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UKETS12A FAR – Completing the second stage of the free allocation application

Note

This document is intended to provide guidance for operators of installations. If there is any inconsistency between the guidance and legislation, the legislation prevails.



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1 Overview

This guidance is for installation operators within the current scope of the UK Emissions Trading Scheme (UK ETS).

It provides detailed instructions on how to complete the second stage of the free allocation (FA) application for the 2027 - 2030 allocation period. The submission window will be open from 1 April until 30 June 2026.

Key points for operators:

- **Only the operators of installations who have completed and submitted both stages of the FA application will be eligible to receive free allocation at any point in the 2027-2030 allocation period**
- Only the operators of installations who completed and submitted a stage 1 FA application during the 1 April to 30 June 2025 submission window may complete a stage 2 application
- A revised baseline data report (BDR) template has been designed to facilitate the collection of the information required during stage 2. This follows the conclusion of the FA review (see [chapter 2](#))
- A stage 2 FA application must be uploaded to the Manage your UK ETS reporting (METS) platform by the end of 30 June 2026 for each installation¹ (see [chapter 3](#)).

1.1 Relevant legislation

Most references to legislation within this document are to the Greenhouse Gas Emissions Trading Scheme Order 2020 ('the Order') and the Free Allocation Regulation (the 'FAR'):

- **The Greenhouse Gas Emissions Trading Scheme Order 2020** (The Order) (<https://www.legislation.gov.uk/ukxi/2020/1265/contents>)
- **The Free Allocation Regulation** (FAR) (<https://www.legislation.gov.uk/eur/2019/331/contents>) as it forms part of domestic law.

¹ Unless you are an existing USE completing a free allocation application, in which case you should submit all of your documents to your regulator via email.

Other relevant legislation includes:

- **The Activity Level Changes Regulation (ALCR)** (<https://www.legislation.gov.uk/eur/2019/1842/contents>) as it forms part of domestic law.
- **The Monitoring and Reporting Regulation 2018 (MRR)** ([Commission Implementing Regulation \(EU\) 2018/2066 of 19 December 2018](#)) on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council (disregarding any amendments adopted after 11th November 2020) as given effect for the purpose of the UK ETS by Article 24 of the Order and subject to the modifications made by the Order.
- Note that the Order must therefore be referred to for modifications to the MRR, as the version of the MRR on legislation.gov.uk does not show these modifications.
- **The Verification Regulation 2018 (VR)** ([Commission Implementing Regulation \(EU\) 2018/2067 of 19 December 2018](#)) on the verification of data and on the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council (disregarding any amendments adopted after 11th November 2020) as given effect for the purpose of the UK ETS by Article 25 of the Order and subject to the modifications made by the Order.
- Note that the Order must therefore be referred to for modifications to the VR, as the version of the VR on legislation.gov.uk does not show these modifications.

The following guidance documents might be useful to refer to alongside this document:

- **UKETS11 - Determining allocation at the installation level**
<https://assets.publishing.service.gov.uk/media/67e68e81b79d8c9841eaddb9/ukets11-far-determining-allocation-at-the-installation-level.pdf>
- **UKETS12 - Baseline data collection stage 1 Guidance**
<https://assets.publishing.service.gov.uk/media/67eaa750ea9f8afd81056293/ukets12-far-completing-2025-baseline-data-collection-applying-for-hse-use-status.pdf>
- **UKETS13 - Monitoring and reporting in relation to the free allocation rules**
<https://assets.publishing.service.gov.uk/media/67a5c5a64dd52dddeb16a887/ukets13-far-monitoring-reporting-for-free-allocation-rules.pdf>

1.2 Regulator contact details

If you have any questions relating to your FA Stage 2 application, please contact your regulator using the email addresses provided below:

- For sites in England - the Environment Agency (EA) at etsdatacollection@environment-agency.gov.uk
- For sites in Scotland - the Scottish Environment Protection Agency (SEPA) at emission.trading@sepa.org.uk.
- For sites in Wales - Natural Resources Wales (NRW) at GHGHelp@naturalresourceswales.gov.uk.
- For sites in Northern Ireland - the Northern Ireland Environment Agency (NIEA) at emissions.trading@daera-ni.gov.uk.
- For offshore facilities - the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED) at OPRED@energysecurity.gov.uk.

2 The Free Allocation Review

The second stage of the FA application process follows the conclusion of the Free Allocation Review.

This chapter includes a timeline of the FA Review followed by:

- information on the 2-stage approach to the FA application process, including specific impacts on installations that are hospital or small emitters (HSEs) and ultra small emitters (USEs) who simultaneously applied for HSE or USE status and free allocation during the 2025 submission window
- conclusions from the Authority Response to the FA Review impacting the second stage of the FA application.

The flowchart below illustrates the FA review timeline, which began in 2021 with a call for evidence, followed by the Developing the UK ETS consultation, the Free Allocation Review Phase 2 consultation, and the Authority response published in November 2025.

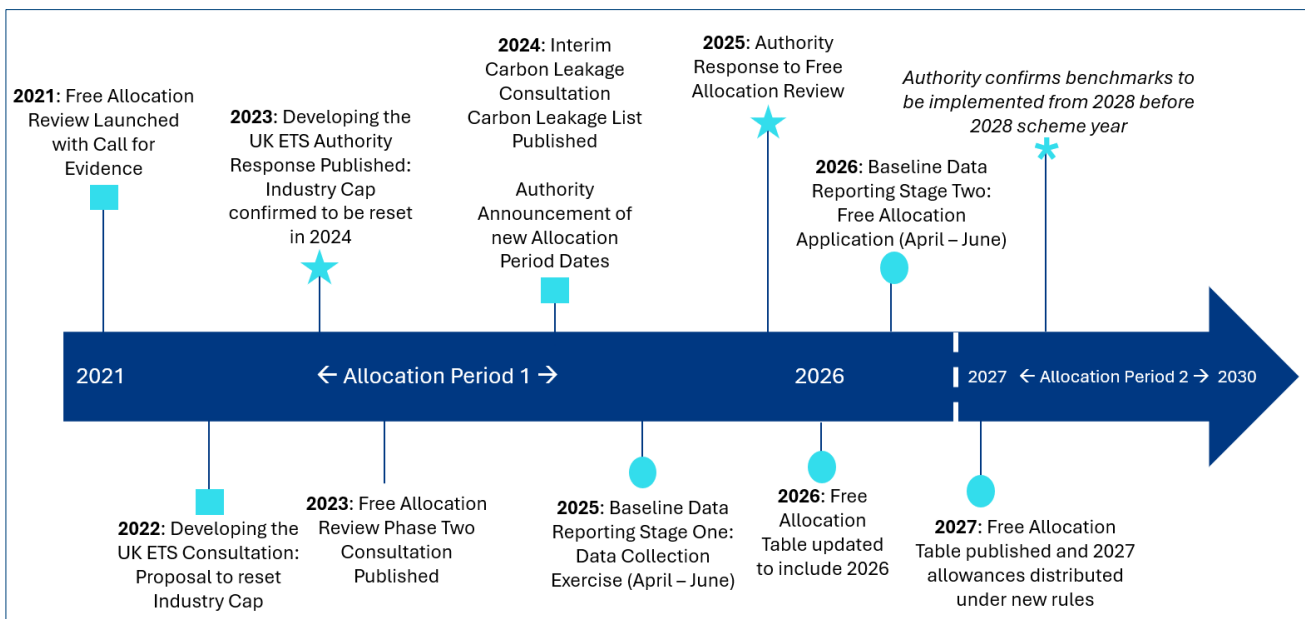


Figure 1 The FA Review timeline

2.1 Moving the UK ETS second allocation period

The Authority Response to the 'Moving the Second UK ETS Free Allocation Period'² consultation was published in December 2024 and announced the following:

- the start of the second allocation period was moved from 2026 to 2027. This change enabled us to align the implementation of the FA Review with the introduction of the UK Carbon Border Adjustment Mechanism (UK CBAM), ensuring a holistic policy approach to carbon leakage. The allocation table for the 2026 allocation period was published in December 2025.³
- the FA application process for the second allocation period was split into 2 stages. This approach was taken so operators could confirm their FA applications following the publication of the changes to the FA rules resulting from the FA Review.
- it was announced that operators would have the option to apply simultaneously for HSE or USE status for 2026-2030 and FA for the 2027-2030 allocation period during the 1 April to 30 June 2025 window.
- the USE and HSE lists remain for 2026-2030.

This means that, if your installation is on the HSE list⁴ or USE list⁵ for 2026-2030 and you also applied for free allocation between 1 April and 30 June 2025 by submitting a complete, verified baseline data report (BDR), you can choose to:

- **join the main UK ETS** from the start of 2027 by notifying the regulator in writing as part of your stage 2 FA application under Article 4 of the FAR that you wish the FA application to proceed for the 2027-2030 allocation period as you no longer want to be an HSE/USE.⁶
- **remain on the HSE or USE list for the remainder of the 2026-2030 period** but notify the regulator in writing as part of your stage 2 FA application under Article 4 of the FAR that you are completing the FA application so that you would be eligible to receive FA under Schedule 8A to the Order should your installation be required to join the main UK ETS scheme after receiving a conversion notice under Schedule 7 or a relevant notice under Schedule 8.⁷

² Please see the Authority Response to 'Moving the Second UK ETS Free Allocation Period' [here](#).

³ <https://www.gov.uk/government/publications/uk-ets-allocation-table-for-operators-of-installations>

⁴ <https://www.gov.uk/guidance/opt-out-of-the-uk-ets-if-your-installation-is-a-hospital-or-small-emitter>

⁵ <https://www.gov.uk/guidance/opt-out-of-the-uk-ets-if-your-installation-is-an-ultra-small-emitter>

⁶ Under para 23B of Schedule 7 to the Order, or para 7A of Schedule 8 to the Order

⁷ A conversion notice or relevant notice will be issued by your regulator in the following circumstances:

- where a HSE (other than a hospital-qualifying installation) exceeds the maximum reportable emissions in 2026, 2027 or 2028, or the installation's rated thermal input is above 35 megawatts in 2027 or 2028 after receiving HSE status.
- Where a USE exceeds the maximum reportable emissions in 2027 or 2028.

- **withdraw your application for FA** which means that should you join the main UK ETS at any point during the next allocation period, you will be ineligible to receive FA.

You must complete both stages of the FA application if you wish to be eligible to receive FA if you were to join the main UK ETS at any point from 2027 to 2030.

2.2 UK ETS Authority decisions resulting from the Free Allocation Review

Following the first stage of the FA application in the period from 1 April to 30 June 2025, the Free Allocation Review Main Authority Response was published in November 2025⁸ and contained the following key Authority decisions:

- option for operators to choose to exclude the activity data for 2020, or the activity data for 2020 and 2021, for the purpose of determining the historical activity level (HAL) for the 2027-2030 allocation period
- retention of the current benchmarks for 2027, with an intention in principle to adopt the updated EU benchmark values from 2028-2030
- retention of the current carbon leakage list (CLL)⁹
- no introduction of tiering of FA for the sectors at risk of carbon leakage
- no early phase-out of FA for sectors not on the CLL
- no additional methodologies to be introduced in 2027 that would introduce conditions on the provision of FA, but with a pathway set out to reconsider their introduction for future allocation periods
- a gradual phase out of FA for sectors covered by the UK CBAM beginning in 2027, with an indicative phase out trajectory of 5 years after 2030.

During the second stage window operators will be required to:

- confirm or withdraw their first stage applications for FA made in April to June 2025
- confirm the UK CBAM and non-UK CBAM status of their sub-installations

⁸ See <https://www.gov.uk/government/consultations/uk-emissions-trading-scheme-free-allocation-review/outcome/uk-emissions-trading-scheme-free-allocation-review-main-authority-response-accessible-webpage>

⁹ With the exception of temporary amendments made to the list for 2024 – 2026.

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- operators who need to split sub-installations submitted in FA stage 1 between UK CBAM and non-UK CBAM will need to resubmit data in stage 2.

Operators will also have the opportunity during this stage to:

- state whether their activity data for 2020, or their activity data for both 2020 and 2021, should be excluded from the calculation of their HAL. Please note that there is no requirement to provide evidence in support of applying the COVID year(s). Once chosen and submitted, the decision can't be amended unless article 34H of the UK ETS Order applies and its conditions are met.

Please see [chapter 3](#) for detailed instructions on how to submit this data.

Once FA has been calculated and approved, the UK ETS Authority will publish the 2027-2030 free allocation table and distribute free allowances for the 2027 scheme year to operators by 28 February 2027 at the latest.

Note that, if benchmarks for 2028, 2029 and 2030 haven't been adopted by the UK ETS Authority by 30 September 2026, the 2027-2030 allocation table will initially only show the FA for 2027. The UK ETS Authority will then update the allocation table to include entries for the 2028, 2029 and 2030 scheme years by 1 January 2028, following the final decision on the approach to the FA calculation for the remaining years of the allocation period. The UK ETS Authority anticipates setting out benchmarks for 2028-2030 in 2026.

3 Completing the second stage of the FA application

3.1 Information required

As outlined in Article 4(1a)(b) of the FAR, during the second stage of the FA application, the operator is required to notify the regulator in writing:

- a) that they wish to proceed with the FA application, and
- b) which of their sub-installations are UK CBAM sub-installations and which are not UK CBAM sub-installations (see [section 3.3](#))

Please note that:

- the second stage BDR template will be pre-populated with the data from the stage one BDR submitted in the 1 April – 30 June 2025 submission window.¹⁰
- some operators may be required to resubmit the BDR documents from stage 1 if requested by the regulator.

3.1.1 UK CBAM

As part of b) above, in respect of their product benchmark sub-installations, heat benchmark sub-installations, fuel benchmark sub-installations and process emissions sub-installations, operators are required to distinguish whether 'the process serves the production of a UK CBAM good' (Article 10(4a) of the FAR). The process will serve the production of a UK CBAM good where the sub-installation's PRODCOM code or product benchmark is listed in one of the five tables in Annex A (excluding any exceptions).

This is a new requirement that must be carried out for the purpose of the second stage of the application process. This process also identifies whether any of their existing sub-installations must be split.

For installations that produce both UK CBAM and non-UK CBAM goods, operators must split activity level and emissions data between separate sub-installations to calculate their preliminary allocation. The requirement to split activity and emissions data between separate sub-installations will lead to an increase in the number of possible sub-installations: up to 3 heat sub-installations ('CL, UK CBAM';¹¹ 'CL, non-UK CBAM'; and

¹⁰ This does not apply if your installation falls under a 'CBAM split'. Please see Section 3.3.

¹¹ As the UK CBAM is designed to apply to CL sectors only, UK CBAM goods are always from sectors on the CL List.

'non-CL'), up to 3 fuel sub-installations, and up to 3 process emissions sub-installations. The district heating sub-installation will not be impacted by the UK CBAM and will therefore remain unchanged. Consequently, an installation can now have up to three different "fall-back" sub-installations.

If an operator's sub-installation (which was one sub-installation in the first stage BDR) has subsequently been split into two or more sub-installations to reflect their UK CBAM status, the operator is also required to re-submit their BDR to reflect this split and to make the necessary amendments to their monitoring methodology plan (MMP) by 30 September 2026. The operator should submit this to their regulator alongside a verification report (Article 4(1c) and (9) of the FAR).¹² Throughout this document, we refer to an installation in these circumstances as a 'UK CBAM split'.

3.1.2 COVID-impacted years

Operators are also able to inform the regulator during the second stage that they would like their 2020 activity data, or 2020 and 2021 activity data, excluded from the calculation of their HAL (Article 4(1d) of the FAR).

3.2 The FA Application sheet in the BDR

To facilitate these steps above, the 'FA Application' sheet in the second stage BDR template contains questions which will allow operators to take account of FA rule changes.

Some installations may also be prompted to complete additional sheets in the BDR template to meet legal requirements. Please see Table 1 below but note that this is indicative: **it is the operator's responsibility to ensure that they have provided all the information that is required by law.**

Indicative free allocation values for 2027 will not be available in the template until August 2026.

¹² Article 4(1c) of the FAR outlines: As part of the second stage under paragraph 1a(b), where the operator has any relevant product benchmark sub-installation, any relevant heat benchmark sub-installation, any relevant fuel benchmark sub-installation or any relevant process emissions sub-installation, the operator must during the second stage resubmit the documents referred to in paragraph 2(a) and 2(c) reflecting the division required by Article 10(4a). Submission of these documents satisfies the requirement in paragraph 1a(b)(ii). Article 4(9) of the FAR defines 'relevant' product benchmark, heat benchmark, fuel benchmark and process sub-installations.

Table 1 FA application by type of operator

Type of UK ETS operator	Sections of BDR template	Verification report with a positive opinion required?
<p>GHGE permit holder who:</p> <ul style="list-style-type: none"> completed the first stage of their FA application during the 1 April – 30 June 2025 window would like to proceed with their FA application does not have any UK CBAM splits¹³ 	FA Application sheet*	No
<p>GHGE permit holder who:</p> <ul style="list-style-type: none"> completed the first stage of their FA application during the 1 April – 30 June 2025 window would like to proceed with their FA application does have UK CBAM splits 	Do not complete the BDR template and contact your regulator for the required version. Further information on your monitoring methodologies will also be required.	Yes
<p>Installation on the 2026-2030 HSE or USE list who:</p> <ul style="list-style-type: none"> completed the first stage of their FA application during the 1 April – 30 June 2025 window wants to join the UK ETS main scheme for 2027-2030 and proceed with their FA application 	FA Application sheet*	No
<p>Installation on the 2026-2030 HSE or USE list who:</p> <ul style="list-style-type: none"> completed the first stage of their FA application during the 1 April – 30 June 2025 window wants to stay on the HSE or USE list but proceed with their FA application for the purpose of Schedule 8A to the Order (in case they are required to re-enter the main scheme at some point during the 2027 - 2030 period and wish to be eligible to receive FA at this point) 	FA Application sheet*	No
<p>Installation who completed the first stage of their application but does not wish to proceed with their FA application</p>	None – please signal choice in METS workflow (see process flow diagram)	No

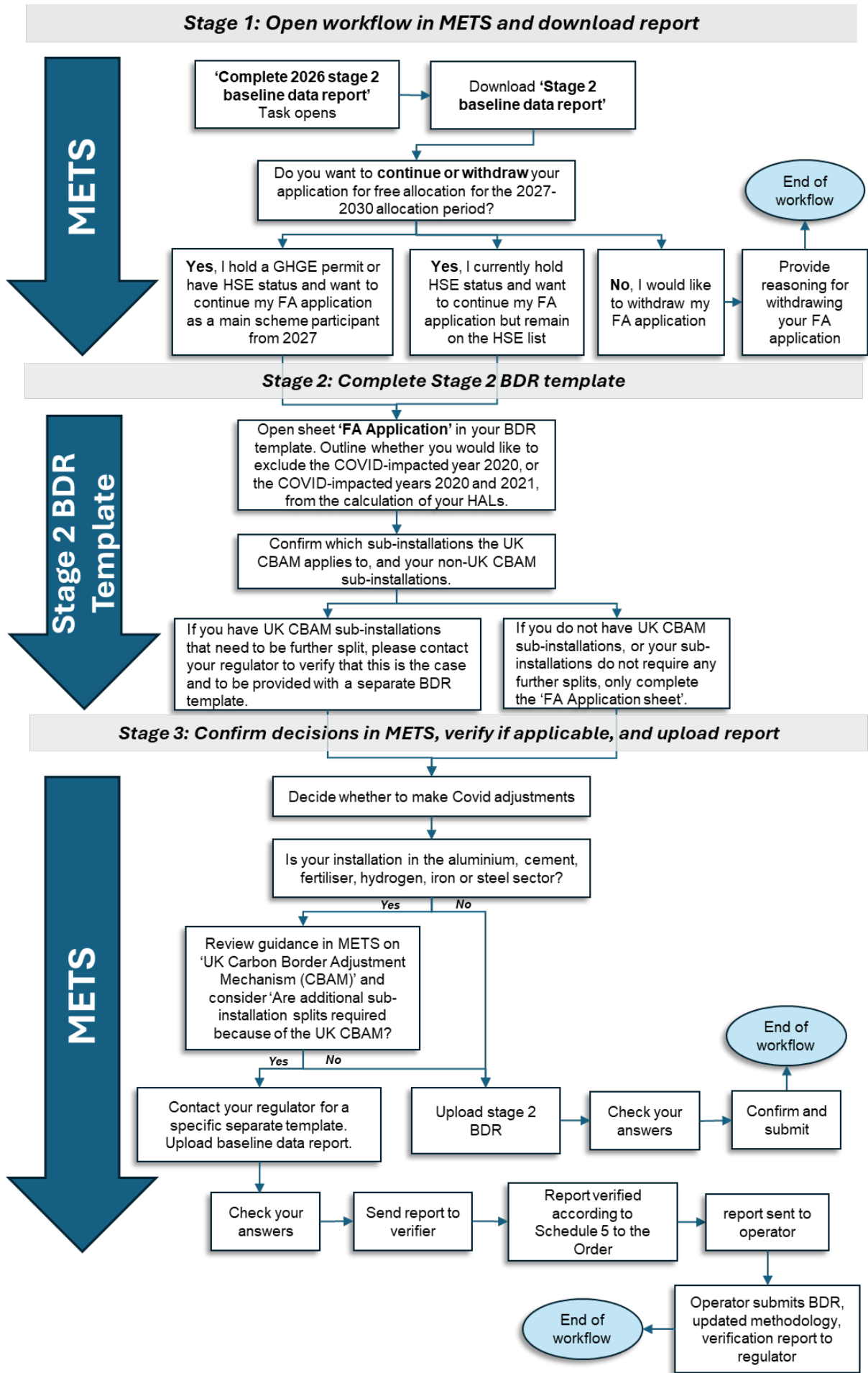
¹³ This means that, due to the application of the UK CBAM, at least one sub-installation needs to be split into further sub-installations. Please see [section 3.3](#) for more details.

Installation which did not complete the first stage of the FA application	N/A	N/A
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*Installations who complete the FA Application sheet will also have the ability to exclude COVID-impacted years from the calculation of their HAL. Choosing this option does not impact on verification requirements.

3.3 FA application process flow diagram

The diagram below summarises the process operators should follow to complete the FA application.



3.4 FA application step-by-step

This section describes the questions in the template which form the second stage of the FA application.

Your second stage BDR template includes the information which the regulator assessed and submitted to the UK ETS Authority following the first stage FA application submission window.

All questions which will form the second stage of the FA application can be found in the new BDR template in the sheet entitled 'FA Application'.

Please note that not all sections will be relevant to all operators.

3.4.1 Confirm the FA application

This section is important to confirm to your regulator and the UK ETS Authority the circumstances which apply to your installation's application.

1. Please select the statement which applies to your installation's circumstances:

1. I confirm that I am continuing my free allocation application as a GHGE under Article 4 of the Free Allocation Regulation.
2. I confirm that I want to remain on the HSE or USE list for the remainder of the 2026-2030 period, but I am completing the FA application should I be required to join the main UK ETS scheme and wish to receive FA at a later date.
3. I confirm that I am currently on the HSE or USE list but wish to join the main scheme from 2027 and confirm that I am continuing my free allocation application.

Important to note: As outlined in Article 4(5) of the FAR, unless both the first and second stages of an application are completed, the application must be treated as having never been made.

If you do not continue your application for FA, you will not be eligible to receive any FA in the 2027-2030 allocation period. This includes installations who are on the 2026-2030 HSE or USE lists that exceed the emission thresholds for USE or HSE status at any point from 2026 to 2030, as they will be ineligible to receive FA upon rejoining the main UK ETS.

If you would like to withdraw your application for FA, you do not need to complete this second stage BDR and must signal your choice and reason in the METS workflow.

3.4.2 UK CBAM sub-installations and non-UK CBAM sub-installations

This section is important to confirm which sub-installations should receive an FA reduction as they belong to a sector to be included in the UK CBAM and receive carbon leakage mitigation from 2027.

1. Confirmation of classifications

The operator should review the following information in 1(a) and respond to 1(b) carefully (*please note that all installation information has been taken from your FA application stage 1 submitted in April – June 2025*):

- a) **Product type (to review only):** Each product submitted in stage 1 of the FA application, if relevant, has been automatically assigned either 'True' or 'False' depending on whether the good is a UK-CBAM covered good or a non-UK CBAM good using the PRODCOM codes and/ or product benchmarks set out in stage one of the FA application. If a product sub-installation requires splitting for UK CBAM purposes, please follow instructions in **b)** for fall-back sub-installations.
- b) **Confirmation of fall-back sub-installations the UK CBAM applies to:** Each fall-back sub-installation (or if relevant product sub-installation) detailed in stage 1, if relevant to your installation, is assigned 'True', with the start of operation also indicated.

The operator should indicate whether each sub-installation is a 'SPLIT', 'MOVE', or 'FALSE', by referring to the following definitions. Please note that there is also opportunity to provide further information in question 1(d):

- **SPLIT:** Selecting this option means that, due to the application of the UK CBAM, this sub-installation needs to be split into further sub-installations to reflect UK CBAM status.
 - If you think this applies to one or more of your sub-installations, please contact your regulator as you will require a separate BDR template.
 - This may be the case where:
 - If you have a product benchmark, heat benchmark, fuel benchmark, and/or process emissions sub-installation, the inputs, outputs and emissions that were assigned to your sub-installation are associated with both a process manufacturing UK CBAM goods and a process which does not manufacture UK CBAM goods. See Article 10(4a) of the FAR for more information on dividing an installation to reflect UK CBAM status.

- Heat exported to a non-ETS installation, where it is used to produce a UK CBAM good, will be included in a UK CBAM sub-installation. Therefore, the respective carbon leakage sub-installations may require an additional split to be made, to provide separate allocation calculations for UK CBAM goods and non-UK CBAM goods.
- This will lead to additional sub-installations, i.e., resulting in up to 3 heat sub-installations (“CL_CBAM”, “CL, non-CBAM” and “non-CL”), up to 3 fuel sub-installations, up to 3 process emissions sub-installations, and up to 2 product benchmark sub-installations.
- Please note that the district heating sub-installation will not be impacted by the UK CBAM and will therefore remain unchanged.
- MOVE: This means that all goods produced within the sub-installation are UK CBAM goods and sub-installation splitting is not required.
- FALSE: This means that all goods produced within the sub-installation are not UK CBAM goods.

Figure 2 below illustrates the FA installation divisions based on the new sub-installation splits.

c) **Are the classifications in 1(a) and 1(b) correct?**

Select ‘True’ to confirm that the sub-installations are classified correctly i.e. sub-installations are correctly assigned to either a UK CBAM status or a non-UK CBAM status.

To confirm, please refer to the five tables in Annex A to determine whether, under Article 10(4a) of the FAR, the process serves the production of a UK CBAM good.

The process will serve the production of a UK CBAM good where the sub-installation's PRODCOM code is listed in column B of the relevant table and/or product benchmark is listed in column C of the relevant table (excluding any exceptions provided for in the table).

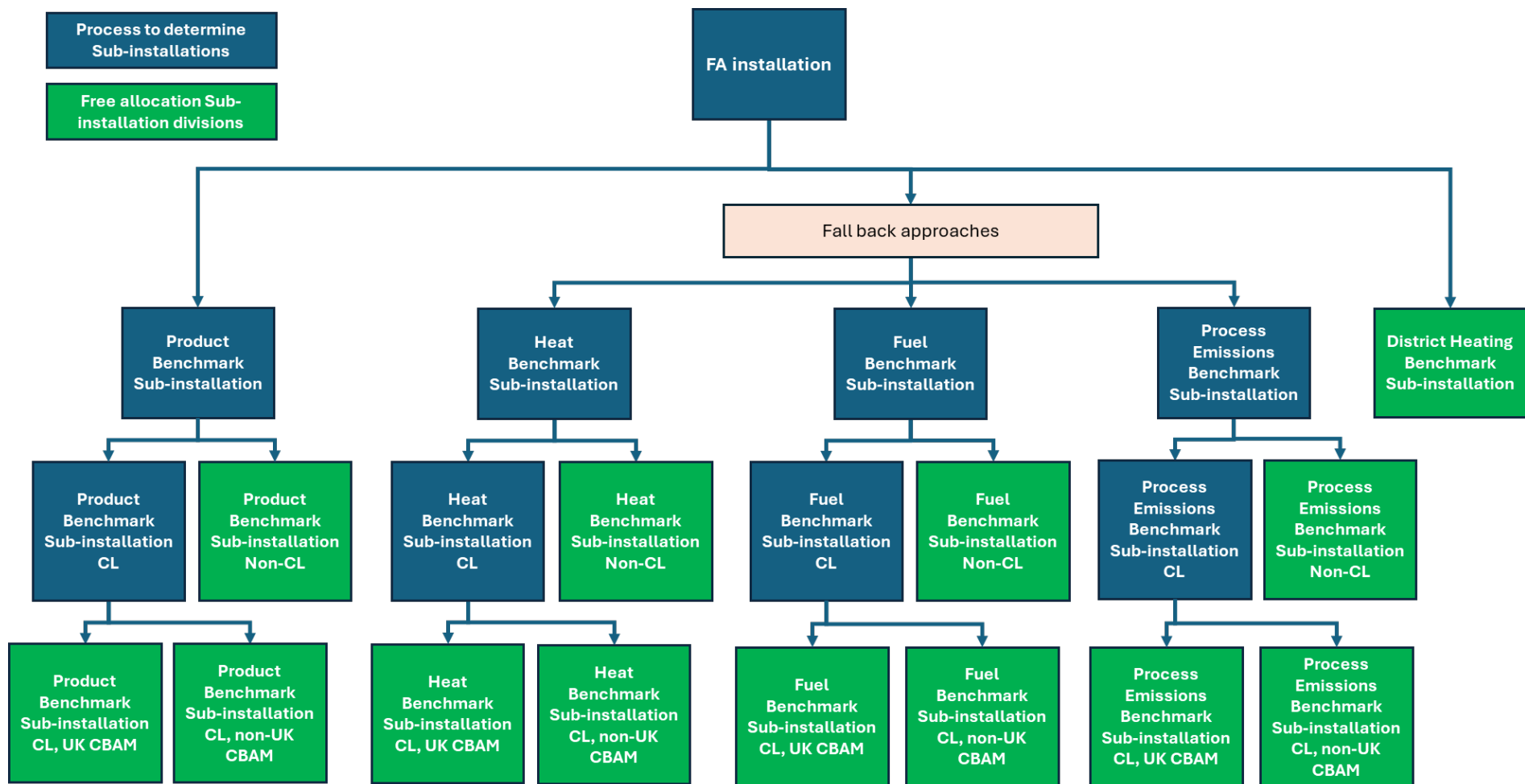


Figure 2 The FA installation divisions based on new sub-installation splits.

d) **Are the classifications in 1(a) and 1(b) correct?**

Select 'True' to confirm that the sub-installations are classified correctly i.e. sub-installations are correctly assigned to either a UK CBAM status or a non-UK CBAM status.

To confirm, please refer to the five tables in Annex A to determine whether, under Article 10(4a) of the FAR, the process serves the production of a UK CBAM good.

The process will serve the production of a UK CBAM good where the sub-installation's PRODCOM code is listed in column B of the relevant table and/or product benchmark is listed in column C of the relevant table (excluding any exceptions provided for in the table).

e) **If you answered FALSE to the question above, please advise which of your sub-installations are UK CBAM/not UK CBAM in the text box.**

If you disagree with any classifications, please provide an explanation here.

Please note that it is the operator's responsibility to notify the regulator of their UK CBAM and non-UK CBAM sub-installations, and to ensure that the classifications are correct. A process serves the production of a UK CBAM good where the PRODCOM code of the relevant process is listed in column B of the relevant table in Annex A of this guidance document, or where the product benchmark of the system boundary or product produced by the relevant process is listed in column C of the relevant table in Annex A of this guidance document (excluding any exceptions provided for in the table).

Neither the regulators nor the UK ETS Authority can be held responsible for incorrect information.

Note that, if hydrogen is produced within a refinery or organic chemical installation and this hydrogen is exclusively used within that refinery or installation, it is not classified as a UK CBAM good.

If this is the case for any of your sub-installations, please follow the below steps:

- Indicate in 1(d) of the FA Application sheet:
 - Which sub-installations you consider are affected.
 - Information on further evidence which you are submitting to your regulator via email.
- Provide evidence to your regulator alongside the BDR2 template via email.
- If the regulator is satisfied with the evidence, the UK CBAM reduction factor will not be applied to those affected sub-installations.

3.4.3 Option to exclude 2020 or 2020 and 2021 data from the calculation of the HAL

This section is important for operators to indicate whether they would like to exclude from the calculation of their HAL for the 2027-2030 allocation period the activity data for the COVID-impacted year 2020, or the activity data for the COVID-impacted years 2020 and 2021.

Please note that the decision to exclude activity levels can only be made as part of this second stage application window. We therefore recommend that you conduct your own calculations and consider your responses carefully before submission.

1. **Would you like to have activity data for the years 2020 or 2020 and 2021 excluded from the calculation of your HAL for the 2027-2030 allocation period:**

a) **Product benchmark sub-installations.**

Select from the following options:

- 2020 if you would like the COVID-impacted year 2020 excluded from the calculation of your HAL
- 2020 & 2021 if you would like both COVID-impacted years 2020 and 2021 from the calculation of your HAL.
- None if you would like 2020 and 2021 included in the calculation of your HAL for all product sub-installations for 2027-2030.

b) **Fall back sub-installations:**

Select from the following options:

- 2020 if you would like the COVID-impacted year 2020 excluded from the calculation of your HAL
- 2020 & 2021 if you would like both COVID-impacted years 2020 and 2021 from the calculation of your HAL.
- None if you would like 2020 and 2021 included in the calculation of your HAL for all fall-back sub-installations for 2027-2030.

2. **Check the historical activity levels (HALs) in the table below which take account of your responses to 1(a) and 1(b).**

a) **Are the HALs in the table correct?**

Please indicate whether the calculated HALs are as expected, given your responses to the previous questions in relation to the exclusion of 2020 or 2020

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and 2021 activity data from the relevant HAL. We recommend that you complete your own calculations to support this decision.

- b) **If you answered FALSE to the question above, please provide a reason and state what the expected HALs are.**

Annex A: List of UK CBAM goods and associated codes

The five tables below cover the following UK CBAM sectors: cement, fertilisers, iron and steel, aluminium and hydrogen. Under Article 10(4a) of the Free Allocation Regulation, a process serves the production of a UK CBAM good where the PRODCOM code of the relevant process is listed in column B of the relevant table, or where the product benchmark of the system boundary or product produced by the relevant process is listed in column C of the relevant table, excluding any exceptions provided for in the table. The CN code that your PRODCOM code or product benchmark corresponds to has been included in column D for your information.

In this Annex, references to "PRODCOM code" are to the PRODCOM codes listed in the Annex to Commission Regulation (EU) No 860/2010,¹⁴ and references to a "product benchmark" are to the product benchmarks listed in Annex I to the FAR.

Please note that in respect of the PRODCOM codes listed in column B dashes indicate any value. For example, 24.10.31.-- means any PRODCOM code beginning 24.10.31. In this example, the following codes would be captured: 24.10.31.10, 24.10.31.30 and 24.10.31.50.

Table 2 UK CBAM sub-installations in the cement sector

UK CBAM aggregated goods category (column A)	PRODCOM code (column B)	Product benchmark (column C)	CN code (column D)
Calcined clay	08.12.21.60	None	2507 00 80 – Other kaolinic clays ¹⁵
Cement clinker	23.51.11.00	Grey cement clinker White cement clinker	2523 10 00 – Cement clinkers
Cement	23.51.12.10	None	2523 21 00 – White Portland cement, whether artificially coloured or not
	23.51.12.10	None	2523 29 00 – Other Portland cement
	23.51.12.90	None	2523 90 00 – Other hydraulic cements

¹⁴ [Commission Regulation \(EU\) No 860/2010 of 10 September 2010 establishing for 2010 the 'Prodcom list' of industrial products provided for by Council Regulation \(EEC\) No 3924/91 \(OJ No. L 262, 5.10.2010, pp. 1–258\)](#)

¹⁵ This CN code is covered only if the clay has been calcined

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Aluminous cement	23.51.12.90	None	2523 30 00 – Aluminous cement
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Table 3 UK CBAM sub-installations in the fertilisers sector

UK CBAM aggregated goods category (column A)	PRODCOM code (column B)	Product benchmark, if relevant (column C)	CN code (column D)
Nitric acid	20.15.10.50	Nitric acid	2808 00 00 - Nitric acid; sulphonic acid
Ammonia	20.15.10.75	Ammonia	2814 – Ammonia, anhydrous or in aqueous solution.
	20.15.10.77	None	
Mixed fertilisers	20.15.76.00	None	2834 21 00 – Nitrates of potassium
Mixed fertilisers	20.15.3.--	None	3102 - Mineral or chemical fertilisers, nitrogenous
Mixed fertilisers	20.15.7.-- (except 20.15.76.00)	None	3105 – Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this chapter in tables or similar forms or in packages of a gross weight not exceeding 10 kg <i>Except:</i> 3105 60 00 – Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium

Table 4 UK CBAM sub-installations in the iron and steel sector

UK CBAM aggregated goods category (column A)	PRODCOM code (column B)	Product benchmark, if relevant (column C)	CN code (column D)
Sintered ore	07.10.10.00	Sintered ore	2601 12 00 – Agglomerated iron ores and concentrates, other than roasted iron pyrites
Pig iron	24.10.11.00	Hot metal	7201
Pig iron	24.10.14.10	Hot metal	7205
Ferro-alloys	24.10.12.15	None	7202 1 – FeMn
Ferro-alloys	24.10.12.60	None	7202 4 – FCr

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Ferro-alloys	24.10.12.90	None	7202 6 – FeNi
DRI ¹⁶	24.10.13.00	Hot metal	7203
Crude steel	24.10.21.Z0 24.10.21.10	Hot metal EAF carbon steel	7206, 7207
Crude steel	24.10.22.Z0 24.10.22.10	EAF high alloy steel	7218
Crude steel	24.10.23.Z0 24.10.23.10	EAF high alloy steel	7224
Iron or steel products	24.10.14.10	None	7205
Iron or steel products	24.10.31.- - 24.10.41.- - 24.10.51.- - 24.10.32.- - 24.32.10.- - 24.32.20.- - 24.10.T3.30 24.10.61.- - 24.10.62.- - 24.31.10.- - 24.10.71.- - 24.33.11.- - 24.33.20.00 24.31.10.60 24.34.11.- - 24.10.33.- - 24.10.42.00 24.10.34.- - 24.32.10.Z2 24.10.63.00 24.10.64.- - 24.31.30.00 24.10.72.- - 24.33.12.00 24.34.12.00	None	7208 to 7217 7219 to 7223 7225

¹⁶ Direct Reduced Iron, also known as HBI (Hot Briquetted Iron)

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	24.10.53.- - 24.10.35.- - 24.10.43.00 24.10.52.- -		
Iron or steel products	24.10.54.- - 24.10.55.- - 24.10.36.00 24.32.10.Z1 24.32.10.30 24.32.10.40 24.32.10.50 24.10.65.- - 24.10.66.- - 24.31.20.- - 24.10.73.00 24.10.67.00 24.34.13.00 24.10.74.- - 24.10.75.00 24.51.20.00 24.20.11.- - 24.20.12.- - 24.20.13.- - 24.20.14.- - 24.20.2.- - - 24.20.3.- - - 24.20.4.- - - 24.51.3.- - - 24.52.3.- - - 25.11.21.00 25.11.22.00 25.11.23.10 25.11.23.30 25.11.23.50 23.11.23.60 25.12.10.30 24.33.30.00 25.29.11.10 25.29.11.20	Iron casting	7226 to 7229 7301 to 7311 7318 7326

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	25.29.11.30 25.29.11.50 25.91.-.- 25.92.11.- 25.29.12.00 25.94.11.- 25.94.12.- 25.99.29.22 25.99.29.25 25.99.29.27 25.99.29.3- 25.99.29.4-		
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Table 5 UK CBAM sub-installations in the aluminium sector

UK CBAM aggregated goods category (column A)	PRODCOM code (column B)	Product benchmark, if relevant (column C)	CN code (column D)
Unwrought aluminium	24.42.11.-	Aluminium (if produced via primary smelting; there is no product benchmark for secondary aluminium production)	7601 – Unwrought aluminium
Aluminium products, except unwrought aluminium	24.42.21.-	None	7603 – Aluminium powders and flakes
	24.42.22.-	None	7604 – Aluminium bars, rods and profiles
	24.42.23.-	None	7605 – Aluminium wire
	24.42.24.-	None	7606 – Aluminium plates, sheets and strip, of a thickness exceeding 0.2 mm
	24.42.25.00	None	7607 – Aluminium foil (whether or not printed or backed with paper, paperboard, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0.2 mm

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	24.42.26.30 24.42.26.50	None	7608 – Aluminium tubes and pipes
	24.42.26.70	None	7609 00 00 – Aluminium tube or pipe fittings (for examples, couplings, elbows, sleeves)
	25.12.10.50 25.11.23.70	None	7610 – Aluminium structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, balustrades, pillars and columns); aluminium plates, rods, profiles, tubes and the like, prepared for use in structures
	25.29.11.70	None	7611 00 00 – Aluminium reservoirs, tanks, vats and similar containers, for any material (other than compressed or liquefied gas), of a capacity exceeding 300 litres, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment
	25.92.12.- -	None	7612 – Aluminium casks, drums, cans, boxes and similar containers (including rigid or collapsible tubular containers), for any material (other than compressed or liquefied gas), of a capacity not exceeding 300 litres, whether or not lined or heat- insulated, but not fitted with mechanical or thermal equipment
	25.29.12.00	None	7613 00 00 – Aluminium containers for compressed or liquefied gas
	25.93.12.70	None	7614 – Stranded wire, cables, plaited bands and the like, of aluminium, not electrically insulated
	25.93.14.80 25.99.29.55	None	7616 – Other articles of aluminium

Table 6 UK CBAM sub-installations in the hydrogen sector

UK CBAM aggregated goods category (column A)	PRODCOM code (column B)	Product benchmark, if relevant (column C)	CN code (column D)
Hydrogen	20.11.11.50	Hydrogen - except the production of hydrogen within a refinery or organic chemical installation and where this hydrogen is exclusively used within that refinery or installation	2804 10 00 – Hydrogen

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