

L.N. 254 of 2026

**CLIMATE ACTION ACT
(CAP. 643)**

**Carbon Border Adjustment Mechanism (Implementing)
Regulations, 2026**

IN EXERCISE of the powers conferred by article 27 of the Climate Action Act, the Minister responsible for climate action policy, after consultation with the Climate Action Authority, has made the following regulations:-

1. (1) The title of these regulations is the Carbon Border Adjustment Mechanism (Implementing) Regulations, 2026. Citation and scope.

(2) The scope of these regulations is to implement the requirements of Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism, particularly the mechanism for the imposition and enforcement of administrative penalties.

2. (1) In these regulations, unless the context otherwise requires: Interpretation.

"Act" means the Climate Action Act; Cap. 643.

"Authority" means the Climate Action Authority as established by article 9 of the Act;

"CBAM" means the Carbon Border Adjustment Mechanism as established by Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism;

"Commission" means the European Commission;

"Directive 2003/87/EC" means Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC;

"Regulation (EU) 2023/956" means Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism.

(2) Unless the context otherwise requires, the terms defined in Regulation (EU) 2023/956 shall apply, and if any conflict arises the provisions of Regulation (EU) 2023/956 shall prevail.

Applicability.

3. (1) These regulations shall apply to any authorised CBAM declarant or any person falling within the scope of Regulation (EU) 2023/956, including an authorised CBAM declarant, importer or an authorised representative who is subject to obligations arising under Regulation (EU) 2023/956, including obligations relating to reporting, verification of embedded emissions, submission of CBAM declarations and surrender of CBAM certificates.

(2) The provisions of Regulation (EU) 2023/956 shall apply directly and shall be binding in their entirety, and these regulations shall govern the enforcement, supervision and imposition of administrative penalties in respect of an authorised CBAM declarant, or any person falling within the scope of Regulation 2023/956.

Enforcement of measures.

4. The Authority shall be the competent authority responsible in exercising the enforcement measures established in these regulations for the purposes of Article 11 of Regulation (EU) 2023/956:

Cap. 595.

Provided that the Authority may, in accordance with the Act and the Public Administration Act, delegate any of its functions to any public officer or employee duly authorised for such purpose:

Provided further that the Authority shall, where necessary for the purposes of Regulation (EU) 2023/956, cooperate and exchange information with other public authorities in Malta, including those responsible for customs, taxation and environmental protection, as well as with competent authorities of other Member States and with the Commission.

Accreditation of verifiers.

5. The national accreditation body responsible for the accreditation of verifiers for the purpose of these regulations, including the verification of embedded emissions in accordance with Articles 8 and 10 of Regulation (EU) 2023/956 shall be the National Accreditation Board (Malta) as established by regulation 3 of the National Accreditation Board (Malta) (Establishment) Regulations.

S.L. 419.07.

Administrative penalties.

6. (1) Any authorised CBAM declarant or person who fails to comply with any of the provisions of Regulation (EU) 2023/956 shall be liable to the measures and administrative penalties stipulated in Article 16(3) and 16(4) of Directive 2003/87/EC and regulation 9(7) and (8) of the European Union Greenhouse Gas Emissions Trading System for Stationary Installations Regulations.

S.L. 643.02.

(2) The Authority shall notify the authorised CBAM declarant or the person in breach of Regulation (EU) 2023/956 in writing with the administrative penalty imposed, by means of a judicial letter.

(3) The judicial letter referred to in sub-regulation (2) shall include:

(a) a notice of the breach to comply with the obligations of Regulation (EU) 2023/956;

(b) the reasons for such conclusion;

(c) the amount of the administrative penalty imposed;

(d) the date from when the penalty shall become due;

(e) the action to be taken for the payment of the administrative penalty;

(f) the right of the authorised CBAM declarant or the right of the person to appeal.

7. (1) Any person notified with a decision of the Authority under these regulations by means of a judicial letter as provided for in regulation 6(2) may appeal such decision within twenty (20) days from the date of service, before the Administrative Review Tribunal in accordance with the Administrative Justice Act. Appeals.
Cap. 490.

(2) The decision of the Administrative Review Tribunal may be appealed in accordance with articles 22 and 23 of the Administrative Justice Act: Cap. 490.

(a) before the Court of Appeal in its Inferior Jurisdiction in case of administrative penalties which do not exceed the amount which the Court of Magistrates (Malta) is *ratione valoris* competent to decide upon as indicated in article 47 of the Code of Organisation and Civil Procedure; Cap. 12.

(b) before the Court of Appeal in its Superior Jurisdiction in case of administrative penalties which exceed the amount which the Court of Magistrates (Malta) is *ratione valoris* competent to decide upon as indicated in article 47 of the Code of Organisation and Civil Procedure. Cap. 12.

8. Administrative penalties which are not appealed before the Administrative Review Tribunal within the established period or which are confirmed by the said Tribunal or by the Court of Appeal, shall be deemed to constitute an executive title in accordance with article 253 of the Code of Organisation and Civil Procedure. Executive title.
Cap.12.

Consequential
amendment.
Cap. 490.

9. Immediately after the last item of the subsidiary legislation of the Second Schedule of the Administrative Justice Act, there shall be added the following new item:

"Carbon Border Adjustment Mechanism (Implementing) Regulations	S.L. 643.07	Superior/Inferior Competence".
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