

▲ Fang Sheng has obtained the ISO 14067 carbon footprint certificate.

FANG SHENG SCREWS- More Carbon Reduction Certificates

10-year Program to Meet Customer Needs

With the CBAM to be fully implemented on 01/01/2026, Taiwanese leading socket screws and special products manufacturer, Fang Sheng Screws, has been making staged achievements in corporate organization and carbon reduction in product manufacturing with proactive and forward-looking pace and management in recent years.

After obtaining the ISO14067 product carbon footprint certification issued by French AFNOR International, Fang Sheng further completed the audit of ISO14064-1 greenhouse gas (GHG) inventory certification in Nov. 2024, which is expected that a formal certificate will be issued upon completion of the final review by the verification unit. After the introduction and implementation of ISO14064-1 and ISO14067, Fang Sheng will start the application for ISO14068-1 carbon neutrality certification in the future. Through the full implementation of CBAM-related int'l standards, Fang Sheng will demonstrate to global partners and customers its capability of achieving the goal of carbon neutrality and enhance its competitiveness together with customers, hopefully gaining more advantages and opportunities for itself in response to the reshuffling effect that may be triggered by CBAM in the future market.

Real IS014064-1 and IS014067 Carbon Management

"Net Zero & Carbon Reduction" is not a vague slogan to tell customers, but a concrete practice to be implemented within the organization and product manufacturing for Fang Sheng. Since the EU CBAM declaration places special emphasis on the verification and management of carbon emissions data of manufacturers, Fang Sheng has focused on the introduction and implementation of the ISO14067 carbon footprint and ISO14064-1 GHG inventory standards from the very beginning. For the part of carbon footprint, it first introduced the ISO14067 standards to fully understand the entire product life cycle from raw material, manufacturing, packaging, transportation to waste disposal, and the carbon emissions data at each stage, and then further appoint various departments to implement specific carbon management. After that, for the part of GHG inventory, the ISO14064-1 is introduced to understand the carbon emissions within the organization in order to quantify, monitor and report the data to ensure their transparency and consistency. In addition, Fang Sheng also maintains close cooperation with external organizations to assist in solving difficulties encountered in carbon reduction management. Moreover, the company conducts regular carbon emission audits to ensure the effectiveness of carbon management measures.

"The emergence of CBAM has clearly pointed out that carbon reduction is the future direction of the fastener industry, which is why Fang Sheng has been actively involved in the ISO 14064-1 and ISO 14067 certifications. At this stage, we have already grasped the carbon emission data inside and outside the organization, and we are working hard to implement internal carbon management. In the future, we will further introduce the ISO 14068 carbon neutrality standard to verify whether we have achieved our carbon neutrality goal in the medium and long term," says Jess Tsai, General Manager of Fang Sheng, responsible for coordinating and planning the overall direction of carbon management.

"From the perspective of energy consumption in production, the introduction of ISO14067 and ISO14064-1 not only allows us to better understand whether the carbon emissions and energy consumption data of our production lines are normal, but also helps us optimize the management process, and at the same time, allows us to be more meticulous in carbon management." says Ben Tsai, Vice Factory Director, who is on the front line of production line management.

Installing Solar Panels and Replacing High-Energy-Consuming Equipment as Priorities

Fang Sheng's 10-year carbon reduction plan integrates many sub-projects, among which the addition of self-generated and self-consumed solar panels and the upgrade and replacement of heat treating and spheroidizing furnaces are priorities in the next few years. It is known that the installation of solar panels in Plant no.2 is divided into two phases. The first phase has already been completed and the second phase is expected to be completed no later than Q1 2025. It is estimated that the installation of solar panels alone will help Fong Sang reduce carbon emissions by at least 15-20% annually. As for the replacement of heat treating and spheroidizing furnaces and improvement of energy consumption, it is expected to be promoted gradually in the next few years. In addition, by prioritizing the improvement of energy-consumption in power and heat treatment, Fang Sheng expects to accelerate the achievement of significant results in carbon reduction. In the future, it does not rule out the possibility of more diversified carbon reduction in areas such as energy storage equipment and hydrogen reuse.

Preparations for ISO 14068-1 in 2025

Although Fang Sheng has already obtained the ISO14067 certification and the procedure for getting the ISO14064-1 certification has been almost done, Fang Sheng's effort on getting more CBAM certificates is still ongoing. In 2025 the preparations for the ISO14068-1 certification will be commenced, including the education and training of relevant personnel, and further development of medium- and long-term carbon reduction planning based on the ISO14064-1 (Scopes 1 & 2) and the ISO14067. It is hoped that through prior education and training, relevant personnel will be able to deeply understand the actual meaning of the regulations and review whether the actions taken based on ISO14064-1 and ISO14067 are correct and appropriate, and will set specific carbon reduction targets and implementation directions based on the training results to ensure that the future carbon reduction strategy is more systematic and forward-looking. It is expected that in a few years external organizations will be invited to successively provide specialized counseling to accelerate the certification process through professional resources, shorten the time to achieve carbon neutrality, and move towards the goal of sustainable development in a comprehensive manner.

"We hope to reduce our carbon emissions by 15-20% between 2026 and 2027, with a further 10% reduction after 2028, and a 30% reduction in total by 2030 as the first phase target." says G. M. Tsai.



Carbon Reduction Plan is the Key

CBAM will definitely become a benchmark for customers to select suppliers. It is expected that the verification criteria will be finalized in Q3 2025, which will enable manufacturers to comply with the law in the declaration process. Fang Sheng is not worried about this and says that they are well prepared, as they have a complete understanding of the declaration details, fully understand what information is required by CBAM, and more importantly, have drawn up a complete medium and long-term plan for their future carbon reduction targets.

"While CBAM declaration is decisive for our customers' ability to obtain lower tariffs, our customers are more concerned about whether or not their suppliers have a long-term carbon reduction plan, which is also a key factor in evaluating if their suppliers have a future. Considering the budget of carbon reduction programs, large companies like Fang Sheng are definitely more qualified to do so. In anticipation of future CBAM-like regulations and carbon reduction requirements in various countries, customers are likely to demand more from their suppliers. We will do our best to keep our customers informed of Fang Sheng's future

carbon reduction plans, so that they can be assured that we will be a long-term strategic partner," says Jason Tsai, Vice General Manager.

"What EU importers really need is a stable supplier with a longterm plan for carbon reduction. Many large European distributors have internal mechanisms to evaluate suppliers and are actively consulting Fang Sheng on future plans and production capacity. Therefore, being on the front line of production, Fang Sheng has advantages such as understanding carbon management and having a complete medium- and long-term carbon reduction plan, which will definitely help our customers comply with regulatory requirements and be competitive in the right way," says G. M. Tsai.

CBAM is going to influence the industries from all aspects, and apart from Europe, other countries are also likely to introduce more carbon reduction requirements. Fang Sheng, which has a comprehensive plan for CBAM certification and carbon reduction programs, is ready to meet the challenges that may arise in the future.

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