

Carbon Footprint Labelling for MSMEs



September 19, 2019 | Philippines

Regional Workshop on Low Carbon Technologies for
Micro, Small and Medium Enterprises in the ASEAN

Outline

1. Climate change and GHGs
2. Carbon footprint
 - Standards/protocols
 - *GP Product standard*
3. Carbon footprint labelling
 - Why?
 - Examples
4. Challenges and opportunities for the ASEAN market
5. Way forward for MSMEs



Climate Change and GHGs

Quick Facts

1. ASEAN has minimal historical responsibility for global carbon emissions...
2. ... But among the most vulnerable
 - Climate Risk Index for 2017 top 10: Vietnam, Thailand
 - Long Term Climate Risk Index top 10: Myanmar, Philippines, Vietnam
3. As ASEAN's economies grow, so are its emissions
 - Energy intensive industries = ↑ GHG emissions



Climate Change and GHGs

Quick Facts

4. Paris Agreement (2015) – global response to address climate change

- Nationally Determined Contributions
- 23% renewables for ASEAN region in 2025

23%

5. Governments to set low carbon policies and (market-based) incentives... and businesses need to prepare for this transition



COP21-CMP11
PARIS 2015
UN CLIMATE CHANGE CONFERENCE



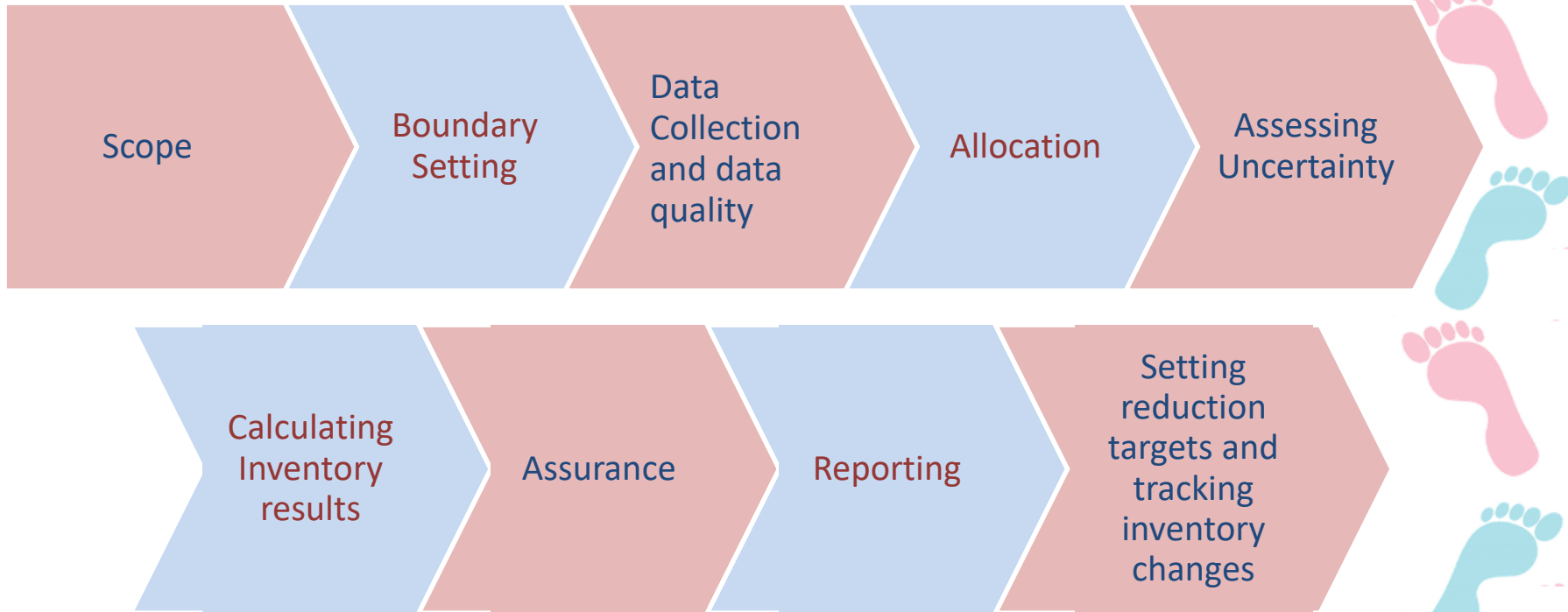
Carbon Footprint

- The total greenhouse gas emissions caused directly or indirectly by a person, organization or product
- tCO₂e
- GHG inventory – quantified list of emissions and its sources (GP)
- GHG accounting:
 - Organizational
 - Value chain
 - Product
 - Supply chain

You cannot manage what you do not measure



Steps in GHG Product Inventory (GP)



* attributional approach : method in which GHG emissions and removals are attributed to the unit of analysis of the studied product by linking together attributable processes along its life cycle. This approach makes use of primary data provided by a supplier/customer or average (secondary) data for a given process

Carbon Footprint Labelling: Why?

- Provide environmental information to public decision-making
- *Visualised information* schemes



UK



USA



South Korean



Canada



Japan



France



North American



Taiwan

Source: Hsiao, Min-Kai, July 2013, Current sustainability marketing and communications effect to consumer's attitude to purchase sustainable products



Carbon Footprint Labelling: Benefits to Companies

- *Bragging rights*: Make independently verified claims related to the climate change impact of their products



Enhance reputation

- Independent assurance of environmental credentials
- Differentiate your brand from competitors
- Engage staff and customers with product sustainability

Deliver improvements

- Benchmark your product performance
- Identify opportunities for efficiency
- Encourage adoption of lower impact products

Beyond compliance

- Verified environmental impact data
- Meet contracting and procurement expectations
- Show leadership on sustainability issues

Carbon Footprint Labelling: what labels?

- Carbon measurement - *indicates lifecycle emissions of products*
- Carbon reduction - *provides both the lifecycle emissions of products and the carbon reductions emissions &/or commitment to reduce*
- Low carbon - *compares emissions vis-à-vis a certain standard*
- Carbon neutral - *signify that emissions have been offset somewhere through other carbon reduction projects*



Carbon Footprint Labelling:

Examples of carbon measurement labels

1m²あたり
500g
CO₂
 CO₂の「見える化」
 カーボンフットプリント
<http://www.cfp-japan.jp>
 CR-B502-12003

260g
CO₂
 Carbon Footprint
 Taiwan EPA

453 kg
2

64kg
CO₂
 16GB 00A3

Pre-production
 – 6kgCO₂

Production
 – 58kgCO₂

Carbon Label

1 Carbon Rating: **B**

2 Product Category:
 Ordinary Portland Cement
 Product: White Portland Cement (CEM I 52.5)
 Assessment Boundary: Cradle to Site
 Country of Origin: Shenzhen, China
 Manufacturer: ABC Cement Co., Ltd.

3 CO₂ Equivalent (t CO₂e / t cement): 0.90

By life cycle stages (t CO ₂ e / t)	
Raw Material Acquisition	0.12
Production	0.74
Transportation to HK (by truck)	0.04

2 • Bulk Portland cements for civil engineering, building applications, ready-mixed concrete, and concrete products.
 • Complies with BS EN 197-1 CEM I 52.5N.
 • Carbon footprint assessment complies with ISO/TS 14067:2013

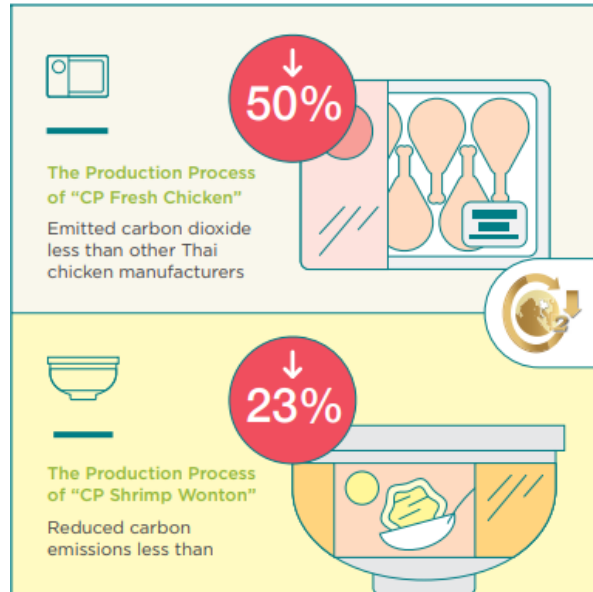
4 The data is provided according to the Carbon Labelling Scheme of the Construction Industry Council, Hong Kong. More information of the labelling scheme can be found at http://cicohk.org/eng/carbon_labelling/.


- 1 Awarded grade of the product based on the product's carbon footprint
- 2 Details of the product including product category, assessment boundary, manufacturer, etc.
- 3 Carbon footprint of the product over its key life cycle stages
- 4 Other information of the labelling scheme



Carbon Footprint Labelling:

Examples of carbon reduction labels



<p>reducing with the Carbon Trust</p>  <p>carbon-label.com</p>	<p>The carbon footprint of this Loomis Cash and Valuables in Transit service is 5.50kg CO₂ per drop and we have committed to reduce it. This is the total carbon dioxide and other greenhouse gases emitted from transport, packaging and operations.</p>
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Carbon Footprint Labelling:

Examples of low carbon labels



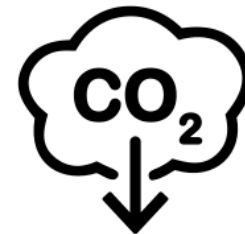
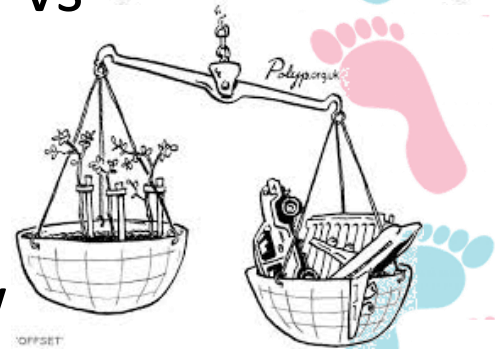
Carbon Footprint Labelling:

Examples of carbon neutral labels



Challenges and Opportunities for the ASEAN Market

1. Carbon footprint labelling is still a voluntary option for most ASEAN members
2. Balancing act: Carbon labelling schemes vs poverty alleviation vs economic development
3. Carbon footprint labelling as part of low carbon policies
4. IEC and capacity building



Way Forward for MSMEs

1. Costs vs Benefit: **Is a carbon footprint label worth it?**
2. A means for compliance ... and beyond
3. Corporate sustainability



Thank you for your
attention

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