

CHM GLOBAL

EU ETS Services

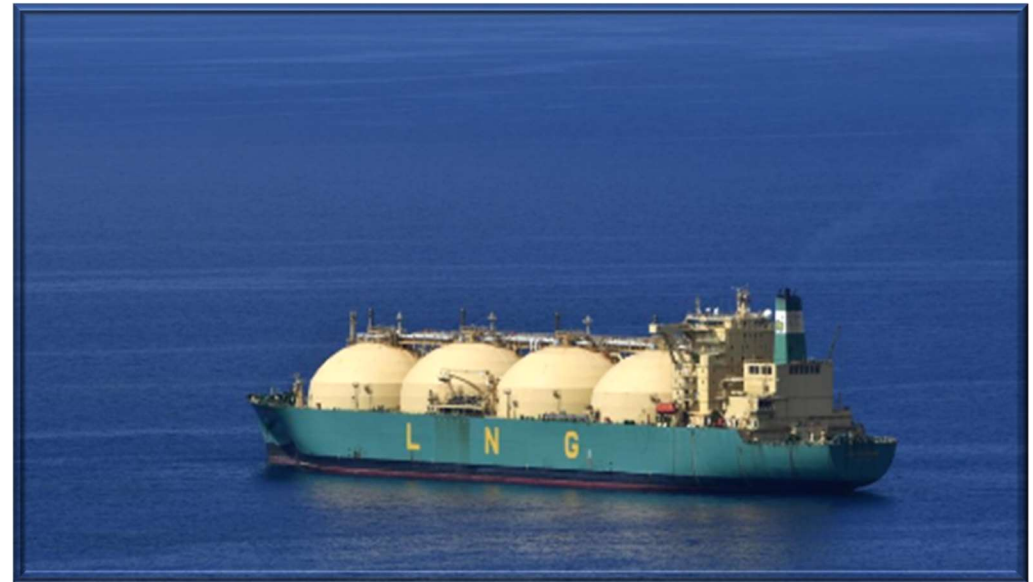
*WE LOOK AT IT FROM
A DIFFERENT POINT OF
VIEW TO DELIVER YOUR
EXPECTATIONS*



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EU ETS Services

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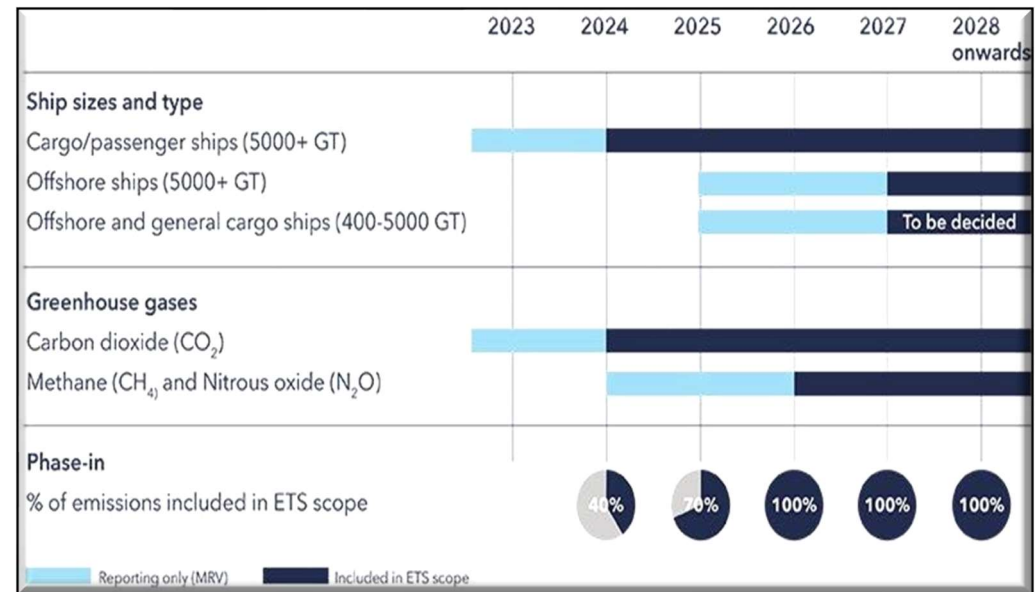
In Nutshell EU ETS

- ❖ The EU Emissions Trading System (ETS) is an emissions cap-and-trade system that aims to reduce greenhouse gas (GHG) emissions by setting a limit, or cap, on GHG emissions in the economy.
- ❖ Each year, a limited no. of EU Allowances (EUAs) is available for trading in market, and this is reduced yearly for EU to meet target of a 55% reduction in GHG emissions by 2030 Vs. 1990, and net zero by 2050.
- ❖ Each EUA gives a right to emit GHG emissions equivalent to global warming potential of 1 ton of CO₂ equivalent.



Timeline - Shipping Industry EU ETS Introduction

- ❖ The EU's legislative bodies have adopted a revision of the EU ETS directive to include shipping from 2024.
- ❖ This entails a three-year phase-in period, increasing in scope from 40% of emissions in 2024 to 70% in 2025 and 100% in 2026. It applies to cargo and passenger ships above 5000 GT from 2024 and offshore ships above 5000 GT from 2027.
- ❖ The EU ETS will initially cover carbon dioxide emissions and be widened to include methane and nitrous oxide from 2026.



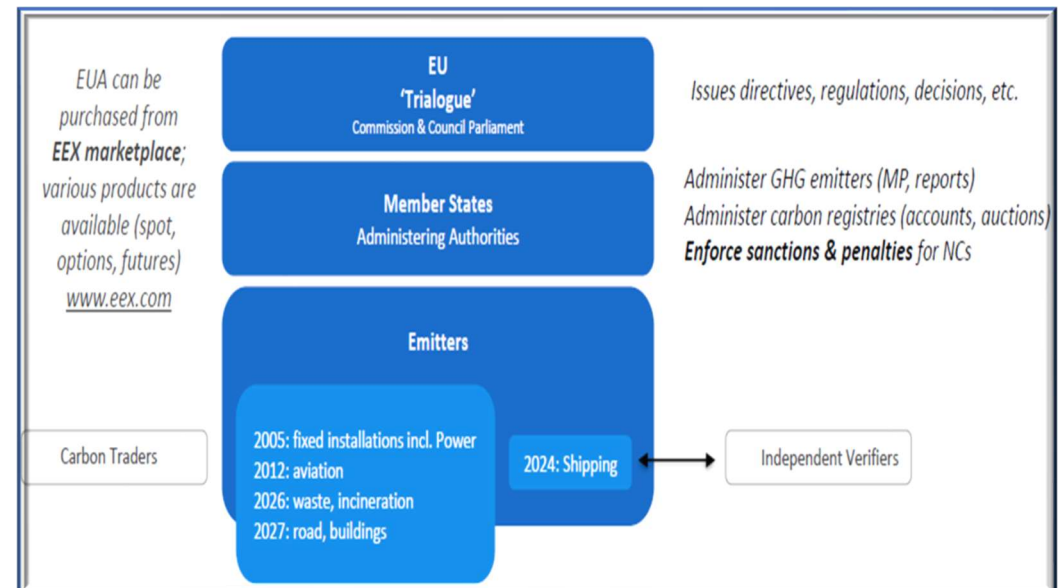
Compliance Cycle & Key Factors

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Compliance Cycle



Key Factors



Legal Instruments

EU ETS Services



Shipping EU MRV

- Applied since **2018**
- Monitoring, Reporting and Verification of CO₂ emissions for ships > **5,000 GT**
- Update of Monitoring Plan required to monitor **CH₄** and **N₂O**
 - Delegated/Implementing Acts expected in **October 2023**
 - Deadline for approved MPs on-board clarified then (**Q1 or Q2 2024**)
- Extended from **2024** to include :
 - **CH₄** and **N₂O**
- Extended from **2025** to include :
 - General cargo ships and offshore ships between **400 and 5,000 GT**



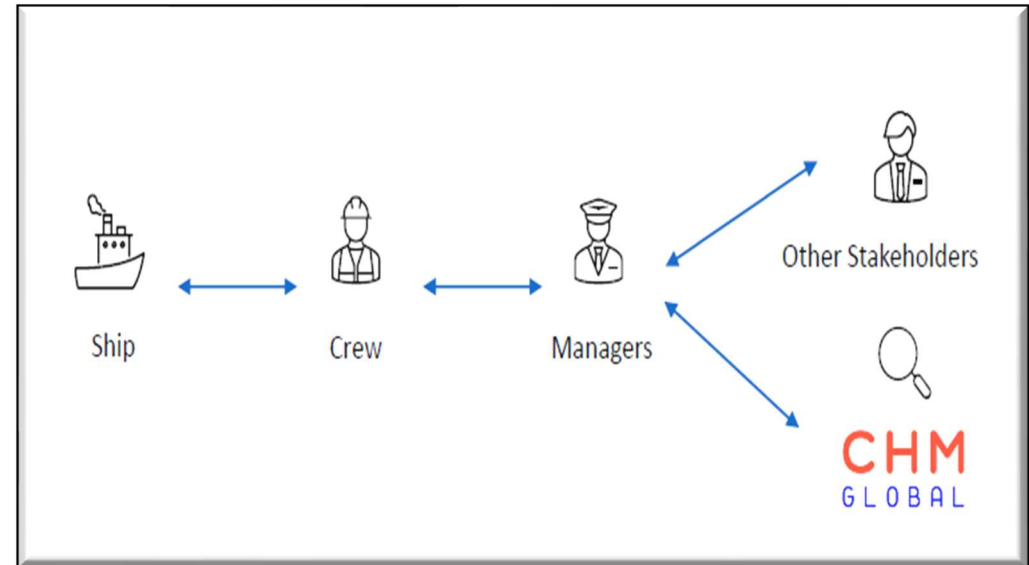
Shipping EU ETS

- Applies for CO₂ emitted **2024** (with first surrendering of allowances in **2025**)
- Phased-in approach for surrendering of allowances
- Total CO₂ emitted under ETS scope:
 - **40%** in **2024**
 - **70%** in **2025**
 - **100%** in **2026**
- ETS scope includes 100% of emissions intra-EU and 50% of emissions extra-EU
- Extended from **2026** to include :
 - Surrendering for **CH₄ / N₂O** emissions
- Extended from **2027** to include :
 - Offshore ships > **5'000 GT**

Our EU ETS Services

CHM GLOBAL, IS THE PREFERRED CHOICE IN THE MARITIME INDUSTRY FOR COMPETITIVE VERIFICATION SERVICES.

- ❖ EU ETS & EU MRV Dashboard
- ❖ EU ETS & EU MRV Training
- ❖ EU ETS IT System Certification
- ❖ EU ETS Emissions Report Verification
- ❖ EU ETS & EU MRV Monitoring Plan Assessment



Our Service Partner - Verification

**VERIFAVIA, IS OUR SERVICE PROVIDER
RECOGNIZED AS A GLOBAL HAZMAT EXPERT
COMPANY**

- ❖ VERIFAVIA is an ISO 17029 accredited company by COFRAC and UKAS.
- ❖ CHM offers a wide range of shipping services having a strong business base in Qatar and ME engaging our service provider for specialized services.



Our Service Partner - Emission Trader

**VERTIS, IS OUR EMISSION TRADER &
FUNCTIONED 1.6+ BILLION UNITS.**

- ❖ VERTIS, have been a pioneer in carbon markets since 2001 with drive to move world for a greener future.
- ❖ CHM defines the compliance strategy for the EU ETS, structuring transactions to manage risk and cash flow and making informed decisions with the support of our research and analysis team.



Process EU ETS Services



Accurate EU MRV +
ETS data & CII Rating.
On a Per Voyage basis



Validation request by
Charterers of Verified II Rating
on a per voyage basis.



Multiple deadlines coming up
due to CII compliance and EU
ETS allowance surrender.

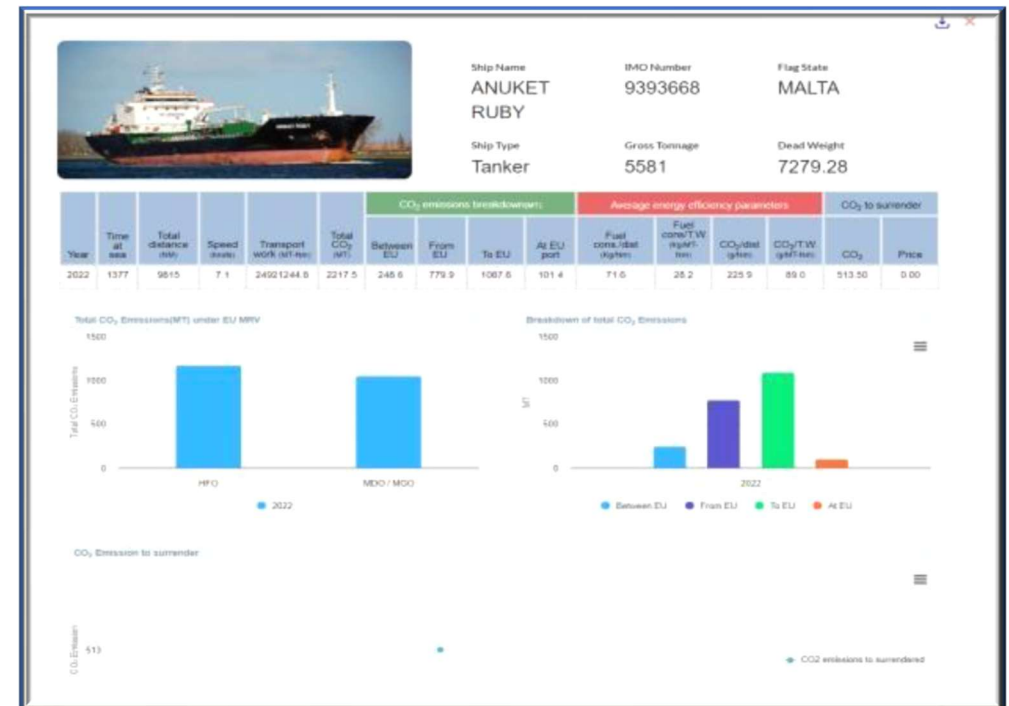


Commercial decisions with
financial impacts to be made on
the verified data.



All actors involved benefit from estimated /
validated data regarding EU ETS allowances and
CII rating for time and voyage charters.

Dashboard EU ETS Services



Why to Choose Us For EU ETS Services

- ✔ Based on our innovative approach, streamlined procedures, and a team of experts, we offer a top-notch service that ensures customers have a seamless verification process.
- ✔ We stay up to date with all the regulations and upcoming regulations and has always been determined to keep all our clients and partners updated.
- ✔ We also have experience in IT systems certification (EU MRV/CII) which gives us an added advantage to understanding reporting and monitoring of the data.



CHM GLOBAL

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