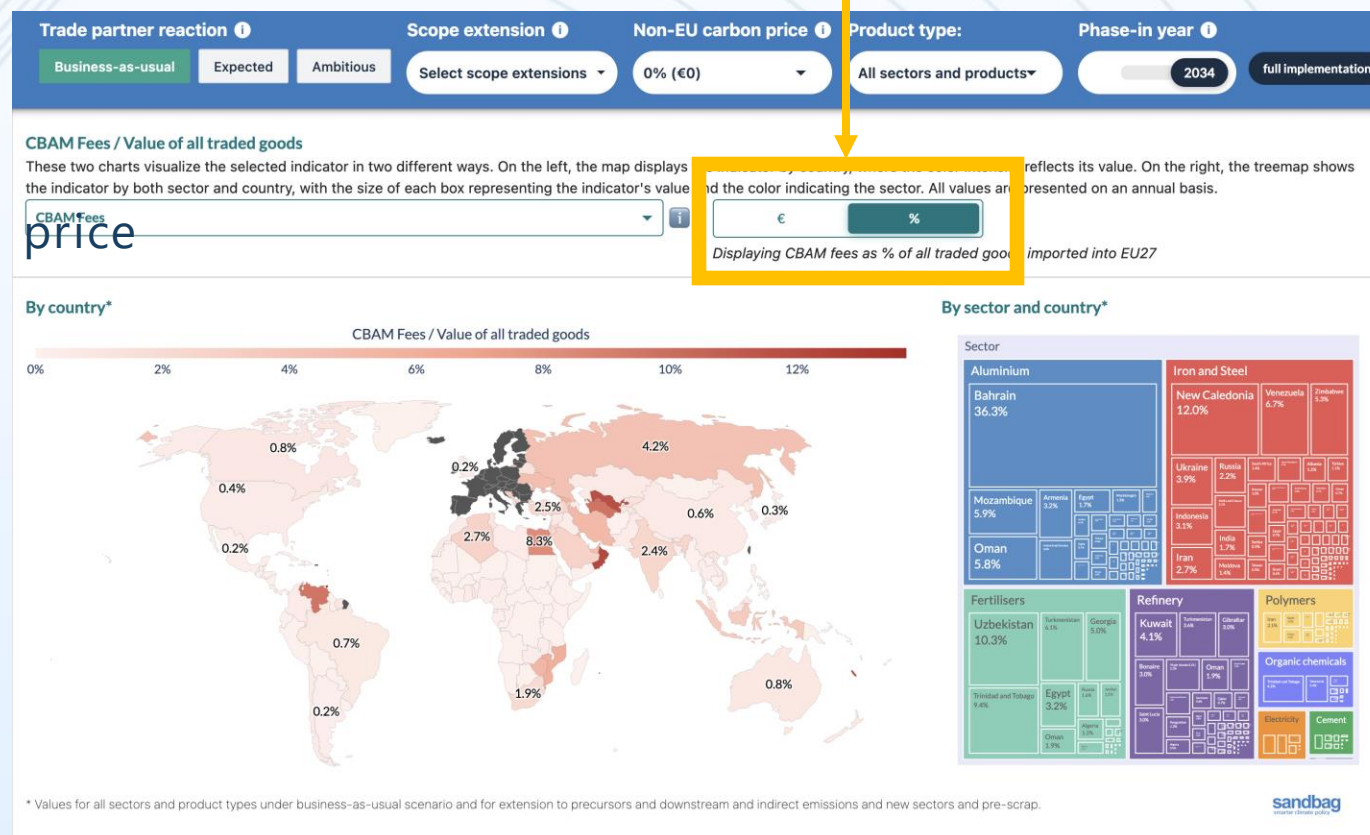


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Toggle Button



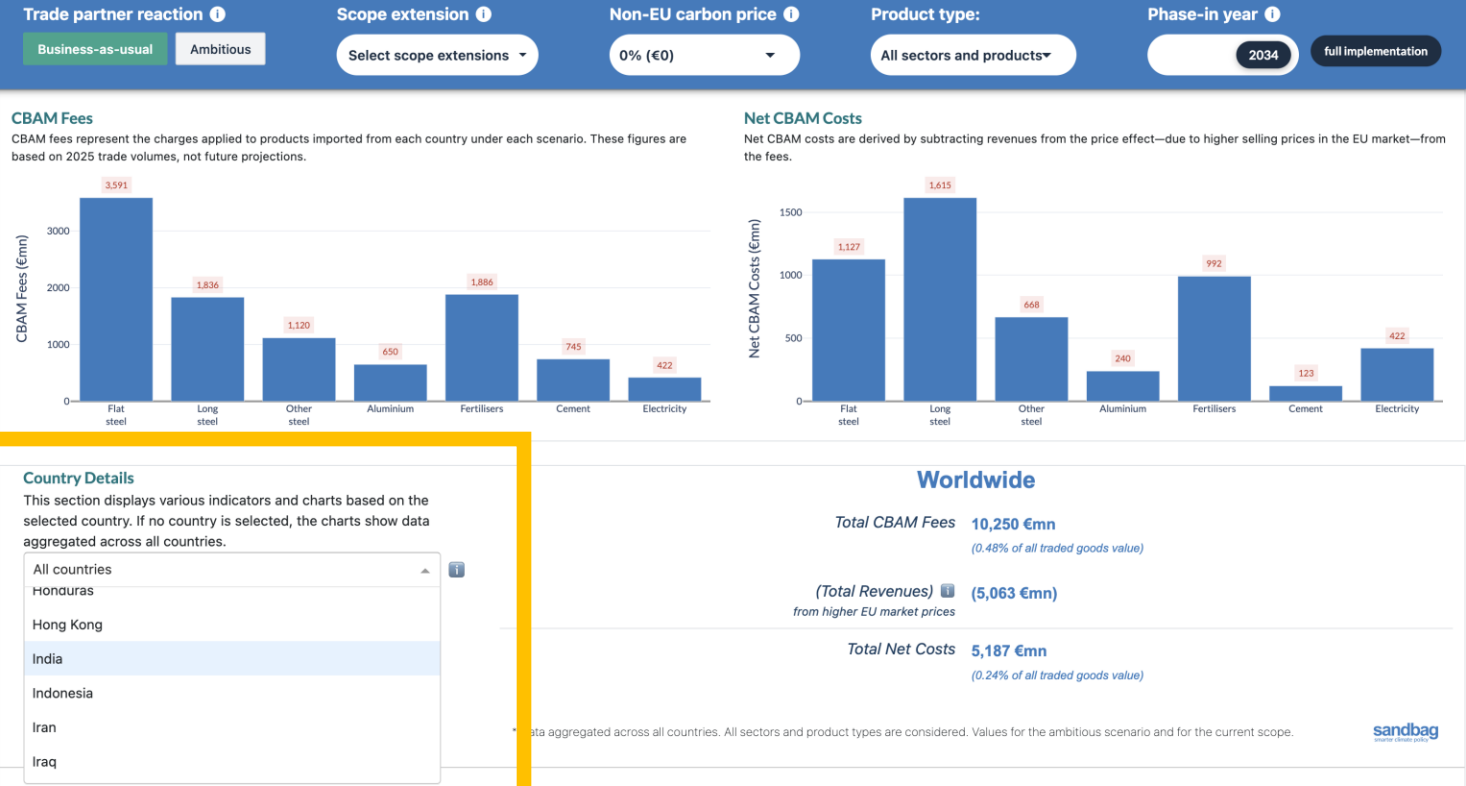
World level

Scope level

Country
product level



Scope level



Scope level



Scope level



Scope level



Simulating exporters' strategic reactions



Simulating exporters' strategic reactions

- Business-as-usual, no strategic adjustment;



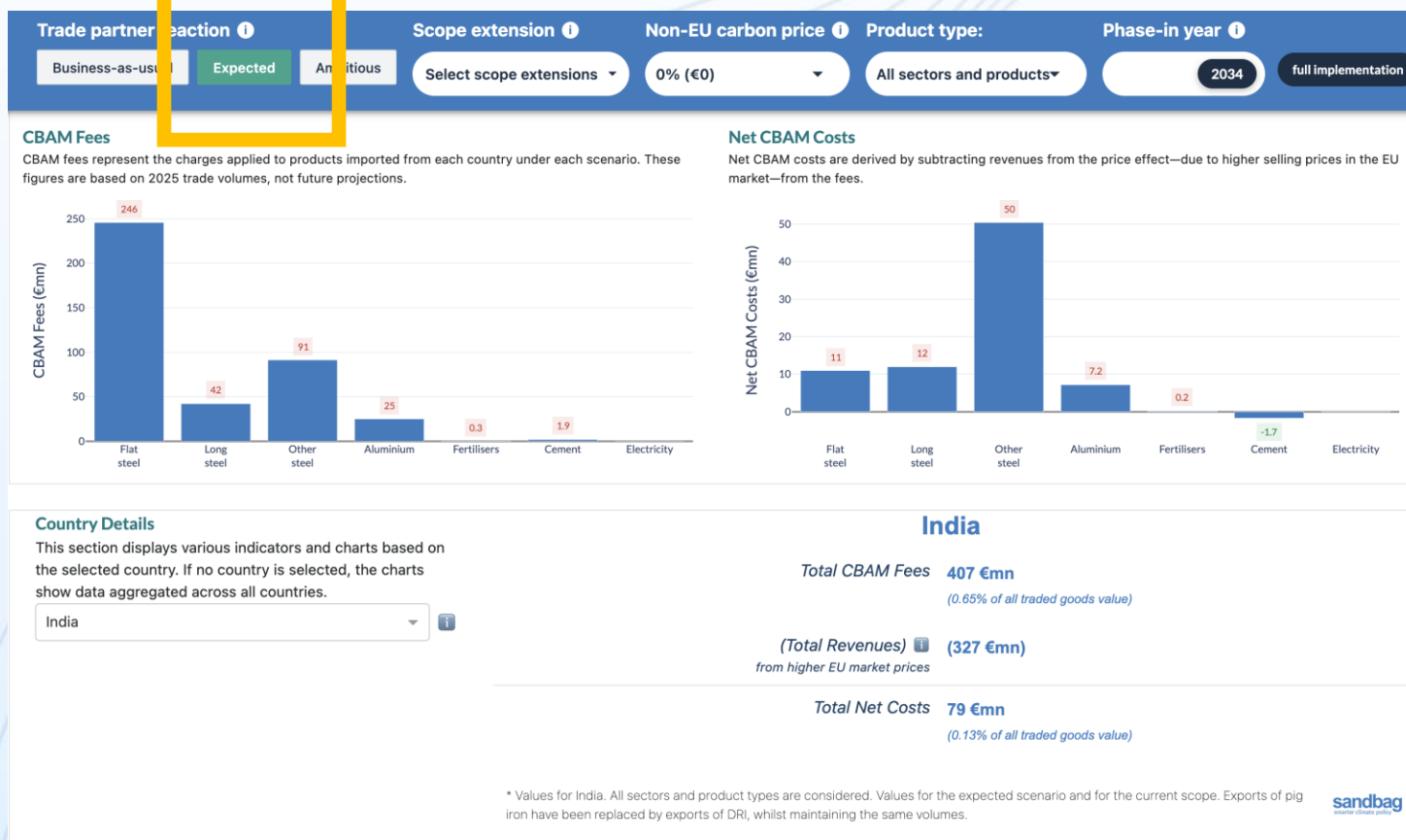
Simulating exporters' strategic reactions

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Total CBAM Fees 762 €mn



Simulating exporters' strategic reactions

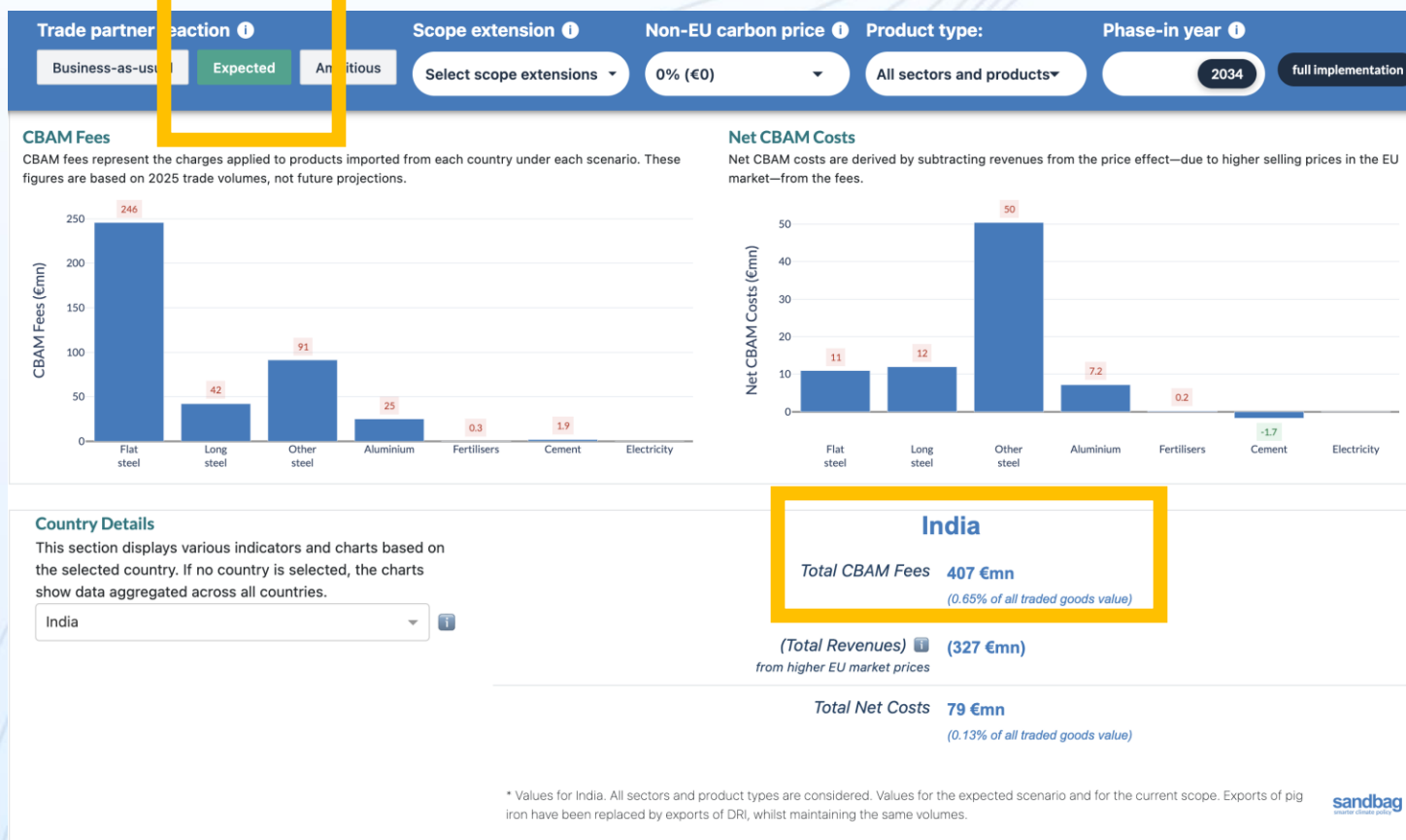


- Business-as-usual, no strategic adjustment;

Total CBAM Fees 762 €mn

- Expected, India redirects its existing lower-carbon production to the EU

Simulating exporters' strategic reactions



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Total CBAM Fees 407 €mn

- 46%

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Simulating scope extensions



The current CBAM can be extended:

- **Downstream**, 180 steel/aluminium products
- **Precursors**, ferro-silicon, lime, coke, alumina, pre-baked anodes
- **Indirect emissions**, includes emissions embedded in electricity use.
- **New sectors**, polymers, refinery, organic chemicals products
- **Pre-consumer scrap**, production from pre-consumer scrap folded into the emissions calculation

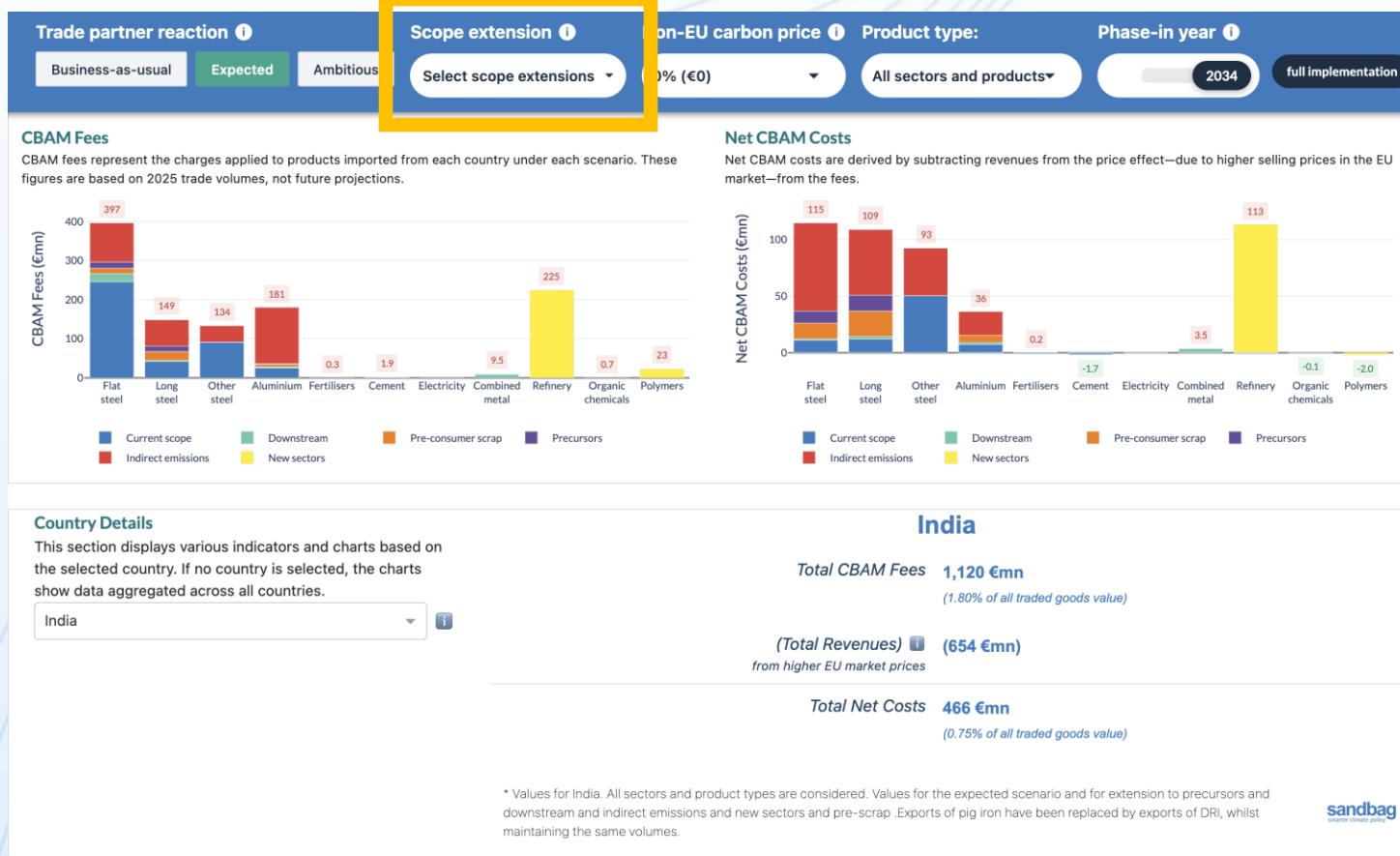
Simulating scope extensions



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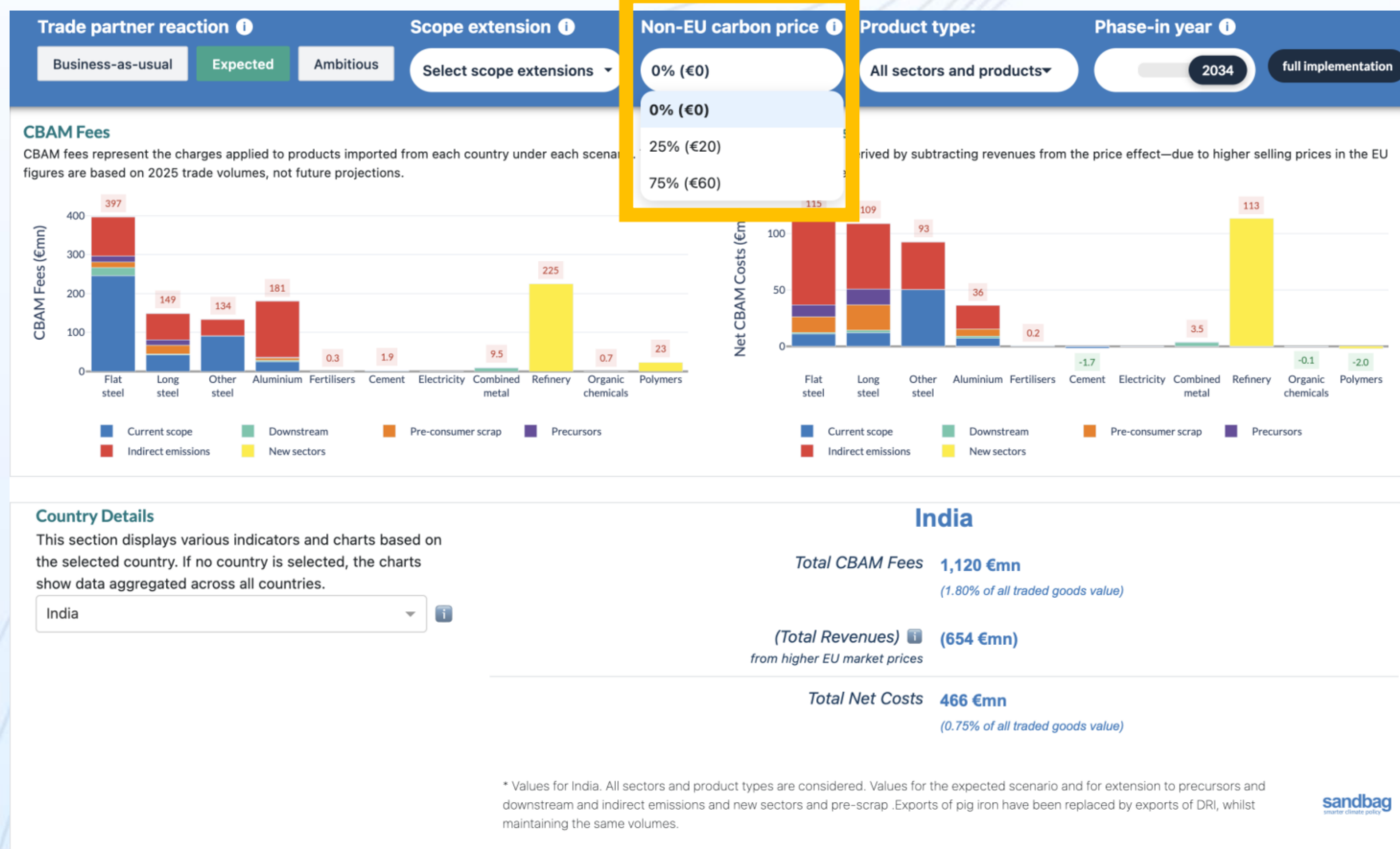


Downstream extension would have little impact (exports dominated by basic steel products)

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Simulating scope extensions



Country Details

This section displays various indicators and charts based on the selected country. If no country is selected, the charts show data aggregated across all countries.

India

India

Total CBAM Fees 1,120 €mn
(1.80% of all traded goods value)

(Total Revenues) (654 €mn)
from higher EU market prices

Total Net Costs 466 €mn
(0.75% of all traded goods value)

* Values for India. All sectors and product types are considered. Values for the expected scenario and for extension to precursors and downstream and indirect emissions and new sectors and pre-scrap. Exports of pig iron have been replaced by exports of DRI, whilst maintaining the same volumes.

Simulating scope extensions



Phase-in year

Expected scenario – Current scope

Trade partner reaction ⓘ

Business-as-usual
Expected
Ambitious

Scope extension ⓘ

Select scope extensions ▼

Non-EU carbon price ⓘ

0% (€0) ▼

Product type:

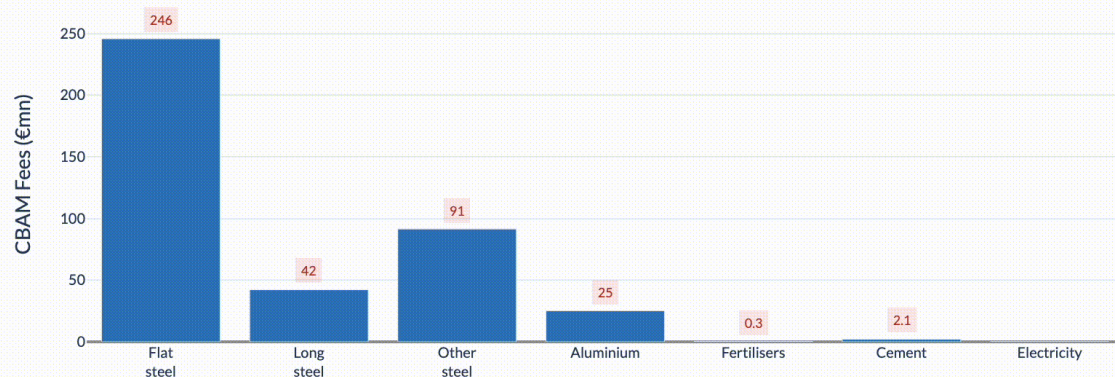
All sectors and products▼

Phase-in year ⓘ

2026
full implementation

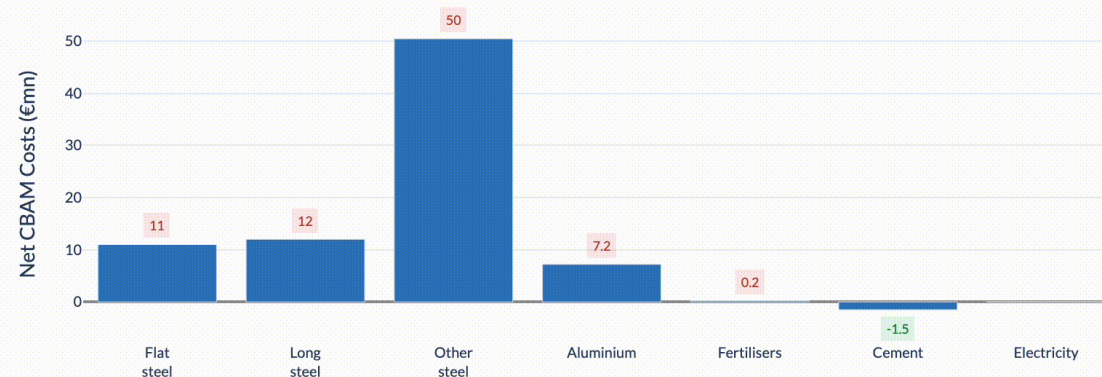
CBAM Fees

CBAM fees represent the charges applied to products imported from each country under each scenario. These figures are based on 2025 trade volumes, not future projections.



Net CBAM Costs

Net CBAM costs are derived by subtracting revenues from the price effect—due to higher selling prices in the EU market—from the fees.

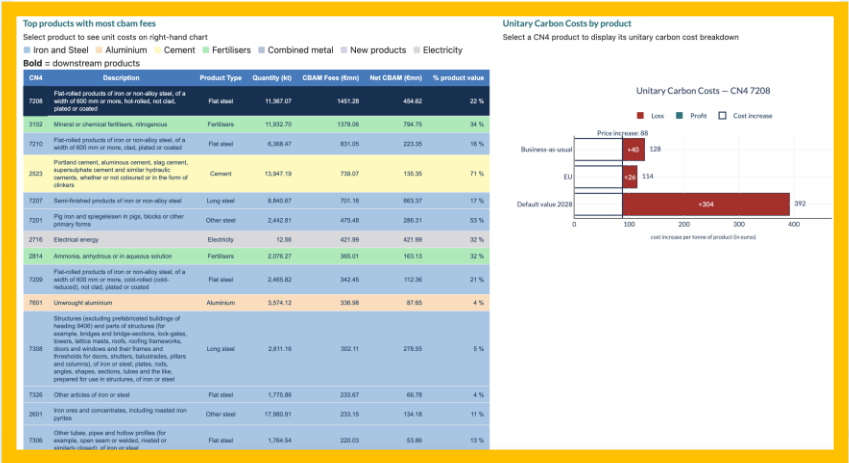


Product level

World level

Scope level

Country
product level



Product level

Trade partner reaction ⓘ

Business-as-usual

Expected

Ambitious

Scope extension ⓘ

Select scope extensions

Non-EU carbon price ⓘ

0% (€0)

Product type:

All sectors and products

Phase-in year ⓘ

2034

full implementation

Top products with most CBAM fees

Select product to see unit costs on right-hand chart

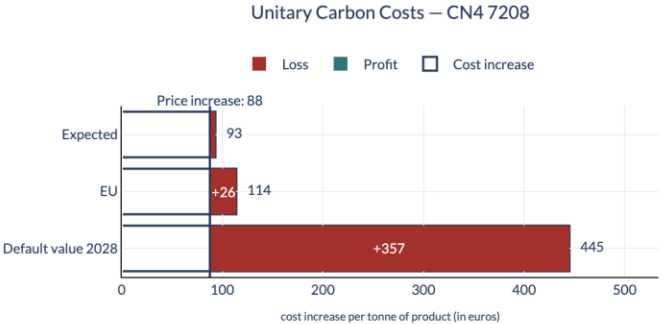
Iron and Steel Aluminium Cement Fertilisers Combined metal New products Electricity

Bold = downstream products

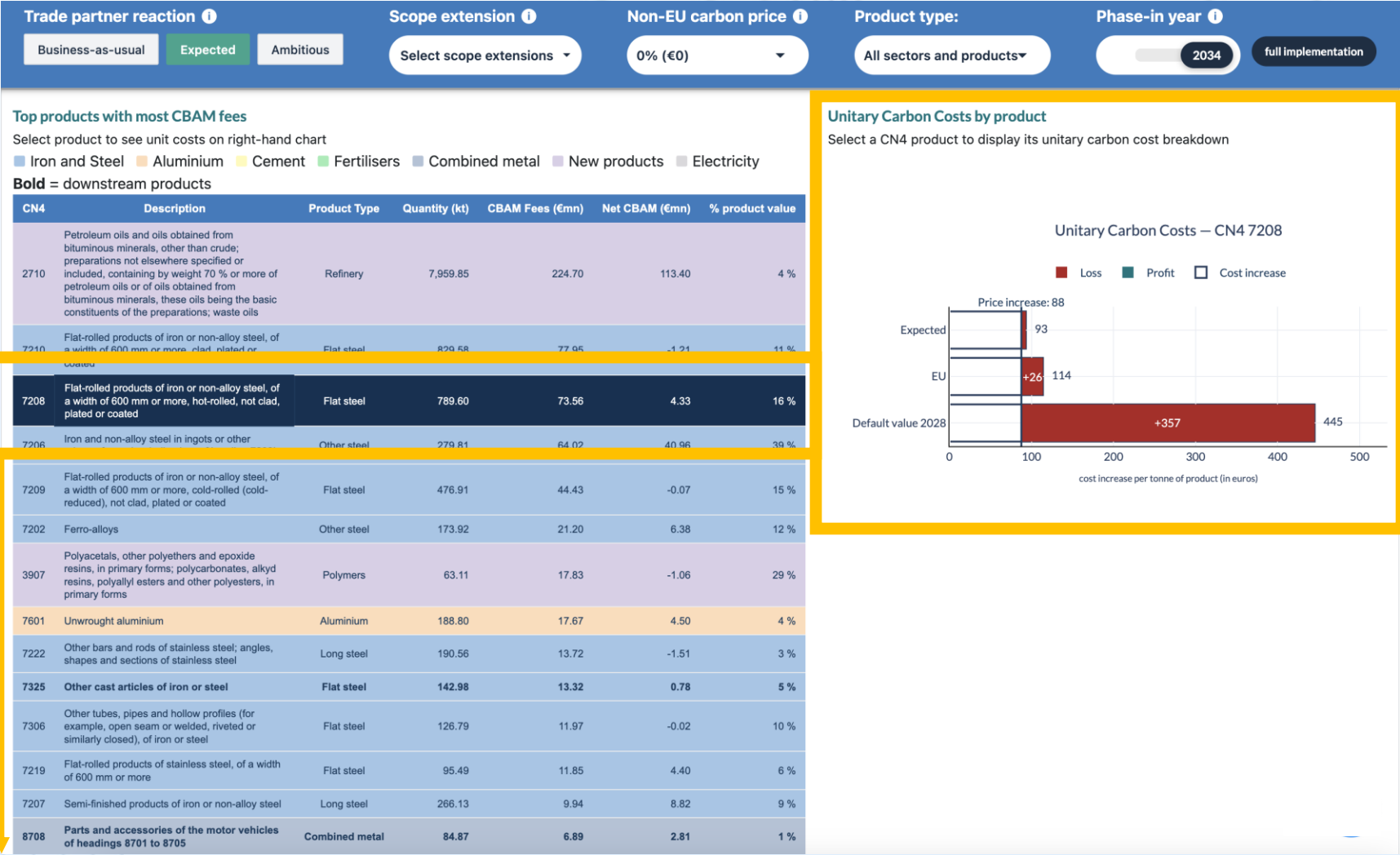
CN4	Description	Product Type	Quantity (kt)	CBAM Fees (€mn)	Net CBAM (€mn)	% product value
2710	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations; waste oils	Refinery	7,959.85	224.70	113.40	4 %
7210	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated	Flat steel	829.58	77.95	-1.21	11 %
7208	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated	Flat steel	789.60	73.56	4.33	16 %
7206	Iron and non-alloy steel in ingots or other primary forms (excluding iron of heading 7203)	Other steel	279.81	64.02	40.96	39 %
7209	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated	Flat steel	476.91	44.43	-0.07	15 %
7202	Ferro-alloys	Other steel	173.92	21.20	6.38	12 %
3907	Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, polyallyl esters and other polyesters, in primary forms	Polymers	63.11	17.83	-1.06	29 %
7601	Unwrought aluminium	Aluminium	188.80	17.67	4.50	4 %
7222	Other bars and rods of stainless steel; angles, shapes and sections of stainless steel	Long steel	190.56	13.72	-1.51	3 %
7325	Other cast articles of iron or steel	Flat steel	142.98	13.32	0.78	5 %
7306	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	Flat steel	126.79	11.97	-0.02	10 %
7219	Flat-rolled products of stainless steel, of a width of 600 mm or more	Flat steel	95.49	11.85	4.40	6 %
7207	Semi-finished products of iron or non-alloy steel	Long steel	266.13	9.94	8.82	9 %
8708	Parts and accessories of the motor vehicles of headings 8701 to 8705	Combined metal	84.87	6.89	2.81	1 %

Unitary Carbon Costs by product

Select a CN4 product to display its unitary carbon cost breakdown

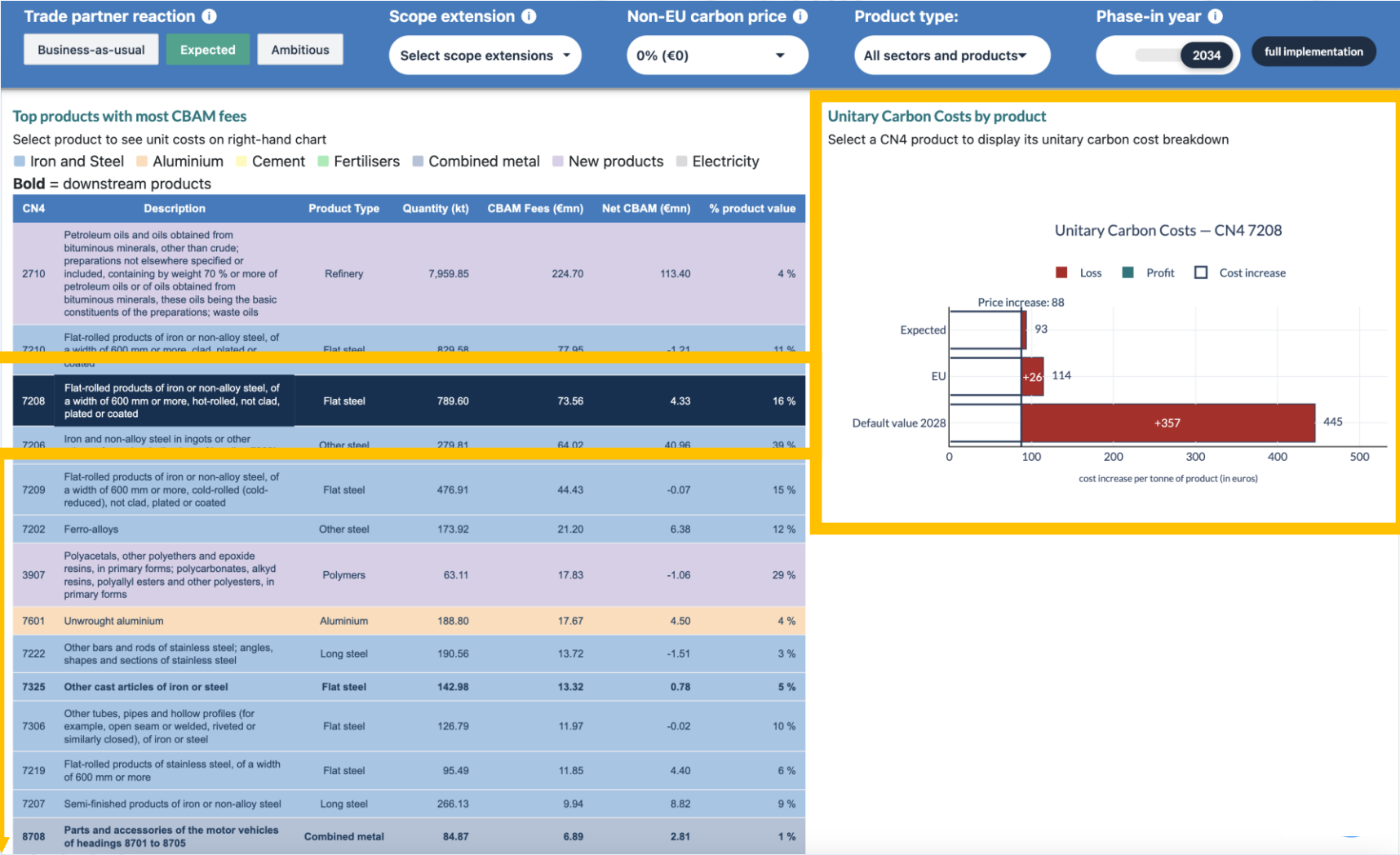


Product level



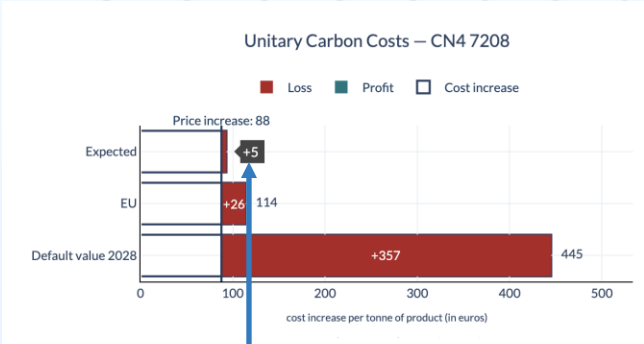
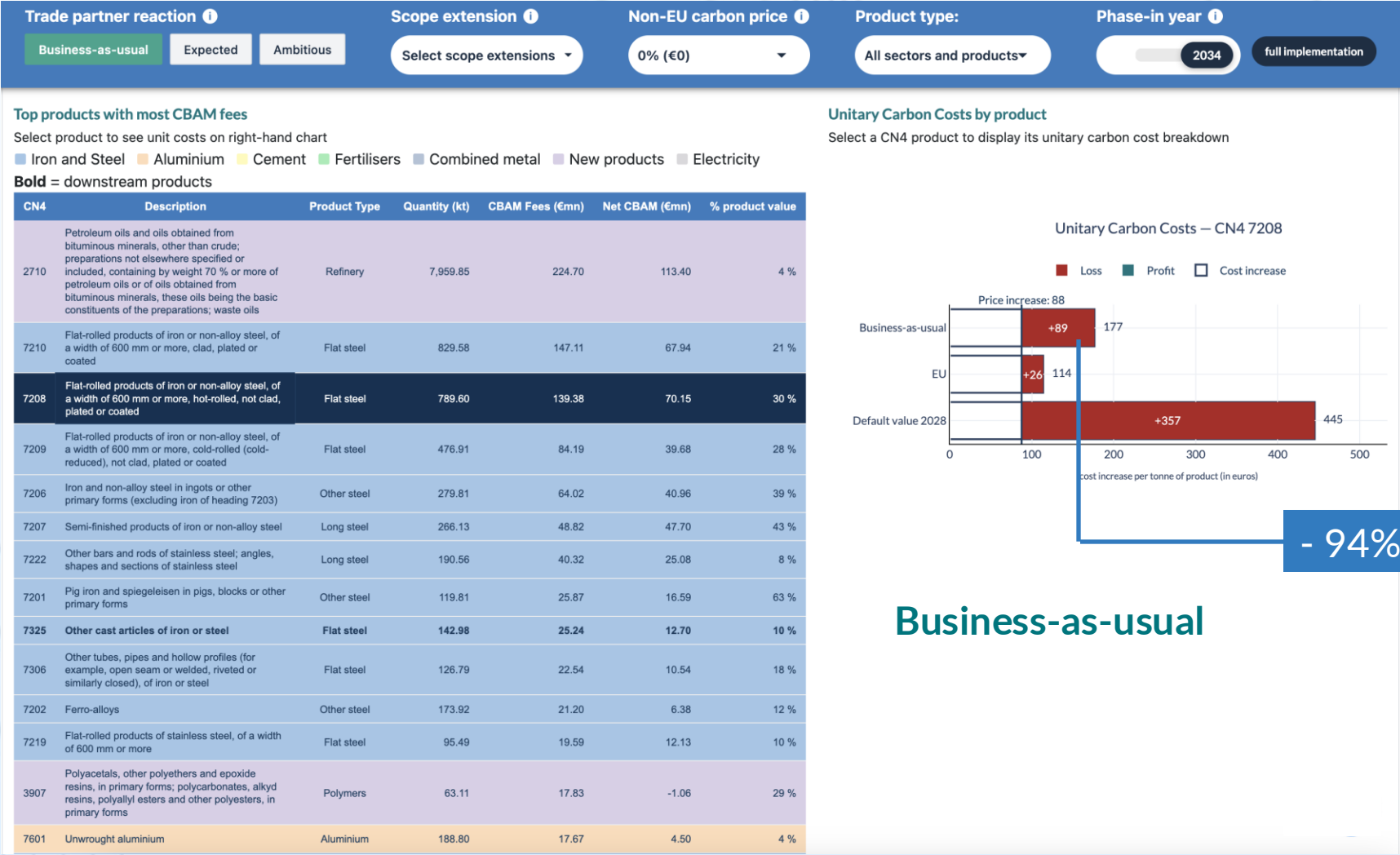
Selected product

Product level



Selected product

Product level



Conclusion

Use this tool to explore the impact of the CBAM by country, sector and product, under different scenarios.

Focus on India:

Business-as-usual: net cost of 428 €mn

Expected scenario (realistic, with no new investment): net cost of 79 €mn

Ambitious scenario (new low-carbon investments): net **profit** of 44 €mn

→ The national average significantly overestimates actual exposure: the level of detail makes all the difference.

Thank you!

Do you have any questions?

Feel free to send your questions to: chloe@sandbag.be

www.sandbag.be