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M/431 EN

Mandate addressed to CEN to establish a programme of standards for
assessing the greenhouse gas (GHG) emissions in energy-intensive
industries

1. Introduction

EU¹ leaders at the highest political level underlined “*the great importance of the energy intensive sectors*” and emphasised that “*cost efficient measures are needed to improve both the competitiveness and the environmental impact of such European industries*”.

Within its new approach on EU industrial policy², the Commission highlights the need to *turn potential challenges into opportunities for EU industry, in order to lead the transition towards a low carbon and resource efficient economy. It will thus contribute to reaching the objectives of the energy and climate change package adopted by the European Council in March 2007.*

A possible way forward to tackle the challenge at global level has been identified in the energy and climate change package insisting *that the battle against climate change can only be won through global action.*

The Commission's High Level Group (HLG) on Competitiveness, Energy and the Environment recommended the development of sectoral approaches³ as part of a post-2012 solution through, inter alia, ‘identification of relevant data gaps and, where appropriate, data definition and collection by industry, based on transparent best practice methodology. Business organisations together with regulators and public authorities should begin to put in place monitoring, reporting and verification processes and attempt to develop key performance indicators with a view to identifying quantifiable sectoral contributions to potential global emissions pathways’.

¹ European Council meeting of March 2007

² COM(2005) 474 final of 5.10.2005 and COM(2007)374 final of 4.7.2007

³ The term ‘sectoral approaches’ is specified in the Report of HLG on Competitiveness, Energy and the Environment of 08 November 2007, the Report of International Energy Agency on sectoral approaches of November 2007 and the UNFCCC Bali roadmap.

Furthermore the HLG encouraged *the evaluation and validation of the direct and indirect carbon footprint within their value chain.*

The climate change package of January 2007 and Commission's proposal of the Climate action and renewable energy package of January 2008 recognised the role that global sectoral approaches may play in achieving the climate change objectives.

2. Scope and justification

Today, climate change takes a significant place in the decision-making process of energy intensive companies, which have integrated this new dimension into their business strategies and investment programmes. In this context, determining the GHG performance levels of production sites, and assessing the potential for improvement is of utmost importance.

Standardisation can support policies and measures set up for combating climate change. Standards could for example be applied in the field of emissions monitoring, methodologies for deriving emission metrics (performance indicators, including baselines), and monitoring management, which are useful both for industry's internal use as well as for compliance and enforcement reasons with regard to the various policies and measures. That way standards can play a role in supporting international action on climate change.

Standards for the assessment of GHG emissions

- facilitate the comparison of the GHG emissions of one specific plant over time and/or with the results achieved by other plants within the same sector;
- may consider not only direct emissions which occur during the production process at a specific plant, but include also the indirect emissions which occurred outside this plant for producing the input materials or semi-finished products;
- allow the comparison of sites with different installation configurations but producing comparable products.
- may help compare different products serving the same purpose regarding their GHG performance relative to the service (e.g. different building materials)

In order to enable this comparison of GHG emissions a harmonised tool for assessing GHG emissions performance from individual plants or products is necessary.

The Commission is of the opinion that with a view to international developments like sectoral agreements, and subject to already existing legislation such as the EU ETS monitoring and reporting guidelines, the work for developing a methodology for assessing direct and indirect emissions from energy intensive industry⁴ and/or products would be best achieved within the European standardisation system which offers a suitable structure and gathers the necessary high level of competence and expertise. Therefore, and to demonstrate the Commission's support for this project, this formal **mandate for programming standardisation work**, after being consulted with the Member States, is issued to CEN.

⁴ The term 'Energy intensive industries' is specified in Commission Communication on Industrial Policy – COM (2005) 474 of 5 October 2005.

3. Description and execution of the mandate

The mandate will cover all GHGs and as many energy intensive industries as possible with an emphasis on sector-independent approaches wherever possible. It takes the form of the development of a programme of standards. Areas for standards to be taken into account are listed in the Annex.

The work will start with a gap analysis of CEN and ISO standards already existing and under development. CEN will examine all relevant work achieved so far in relation to GHG quantification in the context of sectoral approaches for the reduction of GHG emissions, particularly for CO₂. CEN will consider especially relevant standards (e.g. ISO 14064 and 14065), guidelines (e.g. the 2006 IPCC guidelines for national GHG inventories; the EU ETS guidelines for monitoring and reporting of GHG) and voluntary industry specifications (e.g. the WRI/WBCSD GHG protocol, Bilan Carbone and PAS 2050) related to the foreseen standards. On the basis of this analysis, CEN will formulate the precise terms of reference for developing a coherent set of standards (including a generic standard and if necessary relevant daughter standards on the quantification of GHG emissions in energy intensive industries), i.e. the standardisation programme. CEN will consult all relevant energy-intensive industrial sectors in order to proceed and involve them in the standardisation work. It should focus on the reduction of CO₂, while recommendations for other GHG should be made as far as relevant.

This work should be coherent with EU policies, especially with the Energy and Climate package of January 2008, and the Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan COM(2008) 397.

CEN will report to the Commission each year after the acceptance of the mandate on the state of advancement of the work and make recommendations in case potential difficulties arise.

4. Parties to be associated

CEN shall invite experts with relevant knowledge, notably in sector-specific assessment of CO₂ and other GHG emissions, to carry out the mandated work.

Knowing the importance of reducing the GHG emissions at international level and the current discussions at industry and political level to develop appropriate solutions at international level, it is important to consider relevant international interests through ISO.

As appropriate, CEN will invite the representative organisations of consumers interests (ANEC⁵), environmental protection (ECOS⁶), workers (ETUI-REHS⁷),

5 European Association for the Co-ordination of Consumer Representation in Standardisation

6 European Environmental Citizens Organisations for Standardisation

7 European Trade Union Institute - Research, Education, Health and Safety

small and medium-size enterprises (NORMAPME⁸) to take part in the elaboration of the standards.

5. Timetable

CEN shall present its recommendations for a standardisation programme to the Commission within 12 months of the acceptance of the mandate.

Further mandates

The work programme can form the basis for subsequent standardisation mandates requesting the development of the standard(s) and possibly daughter standards in the programme and potentially extending the scope from CO₂ emissions to other GHG emissions.

⁸ European Office of Crafts, Trades and Small and Medium- Sized Enterprises for Standardisation

Annex – Areas for standardisation to be taken into account related to GHG

- (1) Standards for monitoring emissions:
 - (a) Standards for continuous emission measurement:
 - Flow measurement with high accuracy (uncertainty well below 5%)
 - Online concentration measurement for CO₂, N₂O, CH₄, HFCs, PFCs, SF₆, and for characterising gases with very high CO₂ contents (for purpose of CCS)
 - (b) Standards supporting calculation approaches:
 - (Total) Carbon content in gaseous, liquid and solid fuels and wastes, including sampling and sample preparation
 - Uncertainty assessment of total emissions of installations
- (2) Other standards:
 - (a) Standards to support environmental management systems (EMAS, ISO 14.001) and corporate responsibility reporting:
 - Rules for setting system boundaries (including eventually indirect emissions)
 - Rules for determination of direct and indirect emissions
 - (b) Standards for product related emission metrics:
 - Direct emissions / unit of product (to be used for developing international benchmarks, or for labelling products)
 - Specific emissions of a product, including indirect emissions (carbon footprint of products), for product labelling
 - Full life cycle emissions, including eventual emission savings caused by the product, e.g. for insulation materials.