

Webinar of 2021-11-25

Webinar 'Standardizing Carbon Neutrality – a milestone on the way to net zero'

Questions & Answers

Note: the replies do not reflect the official position of CEN and CENELEC.

1	I believe that the temperature increase in human activities (Pre-industrial) have increased around 1,1 and not 1,5 °C	Yes that's correct, we have amended the slide to clarify this, and that 1,5°C is the Paris target, also adopted by SBTi. The 1,5 C increase is also indicated in the IPCC report.
2	Is 'climate neutral / carbon neutral' enough? Surely, we need to do more when we can as so many countries and organisations may achieve less. What do panel members think about aiming to do more than 'neutral' or 'net-zero'	There's no reason why organisations cannot go further, but most current claims just aim for a simple balance - or neutrality. Given the imminence of reducing global GHG emissions, South Pole believes action on all fronts is needed and climate/carbon neutrality by the use of compensation is one piece of the puzzle on the road to net zero.
3	I think some people are saying that you can be carbon neutral without having reached net zero. The latter means all emissions reductions have been achieved and the remainder are neutralised with removals	That's right, standardization experts are currently using net zero to mean the end state when all possible reductions have been made. Carbon neutrality is more of an interim status, while organizations are still on the pathway to net zero, and offsetting unabated emissions.
4	Is there anything in between carbon and climate neutrality, i.e., GHG neutrality (without climate effects from SLCPs, water vapour etc.)?	In the draft ISO standard, we are defining "carbon neutrality" to include all GHGs, but not additional climate effects. This should help ensure that the quantification matches or exceeds public expectations, especially for businesses that may have significant non-CO2 emissions of greenhouse gases.
5	Where are the political controls on carbon offsetting? Will commitments to offset in 2035 made today be fulfilled? There is a huge risk - just consider the ways in which waste is shipped around the world for disposal. what are panel views about offsetting?	We would love all organizations to be able to reduce their emissions to the minimum possible today. But we recognise that in practice this will typically take several years, so offsets can help reduce the climate impact of the organization in the meantime.

		<p>We should distinguish between voluntary actions and compliance markets for carbon credits. In terms of compliance schemes, the Kyoto protocol is still active but will soon be replaced by the Paris agreement for which many of the regulations and mechanisms are still under development – hence political controls of the future is work in progress.</p>
6	<p>Who decides which emissions are 'unavoidable'?</p>	<p>That's one of the problems standardizers have with current plans for net zero - it can only be the emitter who determines this, and it may not be in their interest. But carbon neutrality is a halfway house where all unabated emissions are offset, whether they are described as unavoidable, or not just reduced yet as part of a planned pathway to net zero.</p>
7	<p>Yes, José it is currently 1.1, not 1.5 C. I know what the slide meant to say, but it was inaccurate, as you point out</p>	<p>We will review it.</p>
8	<p>When developing a standard on a carbon neutral product, we were attacked for greenwashing, so we now speak of carbon compensated product. Is this term also common?</p>	<p>Within the ISO 14068 working group, we are not using compensated as a term, as we feel that implies that everything is OK after it has been done. There are continuous discussions on semantics and also regional differences – what is considered legitimate in one country can be seen as greenwashing in another country. For any claim, no matter the wording, the only way to limit the risk of greenwashing is to be serious about one's climate action in concert with compensation – i.e., continuously work to minimize harmful environmental effects of both use, production and end-of-life of a product – and also consider leakage effects.</p>
9	<p>Despite the difference between carbon neutrality and climate neutrality, as the speaker points out, these two terms are still being conflated</p>	<p>We realise this is a problem – all we can do in a standard is make it very clear what the term (carbon neutrality means) if you are claiming compliance with ISO 14068.</p>
10	<p>...and along the same lines, it is not clear as sometimes the presentation is about greenhouse gases and sometimes carbon dioxide emissions</p>	<p>ISO 14068 will insist on all GHGs, but still calls it "carbon neutrality" as that is the term most widely used by the market.</p>

11	On a Paris aligned scenario, what should be the split between actual emission reductions and offsets? How much emissions can we actually afford to offset globally (how many trees can we realistically plant (spatial limitations) or how much carbon can we realistically help peatland to store) to meet the global commitments of the Paris Agreement?	We are encouraging organizations to be ambitious and make reductions as quickly as possible. But at the start of the process, most of the improvement against business as usual will be through offsets. By the time net zero is achieved, almost all the improvement will have come from reductions or removals enhancements, with only the very hard to tackle residual emissions still using offsets. You are right that if organizations do not reduce emissions first, there will be insufficient global capacity for removals.
12	Absolutely, and that is what a standard should help to fix.	
13	When can we expect the release of ISO 14068?	Late 2023.
14	The webinar is entitled ...carbon neutrality, but the current slide is about climate neutrality	We used the terms as synonyms in this presentation. The term in ISO 14068 will be "carbon neutrality" though.
15	It is not clear to me how we can claim that a target contributes to the Paris agreement, because contribution is different from different industrial organizations	Organizations should look at best practice in their sector, in the light of national determined contributions. In practice, for many SMEs, options in the early years may be limited, and there may be a need to rely on the future decarbonization of grid-supplied electricity (and electrification of transport) to reduce emissions.
16	Will ISO 14068 standardize offsetting?	Not as such, but outline the requirements of what type of offsets can be used to make a carbon neutral claim
17	To be carbon neutral, is it possible to consider credits from avoided production from other sources (e.g. fossil fuels) through a robust LCA analysis?	No. Statements about avoided emissions must be done separately (ideally using a robust LCA as you suggest).
18	Drink responsibly you can also do without driving home afterwards and not creating avoidable accidents	Let's hope we are all responsible drivers indeed!

19	But if you look at Ian's current slide it says all types of GHGs not just CO2 ~ that would be more than just carbon neutrality	More than carbon neutrality according to IPCC - yet the IPCC definitions are not the ones being applied in practice. The purpose of the ISO standard is to align what is currently happening. As "carbon neutrality" is the term that most commonly used, that was selected to be the term used in the standard.
20	IPCC states carbon neutrality only applies to CO2	Yes, we have noted this, but would rather go further to include all GHGs in order to match public expectations that if it's "neutral" then it's not having a net effect on the climate.
21	Is it planned that the claims made in ISO 14068 have to be verified by a third party on a regular basis similar to ISO Standards like ISO 9001?	The draft requires verification, either internally (first party QA, second party audit) or externally (independent verification). Under ISO rules it's not possible to require third party verification for a quantification standard. The draft does require that the entity claiming carbon neutrality identifies what level of verification has been applied.
22	Reduction in emission in absolute terms is like cost cutting in absolute terms – the crucial factor is using capital wisely and aiming to create the desired effects – see EN12973:2020 for ideas and guidance for sustainable decision making – Has panel tried to collate all the standards guidance previously published	Thank you. We have looked at many of the standards out there, and will include the most relevant ones in the Bibliography.
23	What reasonable share of an organisation's scope 1,2 & 3 emissions should be subject to a reduction plan, while the rest being subject to offsetting?	All significant emissions (from all scopes) should be included in the entity's carbon neutrality management plan. The plan should determine the speed at which GHG emissions should be reduced, and the ones that need to be offset in the interim. If a scope 3 emission is already subject to an ISO 14068 carbon neutrality statement, then it may be excluded from the need to offset, as this would constitute double counting.
24	What is included behind the category "approach?"	The question is unclear, more context would be needed for a reply.
	Offsets, even the ones with high level standards, differ in price and ambition. How	There are price difference due to differences in project development costs as well as the business

	<p>about using more expensive removal units / carbon sinks for offsetting to be safe? SBTi only allows those anyway.</p>	<p>model of the project developer/seller, hence it is not only the “quality” that determines the price of an offset.</p> <p>SBTi only allows removals, but those should also only be used for the residual emissions to reach net-zero. Carbon neutrality is a state on the way to net zero so the purpose is somewhat different.</p> <p>At the moment, the market supply of removal credits is scarce and the price for technical removals substantial. South Pole’s view is that actions both with avoidance and removals is required and hence think that (high quality) avoidance projects can be used for carbon/climate neutrality claims.</p>
	<p>Am I right, Marie said carbon neutral and net zero are the same whereas Ian (correctly in my opinion) stated they were different definitions? Please clarify.</p>	<p>Globally they are the same. At an organizational (or product) level, net zero is generally something that is only expected to be achieved at some point in the future (e.g. 2035) whereas carbon neutrality may be applied now, providing the entity has started making reductions and offsets any unabated emissions. As the time-scales are different, the terms are not synonymously used in the market practice – but carbon neutrality can be achieved on the way to net zero.</p> <p>Please note that IPCC differentiates between carbon and climate neutrality/net zero impact which on the other hand is used synonymously on the market.</p>
	<p>What do you think about that there are so many net-zero standards or programs globally especially currently available) What is the differences between them?</p>	<p>Although the science behind global climate change has been known for many years, and the risks of unchecked climate change have been apparent for over 50 years, many companies and politicians have only recently realised that it is a real phenomenon requiring action. Sadly this means that the reaction has often been to develop a new programme quickly, without necessarily looking at what is out there, leading to duplication and, in some cases, commercial standards with little rigour. As the bodies with global expertise in standardization, CEN and ISO believe it is necessary to create standards in</p>

		<p>harmony with their existing work, where there are no clear standards, using their huge base of independent experts to develop a consensus.</p> <p>We cannot comment on the different standards out there, but recognize that some – such as the GHG Protocol and Science Based Targets initiative – have robust governance, so that we would not wish to duplicate their work. In contrast, there have been no equivalent bodies in the specific field of carbon neutrality.</p>
	<p>I think a standard such as this needs to be anchored in science and not driven by popular "practice" which as we know is often misleading ~ that is the whole point of a standard.</p>	<p>We have two alternatives – either (1) we can write a robust and scientifically justifiable standard for carbon neutrality, or (2) we can do nothing and let the market continue to sell carbon neutral labels of widely varying quality. Unfortunately, at present the public has no easy way of telling the good from the bad, and organizations wanting to take climate change seriously have challenges understanding what approach to take, fearing to do something wrong and risk greenwashing claims although they have good intentions, which is why we believe that an EN ISO standard will help drive up quality in the market. We passionately believe that the first approach is better.</p>
	<p>Can you say a bit about assurance around offsetting?</p>	<p>There are several acknowledged crediting programmes like VERRA and Gold Standard who provide detailed information on their webpages.</p>
	<p>Is it possible to use these ISO standards at the territorial level if you are, for example, a municipality or region?</p>	<p>ISO standards tend to be aimed at organizations, or at products or services offered by those organizations. However ISO 14068 is being written to be subject-neutral, so that its principles and approach may be used by municipalities or regions.</p>
	<p>I understand your point, Ian, but don't you think the problem is just being compounded by this nuancing which opens itself to scientific criticism?</p>	<p>Can't remember what questioning I was answering!</p>