



CASE STUDY

SHALCO INDUSTRIES

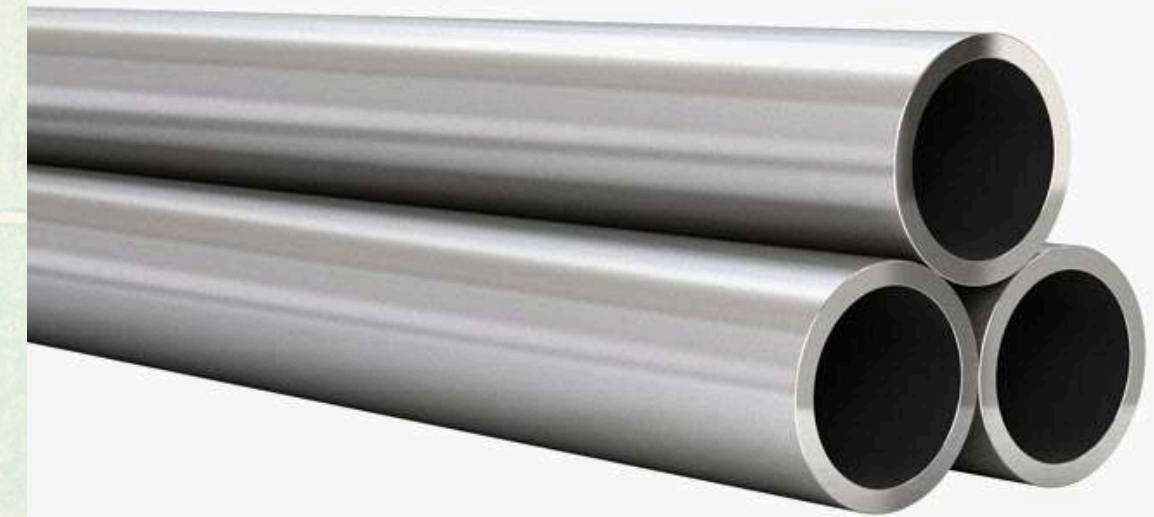
Shalco Industries is a leader in the manufacturing of industrial fasteners and precision components.



About Client

Shalco Industries stands as a prominent leader in the production of industrial fasteners and precision components, catering to a wide array of sectors such as automotive, aerospace, and heavy machinery. Renowned for its dedication to quality and innovation, Shalco Industries has established a robust presence in international markets, especially within the European Union (EU).

However, with the EU's implementation of the Carbon Border Adjustment Mechanism (CBAM), the company must ensure compliance with the new carbon emissions regulations for its exported goods.



Business Challenges

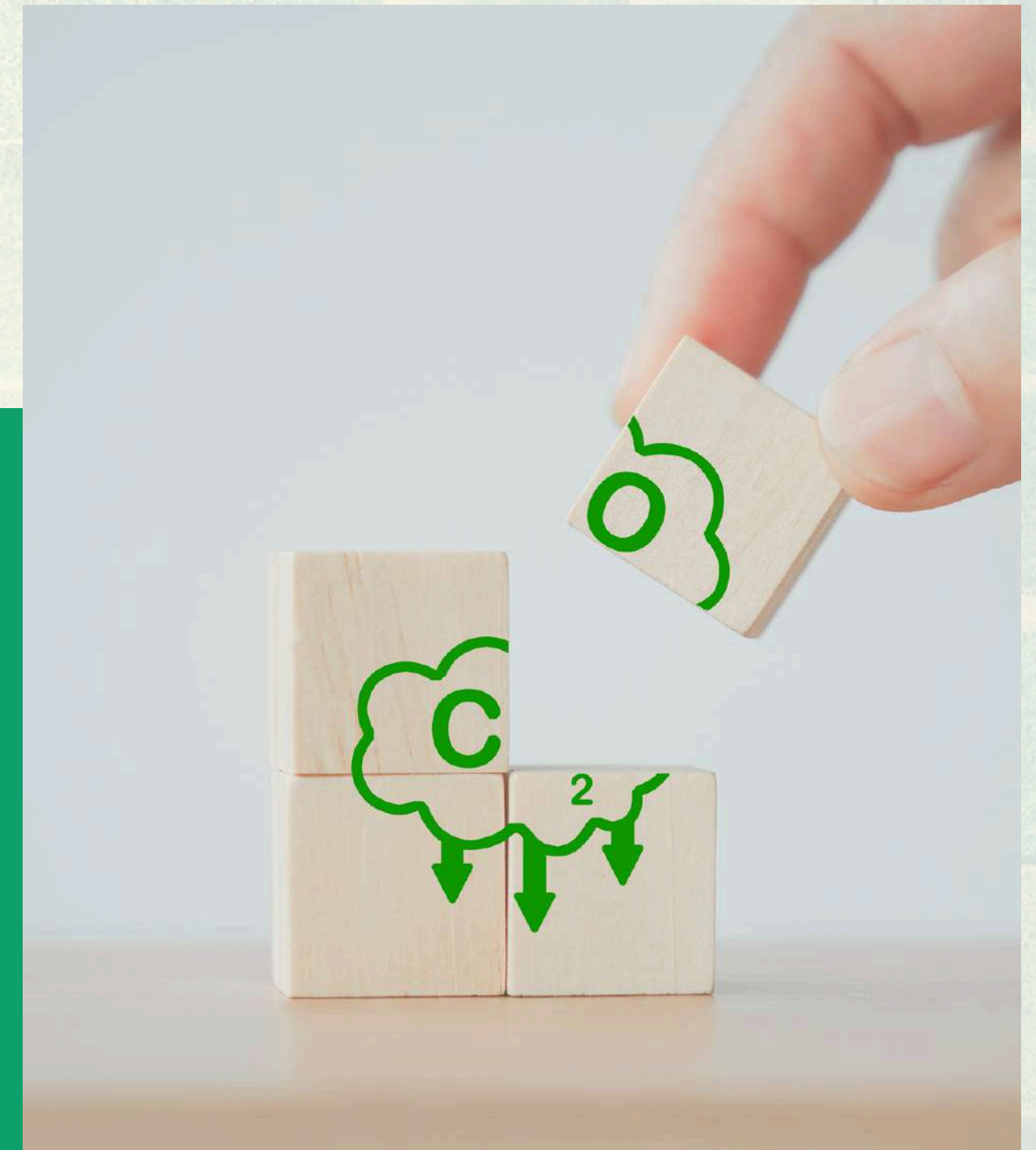
Shalco Industries was faced with the challenge of adapting its operations to meet CBAM requirements. The company recognized the potential financial risks of failing to comply, including the imposition of carbon tariffs on their exports to the EU. Their supply chain, involving energy-intensive processes, was also a key area of concern, as it directly contributed to their carbon footprint. Shalco Industries required a comprehensive strategy to accurately assess and mitigate emissions while maintaining the cost-efficiency and quality of their production processes.



The Solution

Cleancarbon.ai collaborated with Shalco Industries to develop and implement a CBAM compliance strategy, which addressed the company's specific operational and environmental needs. Our solution included:

- **Carbon Footprint Analysis:** We conducted an in-depth analysis of Shalco Industries' entire manufacturing process, identifying key areas where carbon emissions were generated. This included assessing raw material procurement, energy consumption, and transportation logistics.
- **Emission Reduction Initiatives:** Based on the findings from our analysis, we worked with Shalco Industries to implement emission-reducing practices. This included exploring the use of renewable energy, optimizing manufacturing processes for energy efficiency, and enhancing recycling measures to reduce waste.



- **Compliance and Documentation Support:** Cleancarbon.ai assisted Shalco Industries in ensuring full compliance with the CBAM regulations. We provided support in preparing and managing the necessary documentation to meet EU reporting requirements for carbon emissions. This included the implementation of data tracking systems to simplify future reporting and audits.
- **Continuous Improvement Framework:** To ensure Shalco Industries remained compliant with evolving environmental standards, we introduced a framework for continuous monitoring of carbon emissions. This system allowed them to make real-time adjustments to their operations, further reducing their carbon footprint and staying ahead of any changes in CBAM regulations.



Result

Through Cleancarbon.ai's strategic intervention, Shalco Industries was able to successfully align with CBAM regulations, ensuring continued market access to the EU without facing punitive carbon tariffs. Key outcomes included:

- A 12% reduction in carbon emissions within the first year of implementation.
- Seamless compliance with CBAM reporting requirements, avoiding financial penalties.
- Improved operational efficiency, leading to cost savings and enhanced environmental performance.



Conclusion

The partnership between Cleancarbon.ai and Shalco Industries showcases how businesses can not only meet but exceed regulatory requirements when it comes to sustainability. By proactively adopting emission-reduction strategies and ensuring compliance with CBAM, Shalco Industries strengthened its position in the EU market while reinforcing its commitment to environmentally responsible practices.

