

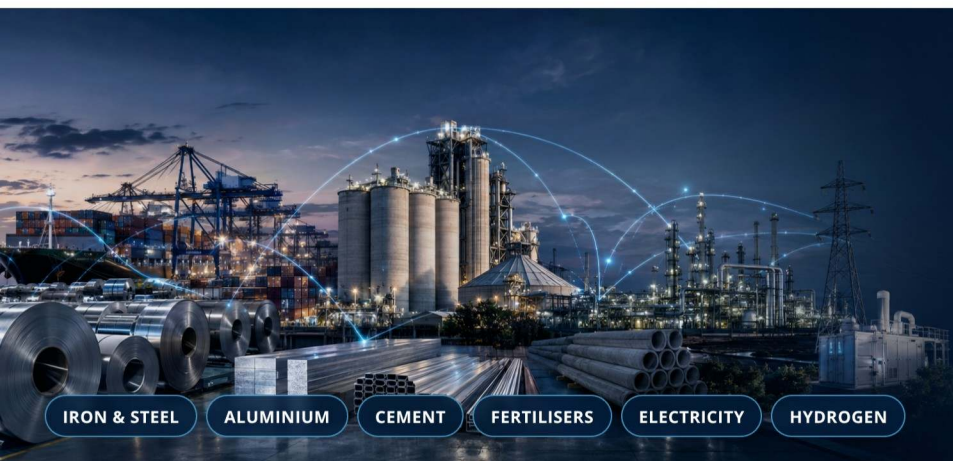
CARBON-ADJUSTED SOURCING

The New Landed Cost

When Carbon Enters the Commercial Bid

CBAM is live. Embedded emissions are shifting from an ESG annexure to a supplier-level commercial variable for EU-facing Indian supply chains.

Source: European Commission, CBAM Definitive Regime, 2026



Carbon is no longer an ESG footnote. It is becoming a sourcing input.

NITI Aayog ranks India among the countries most exposed to CBAM carbon cost per dollar of EU trade.

Source: NITI Aayog, Sectoral Insights—Industry, 2026

€75.28/tCO₂

Q2 2026 CBAM certificate price

Source: European Commission, 6 Jul 2026

6

carbon-intensive sectors in scope today

Source: European Commission, CBAM Sectors

≈90%

of India's CBAM-covered EU exports are steel

Source: EY, Carbon Pricing Meets Raw Materials, 2026

HOW THIS AFFECTS PROCUREMENT

The commercial decision changes before award

CBAM turns supplier carbon data into an input for bid comparison, governance and continuity—not an ESG follow-up.

THREE IMMEDIATE SHIFTS



BID COMPARABILITY

Unit price is no longer enough. Rank cost with carbon intensity and evidence grade.



DATA DEPENDENCY

Missing or unverified plant/product emissions can force defaults and weaken competitiveness.



TRANSACTION GOVERNANCE

Verification reports, change clauses and audit rights must sit with the sourcing record.

Source: European Commission, CBAM Questions & Answers, 27 May 2026

Unit-price view

Price • Quality • Delivery • Freight



Carbon-adjusted view

Landed cost + emissions exposure + evidence confidence + continuity.

WHAT PROCUREMENT TEAMS SHOULD DO NEXT

Build a decision-ready data chain

- 1 Map exposure**
Flag in-scope CN codes, EU-linked categories and supplying plants.
- 2 Set the data standard**
Require product/plant emissions and verification evidence in onboarding and RFQs.
- 3 Redesign award logic**
Add carbon-adjusted cost and an evidence score to QCS.
- 4 Contract & monitor**
Mandate updates and audit rights; alert category owners to exposure shifts.



Source: European Commission, CBAM Communication & News

THE DIGITAL OPPORTUNITY

Digitise

Structured product, plant and evidence fields at onboarding and RFQ.

Automate

Completeness checks, expiry alerts, price refresh and audit trails.

Use AI

Extract documents, flag anomalies and model exposure; buyers approve.

Sources: WBCSD PACT technical specifications; JAGGAER/Carbmee, AI in direct supply chains. AI supports analysis—accredited verification remains evidence-based.

VENDX POV

The first step is digitisation.

Before procurement can systematically capture, compare or act on carbon data, the underlying workflow must first be digital.

Contact us to digitise your procurement workflow.

BOTTOM LINE

CBAM does not add a sustainability lane. It rewires the sourcing workflow.



Protect margin



Reduce manual work



Defend awards