



# Webinar

Standardizing Carbon Neutrality,  
a milestone on the way to net zero.

25 November 2021



# Your webinar moderator



**Els Somers**

Project Manager

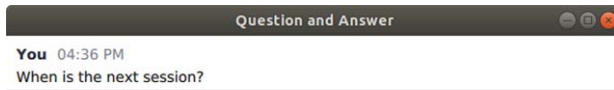
Policy & Partnerships

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# Get the most out of the webinar today



- ▶ Use the Q&A panel to submit your questions

A screenshot of a question submission form. It features a large text input field with the placeholder text 'Type your question here...'. Below the input field, there is a checkbox labeled 'Send anonymously' and a 'Send' button.

- ▶ Talk about us on Twitter [#training4standards](#) [@Standards4EU](#)

# Your speakers today



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# An introduction to standardization and climate change

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# European Standardization Organizations



**CEN** - European Committee for Standardization

**CENELEC** - European Committee for Electrotechnical Standardization

**ETSI** - European Telecommunications Standards Institute

→ Recognized by European law ([EU Regulation 1025/2012](#))

# Standardization happens at different levels

- Aim: identical standards in Europe and worldwide



National



European



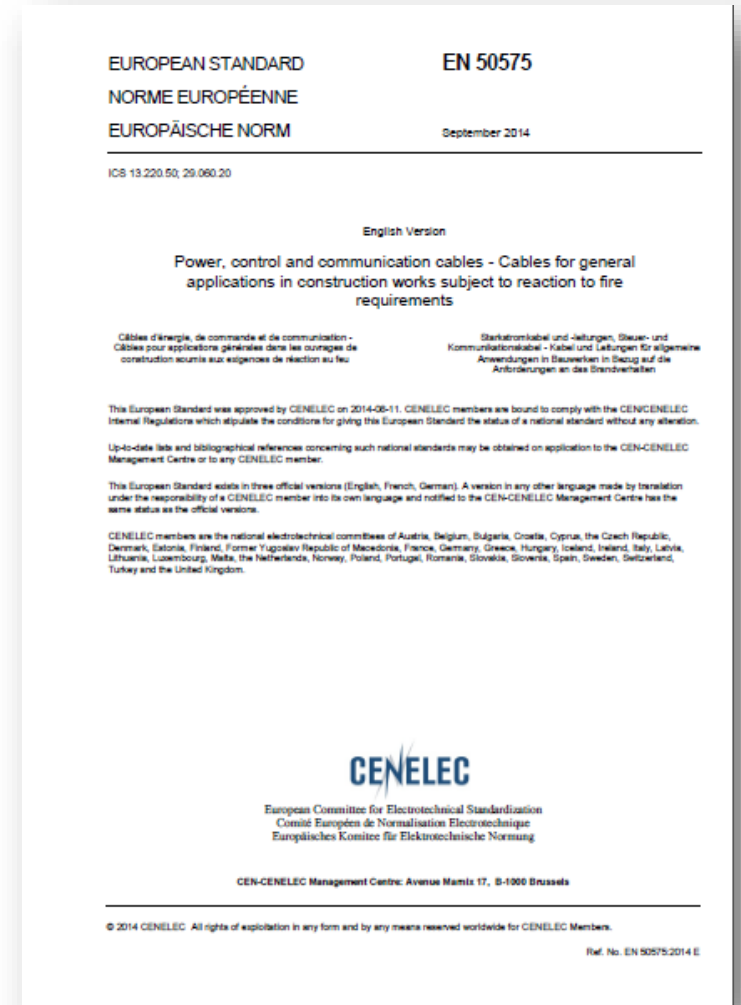
International

# What is a Standard?

Technical documents designed to be used as a rule, guideline or definition, which are:

- ✓ Produced by all interested parties in a **transparent, open and consensus based** process
- ✓ Intended for a **common and repeated use**
- ✓ **Voluntary** in use
- ✓ Approved by a **recognized body**
- ✓ Possible tool to underpin **legislation**

Recognized businesses and by regulators



# The network of CEN and CENELEC

More than **200 000** experts are connected

- ▲ **34 national members**
- ▲ **European organizations** - *associations and federations of businesses, consumers, environmental and societal organizations, etc.*
- ▲ **Institutions and governmental bodies** (*including the European Commission (EC) and the European Free Trade Association (EFTA)*)
- ▲ **Affiliates** - the national standards bodies in countries that are cooperating with the European Union
- ▲ **International cooperation** *with ISO and IEC & regions and countries outside the European Union and EFTA*

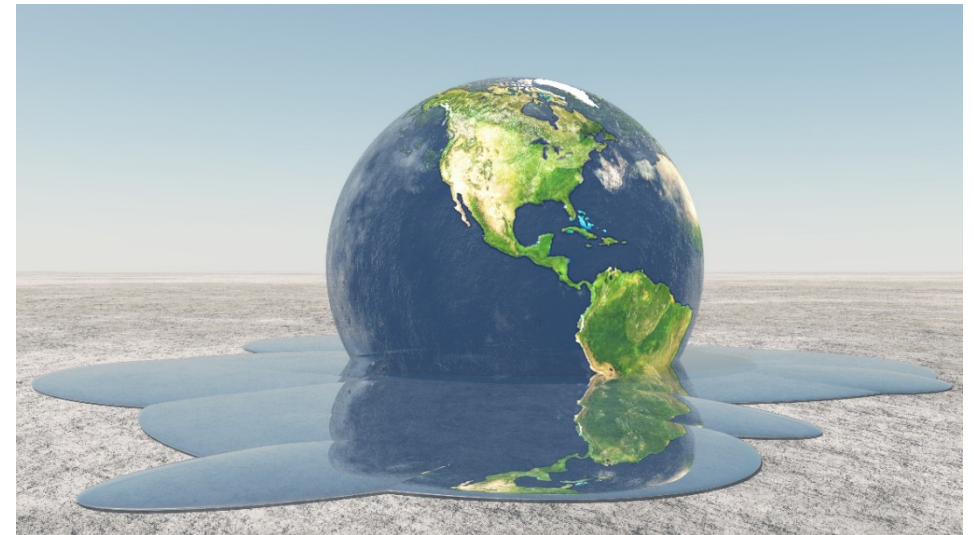


# The changing climate

- Human activities have caused temperature increase (1,1°C above pre-industrial levels in 2019) leading to global warming
- Changes in climate have caused impacts on natural and human systems on all continents and across the oceans.
- Existential threat posed by climate change



Increased climate **action** and enhanced **ambition** is required



# The view of the EU

- Emissions must be reduced **in all sectors**, from industry and energy, to transport and farming
- Climate action should be **an opportunity** for all sectors of the economy in the Union to decouple economic growth from greenhouse gas emissions.
- The EU is a global **leader in the transition** towards climate neutrality: will help raise global ambition and to strengthen the global response to climate change



The Standardization community is committed to support the transition:

- ✓ [CEN-CENELEC policy paper](#) - Uniting the world to tackle climate change: COP26 and the commitments of European Standards
- ✓ **ISO London declaration** - Combat climate change through standards

# The policy background

## European climate policy framework

- ✓ **European Green Deal** - aims to make the EU **climate neutral by 2050**
- ✓ **Climate Law** ([Regulation \(EU\) 2021/1119](#)) - binding greenhouse gas emissions reduction target of at least **-55% by 2030**

**Climate change is a global threat and can only be addressed by a global response**

## International framework

- ✓ United Nations 2030 **Agenda for sustainable development**,
- ✓ UN **Framework Convention of Climate Change** (UNFCCC) and its Paris Agreement.

EU actively engages and supports its international partners on climate action

## Standards

- ✓ **contribute to this transition by providing reliable solutions to industry and support to policy implementation,**
- ✓ **ensure comparability, transparency and they are certifiable both at European and at global level.**

**European coordination through CEN/TC 467 'Climate change'.**



# Carbon Neutrality - What, how and why?

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**Marie GUSTAFSSON**

Principal consultant

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# What are claims of carbon neutrality?

our hotel is climate-neutral.

*because it is important to us.*

In May 2019, our headquarters and manufacturing plants were certified as Carbon Neutral.



## Carbon Neutral Buildings - Creating Value Through Architecture

LSE becomes first carbon-neutral university

## We are climate-neutral

Working with ClimatePartner, we  
calculated our carbon footprint for 2019  
and offset it



# What are claims of carbon neutrality?

## Global



a service of  
NATURAL  
CAPITAL  
PARTNERS



ecoact



CLIMATE  
NEUTRAL  
MEASURE  
REDUCE  
OFFSET **NOW**

## Regional

### Europe



firstclimate



CO<sub>2</sub>e  
Assessed  
Product

zero mission



### America



### Australia



# Why are claims made?



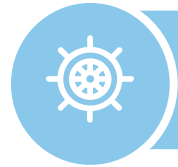
**Compact message**

**Communicating on their climate efforts in a few words**



**Stakeholders**

**To engage both internal and external stakeholders**



**Prove engagement**

**To demonstrate and taking ownership of their emissions**



**Advocacy**

**To push society and themselves**



**Reporting**

**Sustainability Reporting**

# Carbon neutrality

## IPCC definition

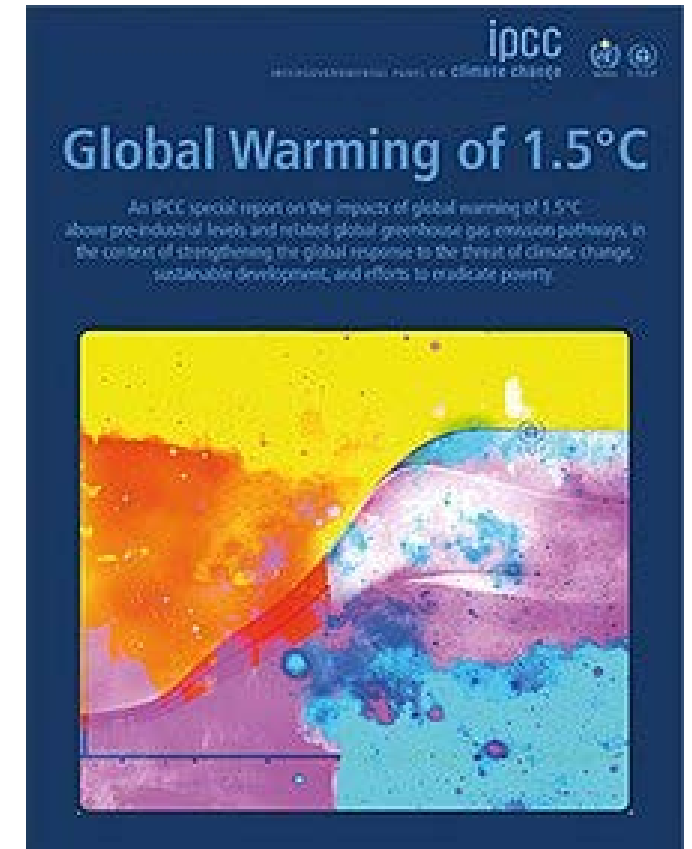
In order to meet the 1.5°C global warming target in the Paris Agreement, global carbon emissions should reach net zero around mid-century.

### Carbon neutrality

*See Net zero CO<sub>2</sub> emissions.*

### Net zero CO<sub>2</sub> emissions

*Net zero carbon dioxide (CO<sub>2</sub>) emissions are achieved when anthropogenic CO<sub>2</sub> emissions are balanced globally by anthropogenic CO<sub>2</sub> removals over a specified period. Net zero CO<sub>2</sub> emissions are also referred to as carbon neutrality.*



## What is it and why is it necessary?

### Carbon neutrality

*See Net zero CO<sub>2</sub> emissions.*

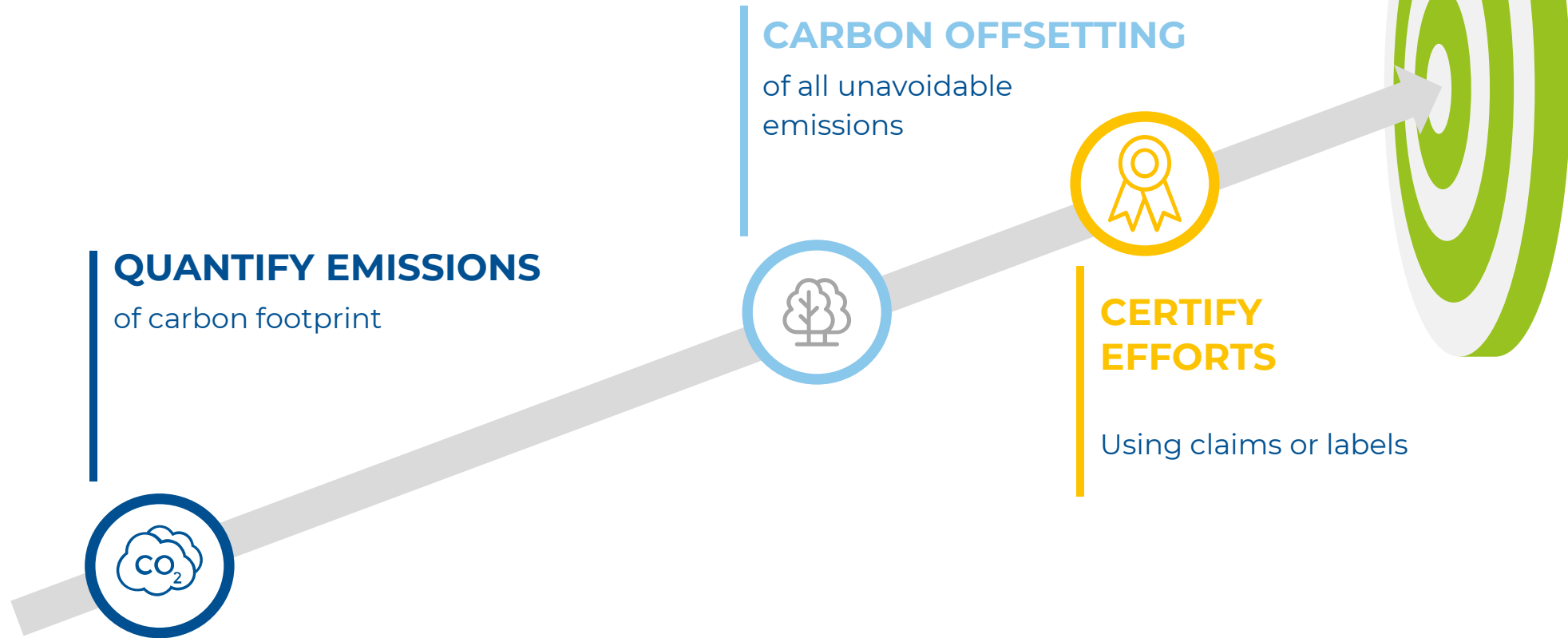
### Net zero CO<sub>2</sub> emissions

Net zero *carbon dioxide (CO<sub>2</sub>)* emissions are achieved when anthropogenic CO<sub>2</sub> emissions are balanced globally by anthropogenic CO<sub>2</sub> removals over a specified period. Net zero CO<sub>2</sub> emissions are also referred to as carbon neutrality. See also *Net zero emissions* and *Net negative emissions*.

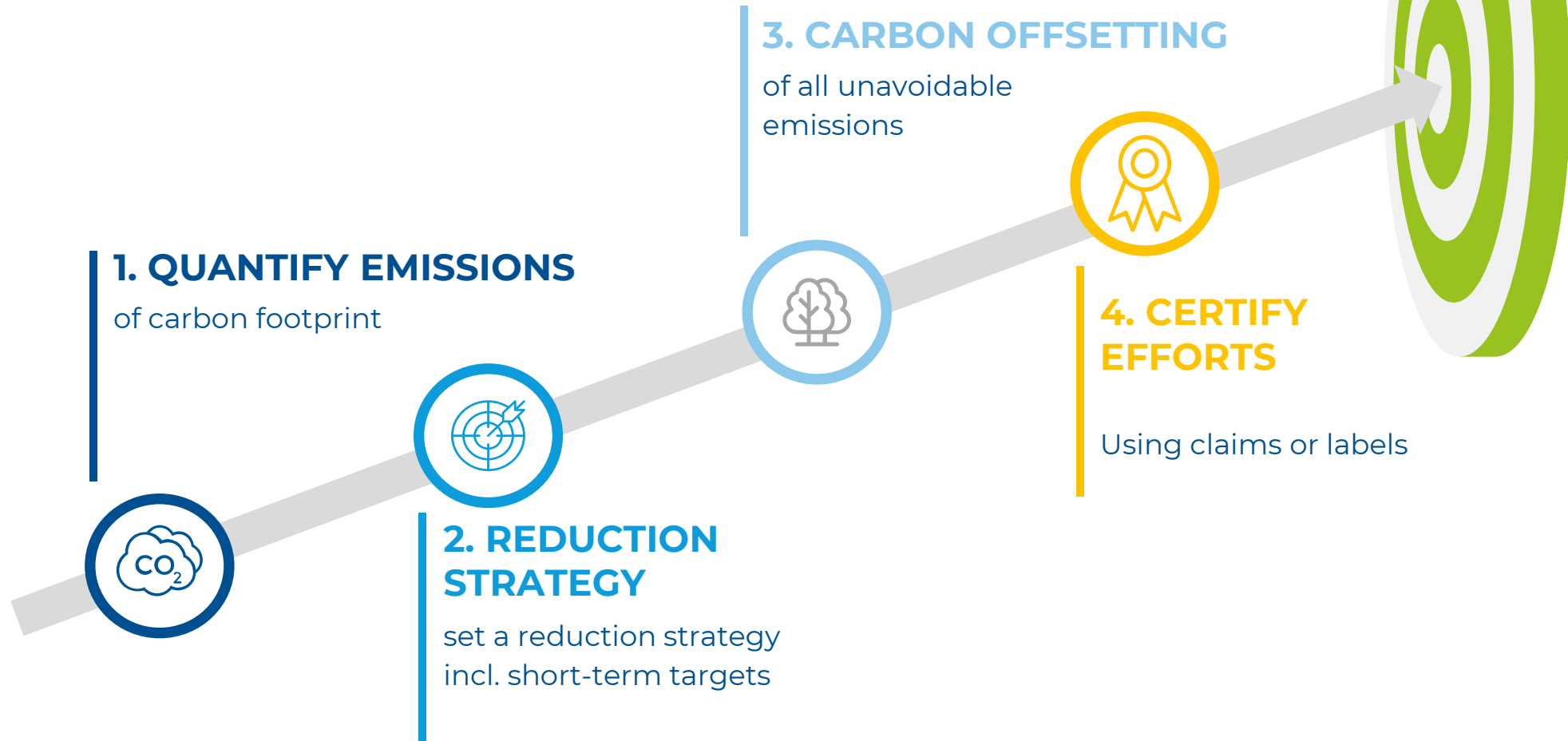
### Climate neutrality

Concept of a state in which human activities result in no net effect on the climate system. Achieving such a state would require balancing of residual emissions with emission (*carbon dioxide*) removal as well as accounting for regional or local biogeophysical effects of human activities that, for example, affect surface *albedo* or local *climate*. See also *Net zero CO<sub>2</sub> emissions*.

# What is generally done in practice?



# What is generally done in practice?



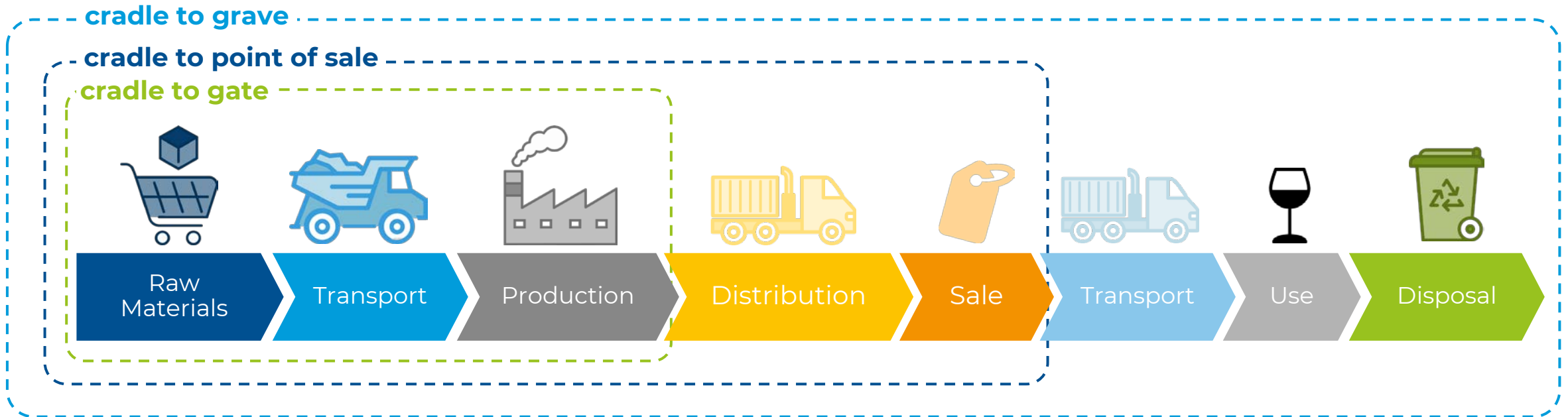
# Current differences in claims

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- Scope of the calculated and offset footprint

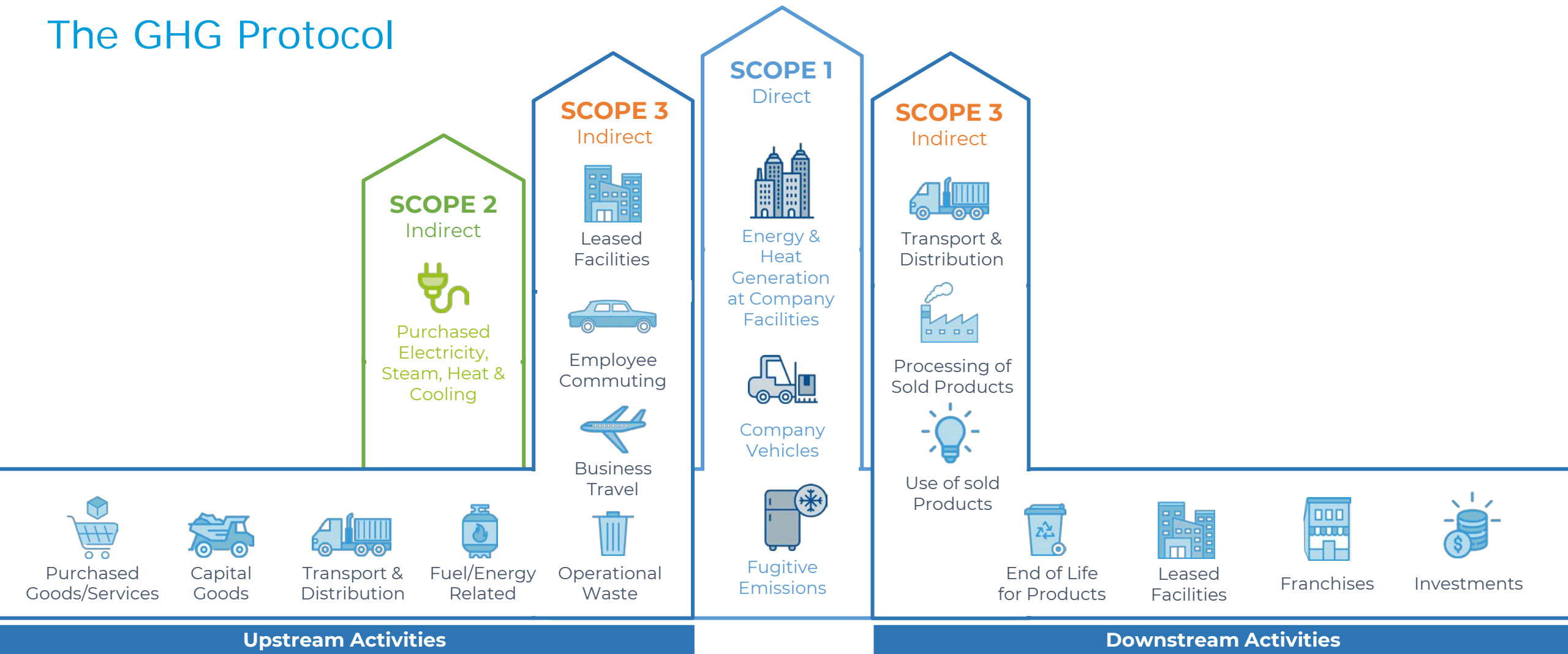
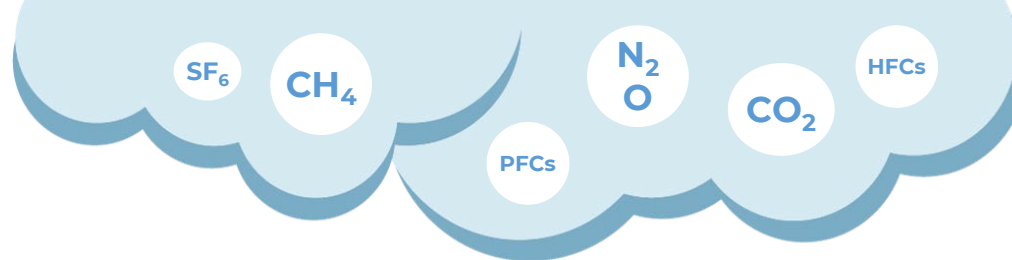
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- Scope of the calculated and offset footprint



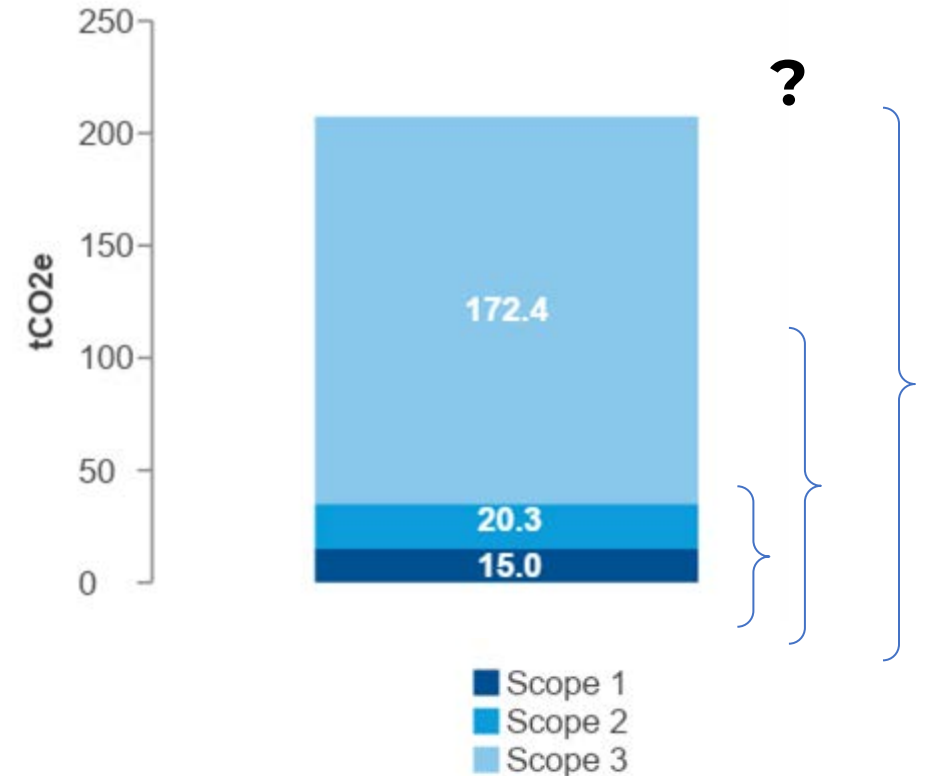
# Methodology

## The GHG Protocol







# Current differences in claims

- Scope of the calculated and offset footprint
- Verification of calculations
- Required/ambition of reduction plans and targets required
- Type of compensation credits used
- Requirements for transparency



# Corporate climate claims: a dynamic landscape

Governments	Civil society	Corporate reporting initiatives	Consumers & investor
 <p>Governments are setting <b>tougher requirements on the disclosure</b> around voluntary corporate climate claims, including 'carbon neutrality'</p>	 <p>NGOs have voiced concerns about how carbon credits are used in current corporate carbon neutrality claims; they want to see the full scope of activities</p>	 <p>Science-based Targets Initiative (SBTi) and ISO Carbon Neutrality Protocol are developing guidance on how companies can set targets, action roadmaps, and use carbon credits towards (public) claims - notably carbon neutrality and net zero.</p>	 <p>Clients and investors want more clarity around the environmental impacts, but also the climate credentials of a company's products and services</p>



- Country passed legislation on claims
- Consumer & Market Authority guidance on claims
- Court case on company claiming carbon neutrality
- Government standard to certify claims

# South Pole's requirements for climate neutrality

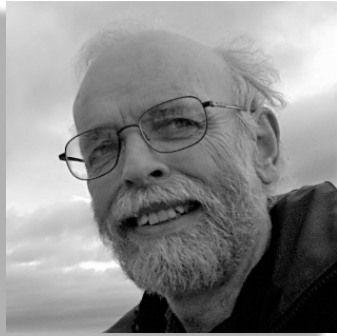


## relevant tools & platforms



1. **Calculate footprint** across **Scopes 1, 2 & 3** and **all main GHGs**
2. **Use established footprint standards**
3. **Set reduction targets** in line with the **Science Based Target approach**
4. Offset emissions with **high-quality offset projects**
5. **Disclose your footprint and efforts**
6. Follow through on reduction commitments & **assess your performance periodically**

# Standard on carbon neutrality



**Ian BYRNE**

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# ISO 14068 – Carbon Neutrality

In response to the issues that Marie has raised, ISO have established a working group to write a new standard on carbon neutrality.

But why do we need an international standard on carbon neutrality?

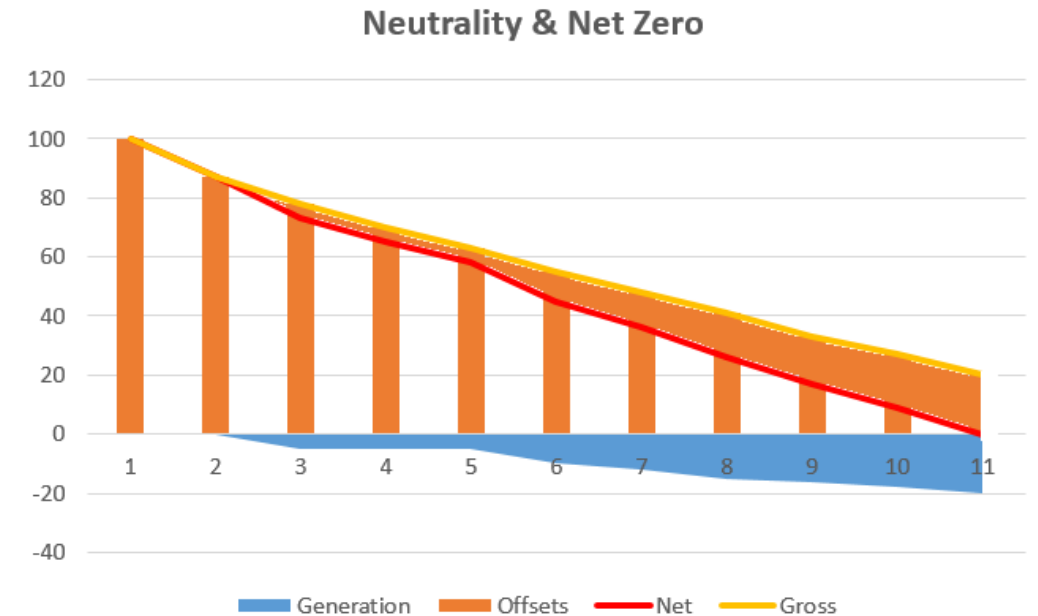
- Neutrality is out there – widely used
- No control over claims
- Lack of understanding by public  
... and the claimants themselves?
- Strong risk of greenwash
- Confusion with net zero



# Confusion with net zero?

But aren't net zero and carbon neutrality the same?

- Some people see them as synonyms
- Many definitions overlap
- But there are differences
- Most net zero claims are about targets – 2025, 2030, 2040, 2050, 2060
- Most carbon neutral claims are about now: “we are carbon neutral!”
- Also use of terms like climate neutral, carbon negative



- Typically carbon neutral is claimed by those selling or using offsets
- Balance total emissions associated with a company or product
- But rarely justify their claim, scope, or indicate the footprint offset
- Hard for high quality products (like Marie's!) to gain traction

But is that good enough?

We think “No”

- No certainty around calculation of emissions
- No clarity on scope or boundaries
- No need to look at life cycle
- No incentive to lower emissions
- No real contribution to the low carbon transition

# No!

# Why try to reclaim Carbon Neutrality?

So why bother? Why not just ignore the claims?

- Because the claims are there AND
- We can create a robust framework building on existing ISO standards
- And help use carbon neutrality as a staging post on the road to net zero
  - o Allow carbon neutrality claims if three main criteria are met:
  - o Full carbon footprint calculated
  - o Subject has a plan to reduce emissions and can show real savings
  - o Unabated emissions are offset with good quality carbon credits
- Let's look at those in turn and how they are approached in the current draft of ISO 14068

# Full carbon footprint calculated

- Can apply to organisations and products or services (including events)
- Will cover all emissions – direct and (significant) indirect; and all types of GHG (not just CO<sub>2</sub>)

For organisations:	For products or services:
<ul style="list-style-type: none"><li>• Must include the entire organisation</li><li>• May include a legally constituted subsidiary, or all operations in a single country</li><li>• Must include all activities – no ring fencing of good or bad parts</li><li>• Claims for just head office will not be acceptable</li></ul>	<ul style="list-style-type: none"><li>• Must be on a life cycle basis (complete value chain)</li><li>• Consumer products cradle to grave</li><li>• B2B may allow cradle to gate (components, semi-finished materials)</li><li>• Events seen as a special case of a service</li></ul>

- Consistent with EN ISO 14064-1 (organisations), EN 14067 (products)
- Emissions reductions consistent with EN ISO 14064-2 (projects)
- Defaults to absolute emissions, not intensity
- Recognise there may be national methodologies
- Also recognise market position of GHG protocol
  - o In current draft there's an annex comparing GHG Protocol with ISO standards
- Not a calculation standard so not repeating detail of calculation measures
- Transparency highly important



- Required for all subjects – so not just offsetting
- Must include ambitious & credible reduction plan
- Still working on how to define ambition
- And on how to match plans to a 1.5°C global target
- Issues around growing companies, especially in carbon reduction sector
  - o If a company manufacturing insulation is growing, can it use an intensity metric rather than absolute emissions?
  - o However, avoided emissions from products will not be factored into a calculation
- Wider issue around growing businesses in general

# A plan without action won't suffice

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- Carbon Neutrality Management Plans must support the transition
- Need to demonstrate real GHG emissions reductions (or removals enhancements)
  - o For maintenance of carbon neutrality, this has to be ongoing
- Will not be allowed to claim carbon neutrality at the start of the process, even if all emissions are offset
- Same principle for services, and use of life cycle (supply chain) prevents outsourcing GHG emissions to suppliers
- May need to create a business as usual baseline for certain services, such as non-recurring events, to demonstrate GHG emissions reductions against the baseline

# What about offsetting?

- Only after GHG emissions reductions and removal enhancements have been made
- Offsets are used to balance unabated emissions
  - Unabated means “not yet reduced”; residual means “not realistic to eliminate”
  - We see residual emissions as being the ones that still remain at net zero
- Criteria set for carbon credits used for offsetting:

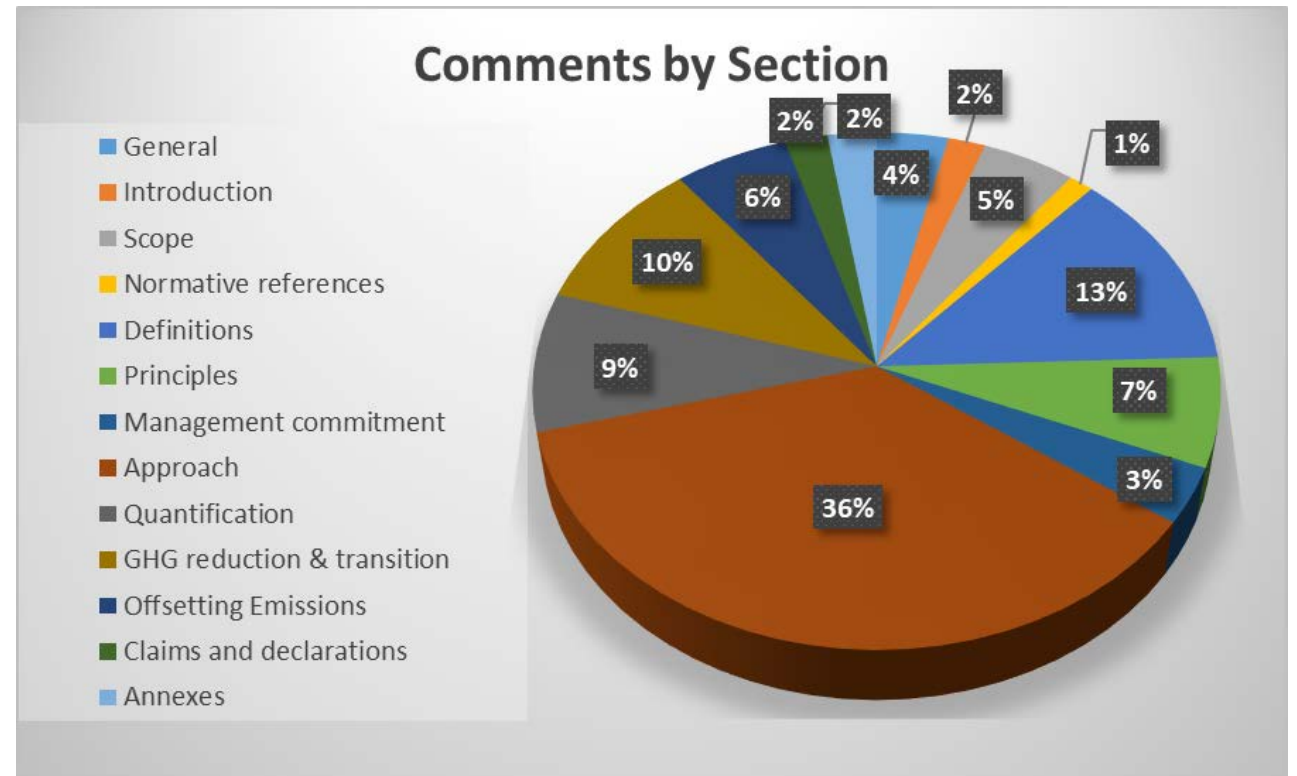
- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• <b>Additional</b></li><li>• <b>Measureable</b></li><li>• <b>Permanent</b></li></ul> | <ul style="list-style-type: none"><li>• <b>No forward crediting</b></li><li>• <b>Credits must be retired or cancelled in a registry</b></li><li>• <b>Transparency</b></li></ul> |
|---|---|

# So, why ISO?

- SBTi focused on net zero – longer time scale, primarily at organisational level
- GRI (GHG Protocol) have also passed over carbon neutrality
- Few national standards exist
- PAS 2060:2014 from BSI is perhaps most widely used (not just in the UK)
  - o But it's only a Publicly Accessible Specification, not a full standard
  - o Stylistically different from a CEN or ISO standard
  - o In need of revision (first edition 2010; current version 2014)
  - o BSI agreed to provide support (convenor, secretariat) for an ISO standard
- And why ISO not CEN?
  - o ISO had the most appropriate technical committee (TC-207 SC7)
  - o SC7 already maintained the three calculation standards (14064-1 & 2, 14067)
  - o Other SCs in TC-207 deal with environmental claims (ISO 14020/1)
  - o Wanted to bring in other players, such as Costa Rica (which had INTE B5)
  - o Many products with existing carbon neutrality claims are traded globally
  - o ISO had the “oven-ready” committee, and wide range of experts

# Progress to date

- Slowed by need to build consensus on scope (eg. not including avoided emissions) and definition of carbon neutrality
- Some COVID-induced delays
- Current progress is steady, but needs to process over 1,800 comments on WD1 through virtual meetings
- Confident that once consensus reached on core concepts should become faster
- Still aiming for a 2023 publication



- ✓ **Carbon neutrality can have a useful role** to play in the transition to a net zero society
- ✓ Currently there is a **great variation** in what is behind carbon/climate neutrality **claims**
- ✓ Good quality carbon neutrality is not just about offsetting, but requires action to **manage and reduce GHG emissions**
- ✓ **Lack of standardization** cause confusion, disincentivizes climate action and facilitates greenwashing
- ✓ **Standards**, International and European standards, **can help** organisations achieve and demonstrate carbon neutrality in a reliable way

# Thanks!

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## Thank you for your attention!

# Question time

► Use the Q&A panel to submit your questions

Question and Answer

You 04:36 PM

When is the next session?

Type your question here...

☐ Send anonymously

Send



# Thank you for your participation!

Next webinar

2021-11-30: [Webinar 'Anthropometric and strength data of children for use in standardization'](#)