

# **GALLEHR+PARTNER<sup>®</sup>** **CBAM presentation**

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Introduction, specific reporting obligations  
and determination of the product carbon footprint

## 1 OVERVIEW OF THE CBAM REGULATION

Background, aim and function of CBAM,  
Overview of reporting obligations, sectors,  
timeframe and supply chain

## 2 GENERAL METHODOLOGY FOR DETERMINING EMBEDDED EMISSIONS

Determining CO<sub>2</sub> emissions in accordance with  
commission rules

# 1 OVERVIEW OF THE CBAM REGULATION

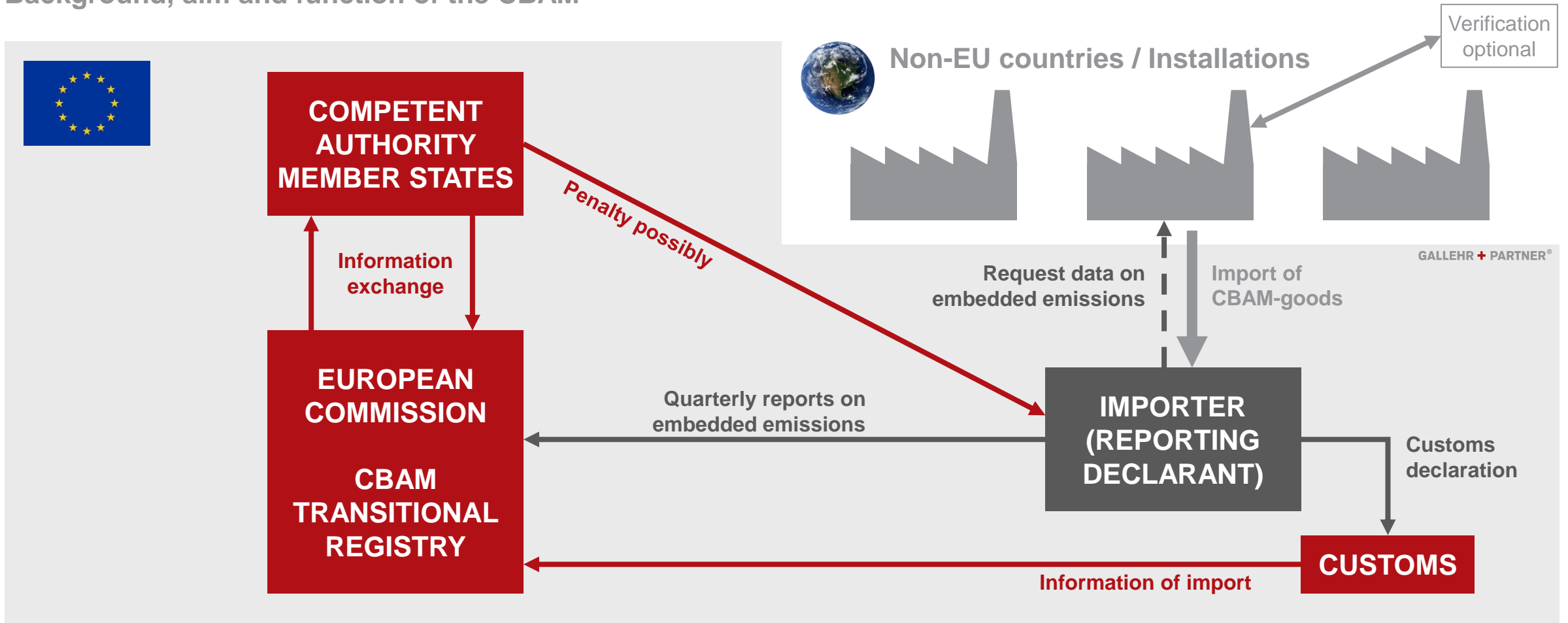
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Background, aim and function of CBAM,

Overview of reporting obligations, sectors, timeframe and supply chain

# 1 OVERVIEW OF THE CBAM REGULATION

## Background, aim and function of the CBAM



Source: European Commission - Directorate-General for Taxation and Customs Union, 2023

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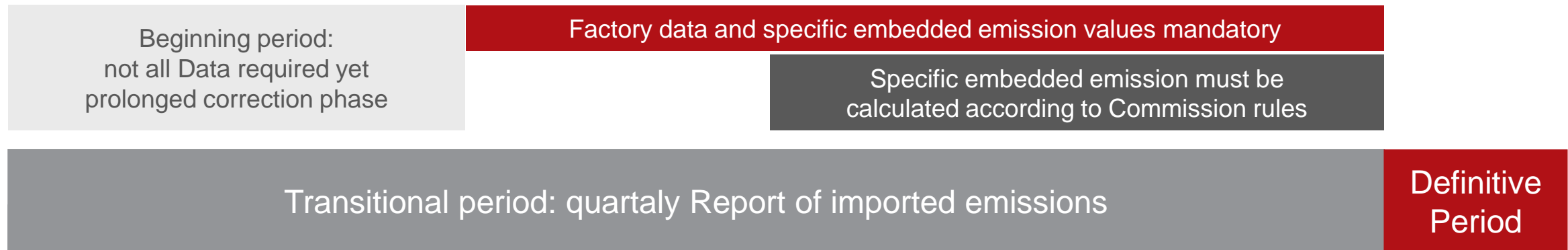
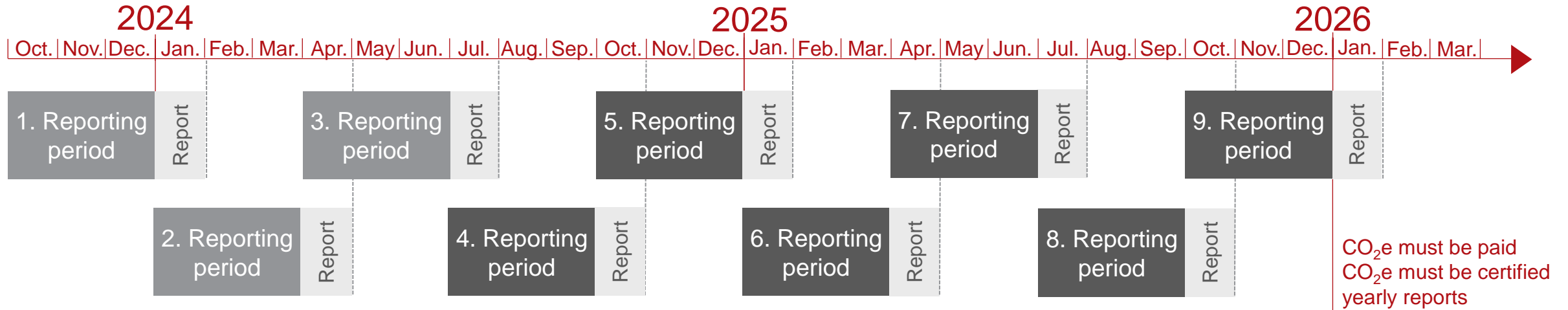
## Overview of reporting obligations, sectors and data requirements in the transition phase

	CEMENT	FERTILISER	IRON/STEEL	ALUMINIUM	HYDROGEN	ELECTRICITY
Reporting unit	Tonne of product					MWh
Recorded greenhouse gases	CO2	CO2 and N 02	CO2	CO2 and PFC	CO2	CO2
Recording emissions during the transitional period	Direct and indirect emissions					Direct emissions
Recording emissions after the transitional period	Direct and indirect emissions		Direct emissions (subject to reservation)			
Determination of direct emissions	On the basis of actual emissions, unless these cannot be reasonably determined					Based on default values, unless several cumulative conditions are met
Determination of indirect emissions	Based on default values unless conditions are met (e.g. direct technical connection or power purchase agreement)					<b>GALLEHR + PARTNER®</b>

Source: European Commission - Directorate-General for Taxation and Customs Union, 2023

# 1 OVERVIEW OF THE CBAM REGULATION

## Deadlines transitional period



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## Deadlines transitional period

REPORT NR	REPORTING PERIOD	SUBMISSION DEADLINE	KORREKTION DEADLINE	ORIGIN OF PRODUCT	EMISSION VALUE
1: Q4_23	01.10.23 – 31.12.23	31.01.24	31.07.24	Down to factory	EU Standard emission value
2: Q1_24	01.01.24 – 31.03.24	30.04.24	31.07.24	Down to factory	EU Standard emission value
3: Q2_24	01.04.24 – 30.06.24	31.07.24	31.08.24	Down to factory	EU Standard emission value
4: Q3_24	01.07.24 – 30.09.24	31.10.24	30.11.24	Down to factory + Factory details	specific embedded emission
5: Q4_24	01.10.24 – 31.12.24	31.01.25	28.02.25	Down to factory + Factory details	specific embedded emission
6: Q1_25	01.01.25 – 31.03.25	30.04.25	31.05.25	Down to factory + Factory details	specific embedded emission
7: Q2_25	01.04.25 – 30.06.25	31.07.25	31.08.25	Down to factory + Factory details	specific embedded emission
8: Q3_25	01.07.25 – 30.09.25	31.10.25	30.11.25	Down to factory + Factory details	specific embedded emission
9: Q4_25	01.10.25 – 31.12.25	31.01.26	28.02.26	Down to factory + Factory details	specific embedded emission

Reference: Commission Implementing Regulation (EU) 2023/1773 of 17 August 2023 laying down the rules for the application of Regulation (EU) 2023/956 of the European Parliament and of the Council as regards reporting obligations for the purposes of the carbon border adjustment mechanism during the transitional period (Text with EEA relevance)

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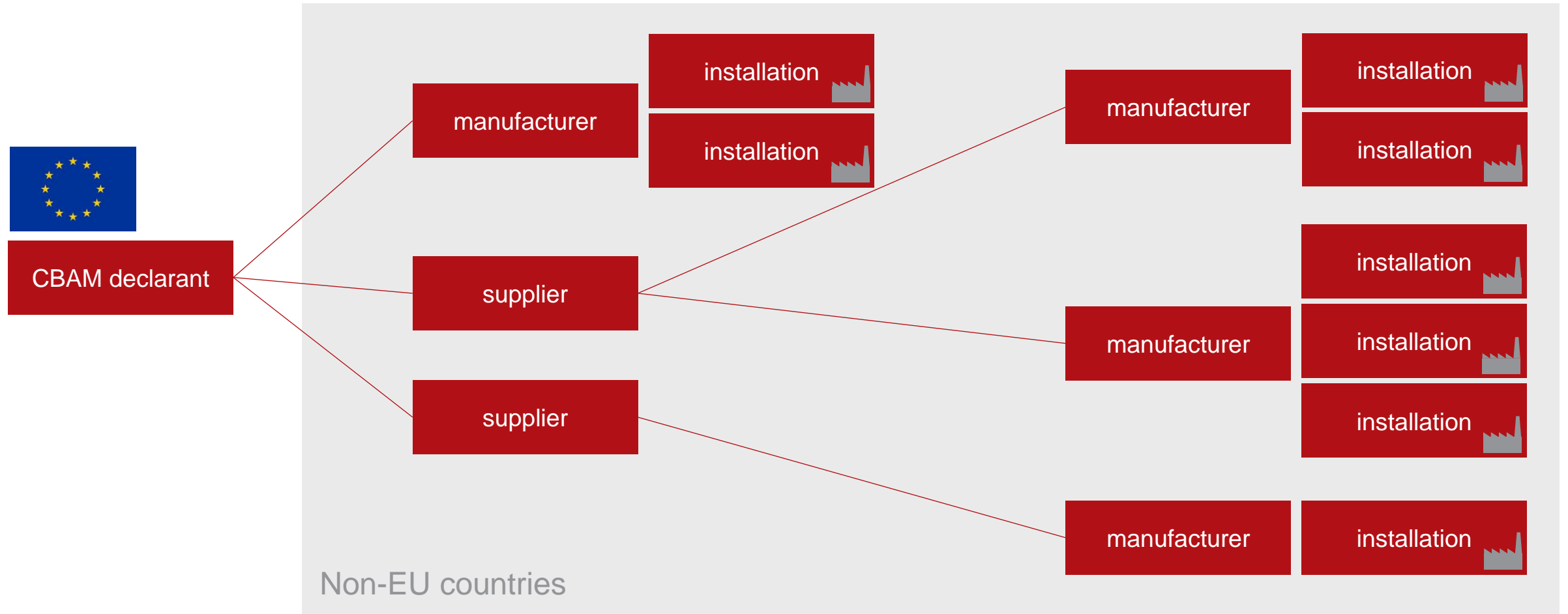
## Supply chain term explanation

CBAM GOOD	CBAM DECLARANT	SUPPLIER	MANUFACTURER = OPERATOR	INSTALLATION
Goods imported from a non-EU country, which fall into any of the CN-codes listed on pp.29-31 and p.38	Entity importing CBAM relevant goods.  Has to submit a CBAM report.	Organization from which items are purchased. The supplier may produce some of the goods or merely resell them.  A factory assembling and/or packaging the goods is also considered a supplier.	Organization, that actually produces the CBAM relevant goods. Goods can be purchased directly from the manufacturer, but can also be sold by a supplier/assembling factory.  The precursors these goods are produced from do not need to be individually reported in the CBAM report. However, their emissions need to be considered by the manufacturer when determining the CO <sub>2</sub> emission of his goods.	An individual process route for one finished CBAM good or a factory in which CBAM goods are processed.



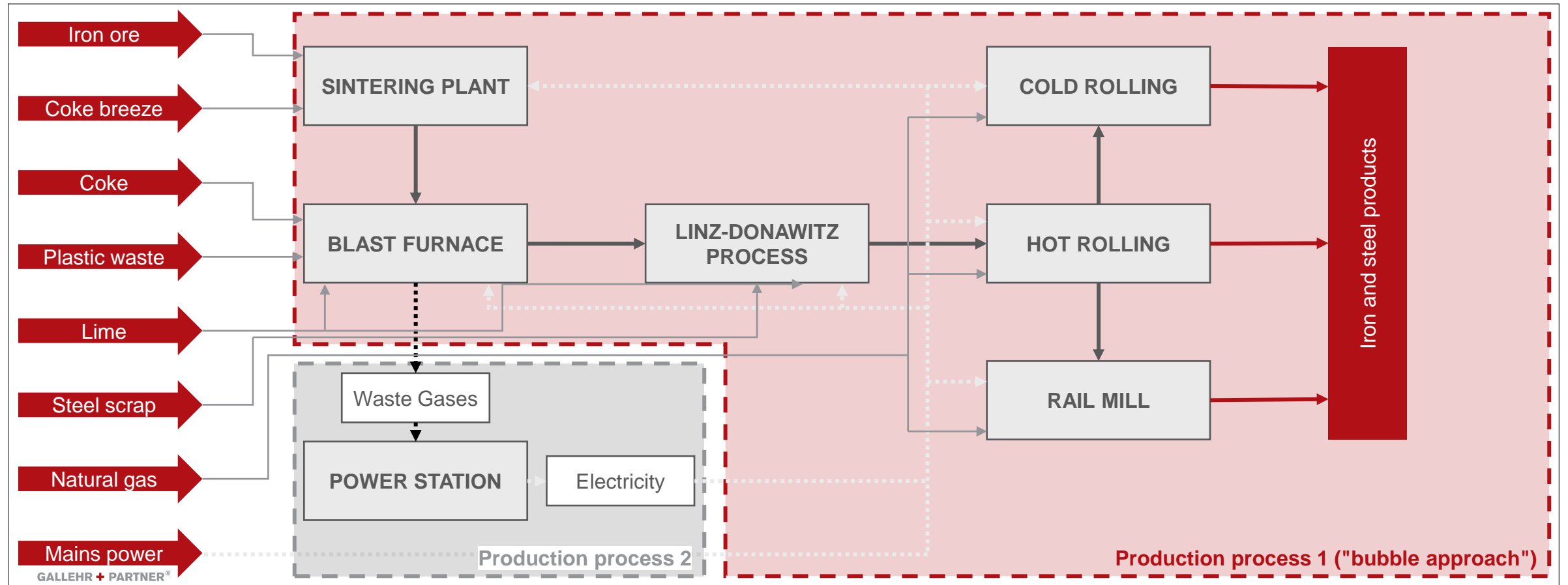
# 1 OVERVIEW OF THE CBAM REGULATION

## Exemplary supply chain



# 1 OVERVIEW OF THE CBAM REGULATION

## Installation Example: blast furnace process



Source: European Commission - Directorate-General for Taxation and Customs Union, 2023

# 2 GENERAL METHODOLOGY FOR DETERMINING EMBEDDED PRODUCT EMISSIONS

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Presentation of the basic CO<sub>2</sub> system boundaries in accordance with COMMISSION IMPLEMENTING REGULATION (EU) 2023/1773

## 2 GENERAL METHODOLOGY FOR DETERMINING PRODUCT EMISSIONS

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### Steps for determining the embedded emissions

#### **STEP 1: Define system boundaries**

Define the system boundaries of the production process for your CBAM goods.

#### **STEP 2: Determine methods**

Identify relevant parameters and methods, and then carry out the measurements of the activities and mass flows.

#### **STEP 3: Assign emissions**

Allocation of emissions to the respective defined production processes and CBAM goods.

#### **STEP 4: Emissions from precursors**

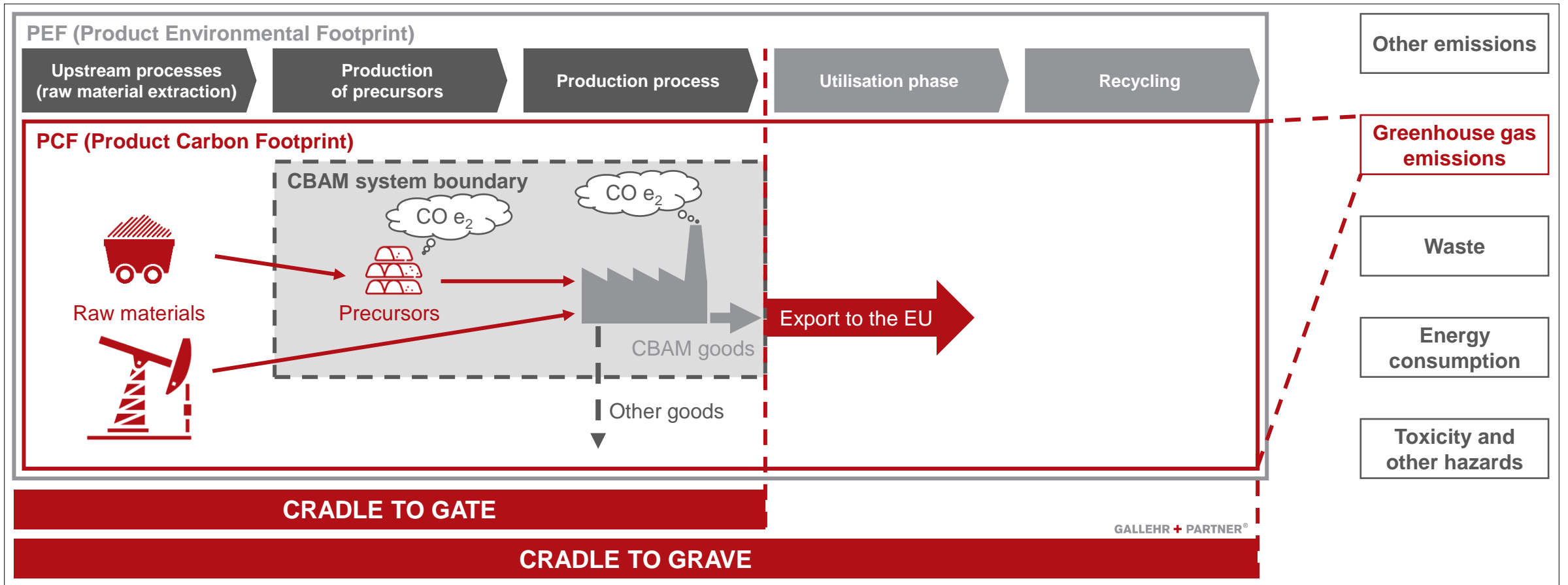
Adding the specific embedded emissions of precursors, if necessary.

#### **STEP 5: Calculate product-specific emissions**

Determine the specific direct and indirect specific emissions of CBAM goods.

# 2 GENERAL METHODOLOGY FOR DETERMINING PRODUCT EMISSIONS

## Comparison of the scopes in the product footprints and the CBAM requirements



Source: European Commission - Directorate-General for Taxation and Customs Union, 2023

## 2 GENERAL METHODOLOGY FOR DETERMINING PRODUCT EMISSIONS

Differentiation between "simple good" and "complex good"

### SIMPLE GOOD

- CBAM goods whose CN codes belong to an "aggregated goods category" for which **no primary products** are defined according to the CBAM Implementing Regulation (e.g. pig iron, raw aluminium)



### COMPLEX GOOD

- CBAM goods whose CN codes belong to an "aggregated goods category" for which **preliminary products** are defined in accordance with the CBAM Implementing Regulation. (e.g. pipes, profiles)

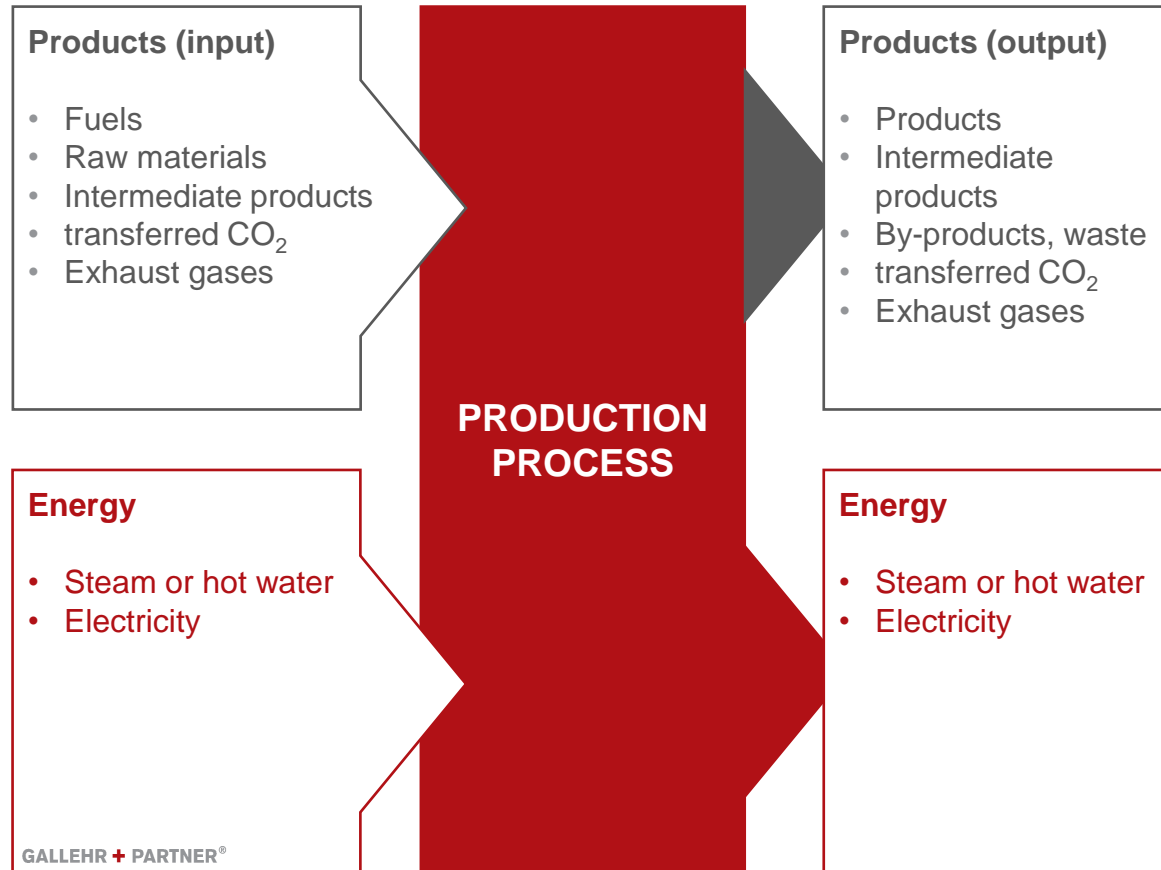


Source: European Commission - Directorate-General for Taxation and Customs Union, 2023

# 2 GENERAL METHODOLOGY FOR DETERMINING PRODUCT EMISSIONS

## Calculation approach at a glance

### Principle of production process accounting

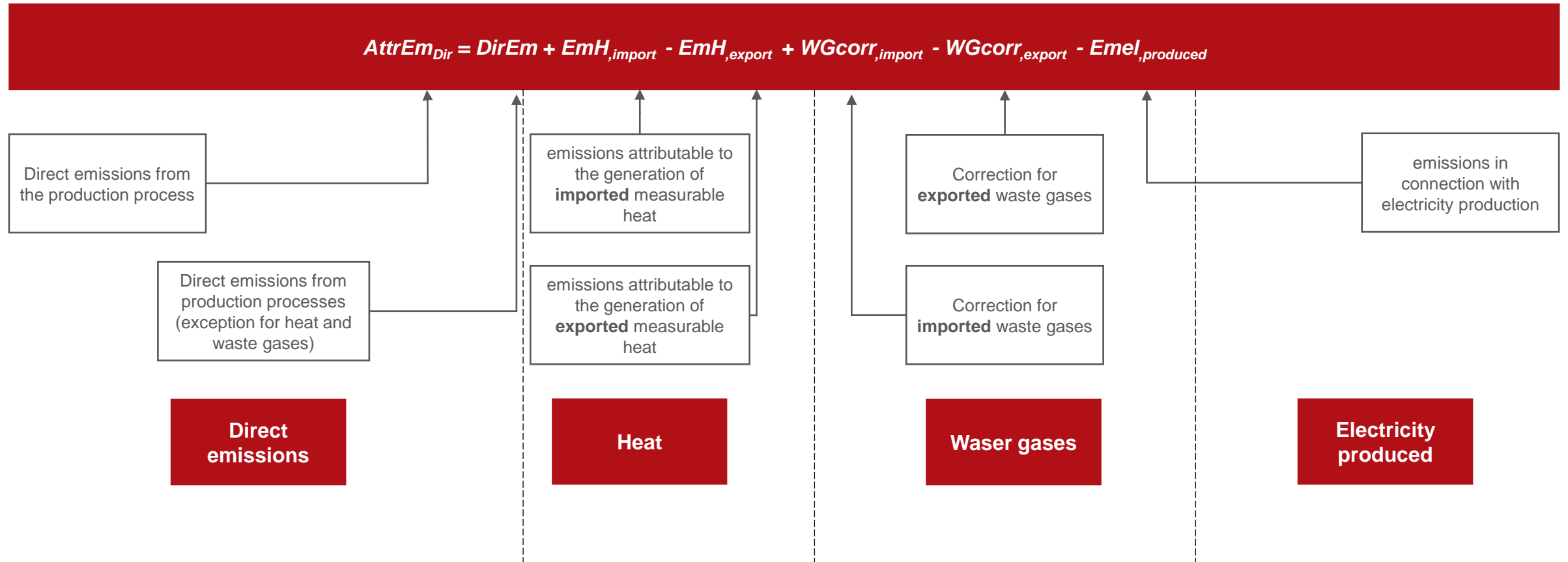


- **Direct emissions from fuels and materials**
  - Standard method, mass balance, continuous emission measurement
- **Direct emissions in connection with heat flows**
  - Determination of heat flows
  - Emissions = heat flow · emission factor
- **Waste gases**
  - Determination of currents and calorific values
- **Generated electricity**
- **Indirect emissions from electricity consumption**
  - Determination of electricity consumption for the production of CBAM goods
- **Primary products**
  - Determine quantity and emission factor

Source: European Commission - Directorate-General for Taxation and Customs Union, 2023

# 2 GENERAL METHODOLOGY FOR DETERMINING PRODUCT EMISSIONS

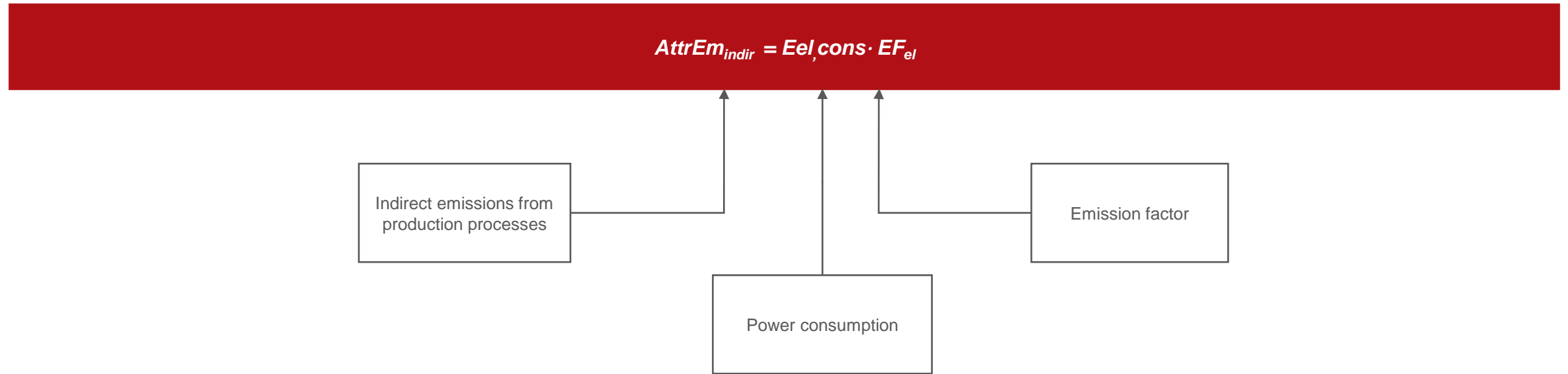
## Calculation approach for direct emissions





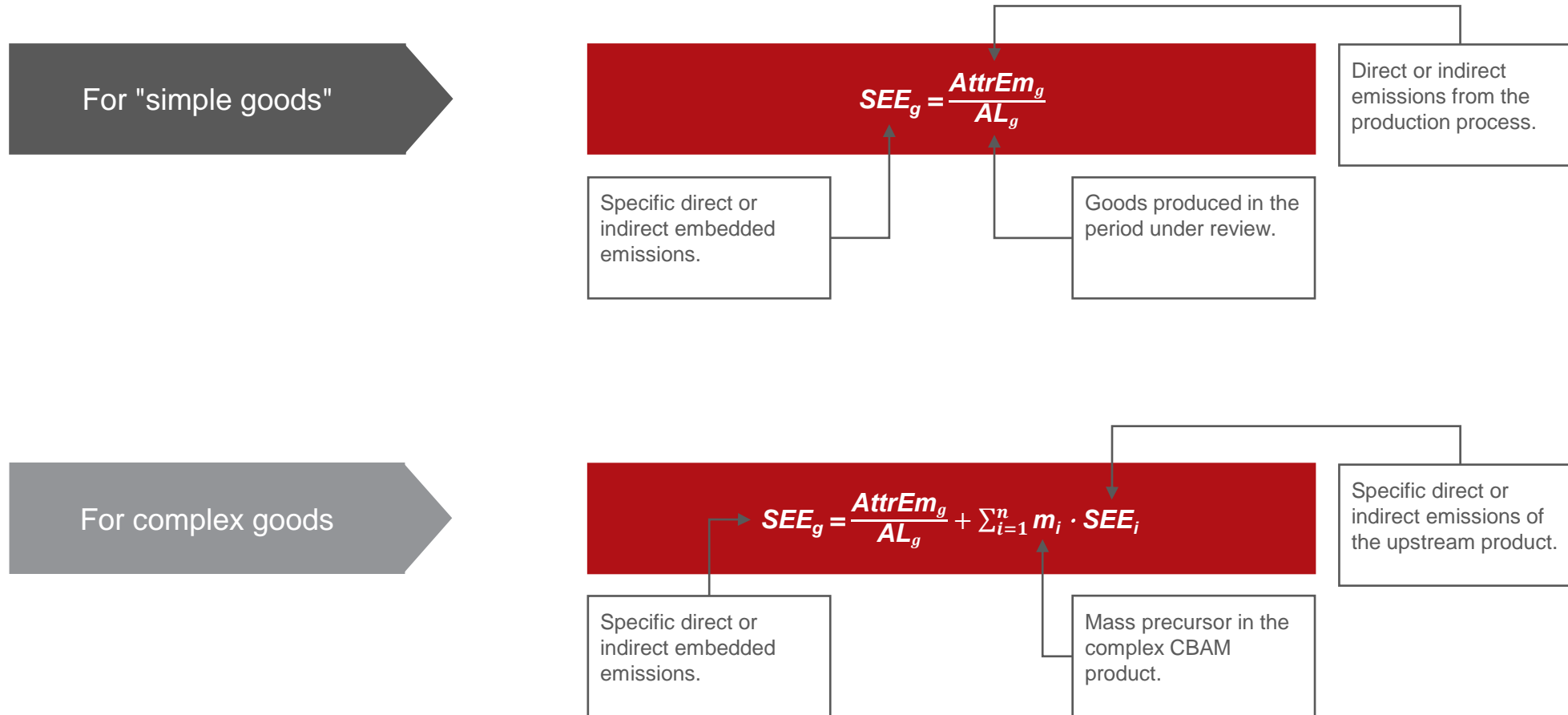
## 2 GENERAL METHODOLOGY FOR DETERMINING PRODUCT EMISSIONS

### Calculation approach for indirect emissions



## 2 GENERAL METHODOLOGY FOR DETERMINING PRODUCT EMISSIONS

### Calculation of specific direct and indirect emission factors



Source: European Commission - Directorate-General for Taxation and Customs Union, 2023

# Brief introduction

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**GALLEHR + PARTNER**<sup>®</sup>  
GALLEHR SUSTAINABLE RISK MANAGEMENT GMBH

GALLEHR+PARTNER<sup>®</sup> is a trade mark registered in Germany by Sebastian Gallehr and refers to the network of companies to which Gallehr Sustainable Risk Management GmbH also belongs.

**GALLEHR + PARTNER**<sup>®</sup>

## GALLEHR+PARTNER®

### - The pilots for industry towards climate neutrality

GALLEHR+PARTNER® has been able to establish itself as a leading provider of climate protection, energy efficiency and sustainable energy procurement services with the claim of being a pilot for industry into a competitive and climate-friendly future.

The client base of Gallehr Sustainable Risk Management GmbH includes a large number of nationally and internationally renowned companies, also listed on the stock exchange, primarily from the industrial, energy supplier, agricultural and aviation sectors. We have been active on the market since 2007 and have already been able to successfully contribute our know-how to more than 150 companies with the help of our experienced consultants and experts, who now number 25.

# GALLEHR+PARTNER® – SELECTED REFERENCES



DAIMLER



HelmholtzZentrum münchen  
Deutsches Forschungszentrum für Gesundheit und Umwelt



# GALLEHR+PARTNER® – OUR SERVICES



## Climate and CSR strategy

- Transformation concepts
- Climate and sustainability strategy
- Market environment and stakeholder analysis
- Climate Impact Assessment
- Target formulation (e.g. on the basis of SBTi)
- Implementation support



## Mandatory emissions trading European and national

- Strategic advice and optimisation
- 1° to 360° support
- Preparation of allocation requests, monitoring plans, allocation data reports, emission reports
- Avoidance of double burdens ETS/BEHG
- Switch between EU-ETS and national ETS
- Other services and assistance (VPS backup, account opening and management support, trading support, etc.)



## Management systems

- Establishment and operation of agile management systems
- Integrated and ISO standard-compliant
- Paris compatible climate management systems
- EU Green Deal compliant governance structures



## Sustainable energy procurement and generation

- Resilient, cost-optimal and risk-appropriate procurement strategy
- Tender services from fixed price to structured procurement
- Self-generation, PPA, HKN and integration in energy procurement
- Additionality assessment



## Electricity price compensation

- Potential analysis
- Submissions and amendments in the required format
- Accompaniment of the audit by the auditor
- Execution of dispatch and communication via VPS incl. VPS backup



## Carbon Footprint

- Corporate, Product & Project Carbon Footprints
- Life cycle analysis
- Based on recognised guidelines & standards (GHG Protocol, ISO, PAS)



## Voluntary CO2 Compensation

- Strategic advice
- Evaluation and selection of suitable projects and providers
- Portfolio and risk management



## Communication

- Identification and classification of reputational and compliance risks
- Technical content support for climate and sustainability-relevant communication to customers, investors and other stakeholders
- Verifier and authority communication



## Sector coupling, Power to X, H 2

- Strategic advice
- Grants management
- Hydrogen colour theory
- Synthetic fuels
- Raising flexibility potentials
- Realisation H2 Electricity cost privileges



## Optimisation Incidental energy costs

- Manage grid usage, apportionments, taxes, levies
- Identify and use privileges (e.g. BesAR, special forms of grid use)
- Cost management

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