

Training Course: Moving towards net zero? – How to quantify GHGs emission and other environmental impacts of products by adopting a life-cycle approach

Instructor:

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Green Council Training Course

MOVING TOWARDS NET ZERO?

How to quantify GHG emission & other environmental impacts of products by adopting a life-cycle approach?

> Dr. Meike Sauerwein meike@ust.hk 10. February 2023



YOUR EXPECTATIONS



- How much do you know about Life Cycle Thinking / Assessment?
- What aspects are you most interested in?
- Are there specific questions/topics you'd like to get answered/addressed in this workshop?





How much do you know about Life Cycle Thinking / Assessment?



LIFE CYCLE STAGES





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l know the concept fairly well and look for some additional insights

10%



What aspects are you most interested in?



Mentimeter

- What is Net Zero?
- Science Based Targets & Scope 3 Emissions
- What is a Sustainable Product?
- Life Cycle Thinking Concept
 - Why is it so useful in the discussion about product sustainability?
- Life Cycle Assessment Methodology
 - Using a daily-life example to walk you through the steps of an LCA
- Wrap-up

OUTLINE



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What is net zero? Is it the same as zero CO_2 emissions?

WHAT IS NET ZERO?

TO KEEP GLOBAL WARMING TO NO MORE THAN 1.5°C EMISSIONS NEED TO BE REDUCED BY 45% BY 2030 AND REACH NET ZERO BY 2050.



*estimate of remaining carbon budget from 2020 onwards for limiting warming to 1.5° C is 500 Gt CO₂ (1150 Gt CO₂ for 2 °C)

Dr. Meike Sauerwein 10. February 2023 Source: United Nations – Climate Action; <u>https://www.un.org/en/climatechange/net-zero-coalition</u> IPCC AR6, WG III; Climate Change 2022, Mitigation of Climate Change; <u>https://report.ipcc.ch/ar6wg3/pdf/IPCC AR6 WGIII FinalDraft FullReport.pdf</u> https://globalcarbonbudget.org/carbonbudget/

WHAT IS NET ZERO?



WHAT DO COMPANIES HAVE TO DO TO **BECOME NET ZERO?** ITES OF CO_2 GHG +/- 0 Cutting greenhouse gas Re-absorb remaining emissions to as close to emissions zero as possible



Carbon offsets fund specific projects that either lower CO_2 emissions, or "sequester" CO_2 , meaning they take some CO_2 out of the atmosphere and store it.



Offsets can mask insufficient efforts from firms to cut their own emissions, ...

"Businesses want to do the right thing and it's heartening to see so many firms aiming for early Net Zero dates. But poor-quality offsets are crowding out high-integrity ones."

Many businesses have named ambitious 'Net Zero' dates but achieving them through an over-reliance on offsets is undermining the economy-wide transition.

Dr. Meike Sauerwein 10. February 2023 Sources: <u>Climate Change Committee (2022) - Business use of offsets risks delaying Net Zero</u> <u>MIT Carbon Portal – Carbon Offsets</u>

SCIENCE BASED TARGETS INITIATIVE (SBTi)

• The Science Based Targets initiative* (SBTi) is enabling companies and financial institutions globally to set ambitious emissions reductions targets in line with the latest climate science

Minus 1/2 emissions before 2030 Net-zero emissions before 2050



• Organizations disclose emissions annually and monitor progress on reaching the target.

*a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments

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Globally, retailers are increasingly setting science-based targets to add credibility and accountability to their sustainability efforts.

Global retailers¹ setting science-based targets each year, # of companies



¹ Defined here as what the Science Based Targets initiative (SBTi) calls "retailing" and "food and staple retailing" companies.

² The SBTi refers to "committed" as having submitted a letter establishing intent to set a science-based target. Targets must be submitted and approved within 24 months of committing.

Source: Science Based Targets initiative

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COMPANIES THAT COMMITTED TO SCIENCE-BASED TARGETS

SELECTION OF CORPORATE EXAMPLES

	TARGETS				
COMPANY/FINANCIAL	NEAR TERM 🗘	LONG TERM 🔶	NET-ZERO 🌲	ORGANIZATION TYPE	
Swire Properties Limited 🔶 Hong Kong, China, Asia	1.5°C	-	COMMITTED	Company	VIEW MORE \checkmark
Sino Land Company Limited 🔶 Hong Kong, China, Asia	COMMITTED	-	COMMITTED	Company	VIEW MORE \checkmark
New World Development Company Limited 🔶 Hong Kong, China, Asia	1.5°C	-	COMMITTED	Company	VIEW MORE \checkmark
Nan Fung Property Management Holdings Limited 🜟 Hong Kong, China, Asia	COMMITTED	-	COMMITTED	Company	VIEW MORE \checkmark

Dr. Meike Sauerwein 10. February 2023 Source: https://sciencebasedtargets.org/companies-taking-action#table

SCOPE 3 EMISSIONS

INDIRECT UPSTREAM & DOWNSTREAM EMISSIONS THAT OCCUR IN THE VALUE CHAIN (EXCLUDING INDIRECT EMISSIONS ASSOCIATED WITH POWER GENERATION (SCOPE 2))





If scope 3 emissions represent >40% of a company's overall emissions, the SBTi requires they set a target to cover this impact.

Dr. Meike Sauerwein 10. February 2023 Source: CDP, 2018: How can companies address their scope 3 greenhouse gas emissions? <u>https://www.cdp.net/en/articles/companies/how-can-companies-address-their-scope-3-greenhouse-gas-emissions</u>

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OTAL EMISSIONS

2030 Goals:

50% absolute reduction in scope 1, 2 and 3 greenhouse gas (GHG) emissions representing all of Starbucks direct operations and value chain.

EXAMPLE: STARBUCKS

SCOPE 3 EMISSIONS

Starbucks Greenhouse Gas Footprint FY17





SCOPE 3 EMISSIONS

FOR MOST SECTORS, THE LARGEST SOURCES OF A COMPANY'S EMISSIONS LIE UP- AND/OR DOWNSTREAM OF THEIR CORE OPERATIONS.



Figure 1. Scope 3 emissions estimated by CDP for 35,533 companies per emission source in year 2014. The number of companies for which each type of Scope 3 emissions was calculated is presented in parentheses for each sector.

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DISCUSSION

Scope 1,2,3 and Science Based Targets for Carbon reduction

5 min

- which one have you come across / is your institution working on?
- What are your experiences?



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BUILDING LIFE CYCLE



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Source: Civic Exchange, HKGFA, 2020: Decarbonising Hong Kong Buildings Policy Recommendations and Next Steps

LIFE CYCLE STAGES OF A PRODUCT



Every product goes through these life cycle stages but undergoes different processes

10. February 2023 Example: Life Cycle of a washing detergent,

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Source: The Sustainability Consortium ; https://www.sustainabilityconsortium.org/product-categories/ (retrieved Oct 2018, no longer available online)

PRODUCT LCA vs. BUILDING LCA

PRODUCT LCA VS BUILDING LCA



Single product-system, based on one or more materials



Building life cycle

- Large compilation of product-systems
- Calculation of building life cycle impacts based on a variety of building materials life cycle impacts



'Upfront' Embodied Carbon

Manufacturing, transportation, and installation of construction materials

Operational Carbon

Building energy consumption

EMBODIED VS OPERATIONAL CARBON



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Source: Civic Exchange, HKGFA, 2020: Decarbonising Hong Kong Buildings Policy Recommendations and Next Steps

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EMBODIED VS OPERATIONAL CARBON

IMPORTANCE OF EMBODIED CARBON GROWS AS OPERATIONAL ENERGY DECARBONIZES

- While operational carbon can reduce over time e.g., due to building energy efficiency upgrades or decarbonization efforts of local energy supply
- Embodied carbon is released before the building is even in use
 - Emissions are locked in place as soon as a building is built
 - Emissions depend largely on energy system at the source location



Dr. Meike Sauerwein 10. February 2023 Sources: Civic Exchange, HKGFA, 2020: <u>Decarbonising Hong Kong Buildings Policy Recommendations and Next Steps</u> One Click LCA Ltd, 2018: <u>The Embodied Carbon Review</u>

GLOBAL NET ANTHROPOGENIC GHG EMISSIONS



Globally buildings generate 16% of annual greenhouse gas emissions.

- 10% from electricity and heat for building operations – existing & new buildings
- 6% Buildings incl. embodied carbon mostly due to new construction

In Hong Kong about 60-70% of annual greenhouse gas emissions originate from the building sector

Hong Kong Carbon Emission Sources @ 2019

Waste and

Others

Dr. Meike Sauerwein 10. February 2023 Sources: IPCC AR6, WG III; Climate Change 2022, Mitigation of Climate Change; <u>https://report.ipcc.ch/ar6wg3/pdf/IPCC_AR6_WGIII_FinalDraft_FullReport.pdf</u> Civic Exchange, HKGFA, 2020: <u>Decarbonising Hong Kong Buildings Policy Recommendations and Next Steps</u>

HONG KONG'S DECARBONIZATION TARGET

ACHIEVE CARBON NEUTRALITY BEFORE 2050

How to reduce?



• "...choice of design and construction methods should [...] **reduce embodied carbon emissions** during the construction process."



• "Modular Integrated Construction (MiC) method [...] by carrying out most of the operations at construction sites in **off-site prefabrication yards**, thereby simplifying the construction process and reducing construction wastes."

ARE WE ON TRACK TO REACH NET ZERO BY 2050?

TO KEEP GLOBAL WARMING TO NO MORE THAN 1.5°C EMISSIONS NEED TO BE REDUCED BY 45% BY 2030 AND REACH NET ZERO BY 2050.

China, the United States, & the European Union have set a net-zero target, covering about 76% of global emissions.



Commitments made by governments to date fall far short of what is required.

Current national climate plans – for all 193 Parties to the Paris Agreement taken together – **would lead to an increase of 14%** in global greenhouse gas emissions by 2030, compared to 2010 levels.

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DISCUSSION

- How would you/ do people commonly define what a "Sustainable Product" is?
- What makes it difficult to give a clear definition?



Group discussion



10 min



You can take notes on your printout

DISCUSSION - SUSTAINABLE PRODUCT

• How would you/ do people commonly define what a "Sustainable Product" is?

• What makes it difficult to give a clear definition?

LIFE CYCLE STAGES OF A PRODUCT



Environmental Impacts (Resource use and Emissions) occur at every stage in the life cycle

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Example: Life Cycle of a washing detergent,

Source: The Sustainability Consortium ; https://www.sustainabilityconsortium.org/product-categories/ (retrieved Oct 2018, no longer available online)

LIFE CYCLE THINKING CONCEPT

Life cycle thinking helps to systematically identify a product's

- resource use (incl. financial resources)
- emissions (waste) to the environment (environmental impacts)





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Dr. Meike Sauerwein 10. February 2023 Source: The Life cycle Initiative, modified https://www.lifecycleinitiative.org/starting-life-cycle-thinking/what-is-life-cycle-thinking/



Dr. Meike Sauerwein 10. February 2023 Source: The Life cycle Initiative, modified https://www.lifecycleinitiative.org/starting-life-cycle-thinking/what-is-life-cycle-thinking/

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FROM LIFE CYCLE THINKING TO LIFE CYCLE ASSESSMENT (LCA)

QUANTIFICATION OF ENVIRONMENTAL IMPACTS ALONG THE LIFE CYCLE

reveals quantities of energy and material flows, as well as the kind & degree of environmental emissions

WHAT CAN LCA TELL ABOUT PRODUCT SUSTAINABILITY?

1. IDENTIFY HOT SPOTS WITHIN A PRODUCT'S LIFE CYCLE

Raw Material Extraction/Production of parts Life Cycle Assembly Use, Maintenance Processing, Production of parts Assembly Packaging, Distribution

Hot Spot: Process that causes significant impacts

Reveals which life cycle stage is most resource intensive or where most severe emissions happen

→ LCA can indicate which process changes could yield significant positive improvement

Dr. Meike Sauerwein 10. February 2023 2. IDENTIFY TOTAL IMPACTS THAT OCCUR ALONG A PRODUCT'S LIFE CYCLE (ECO-FOOTPRINT OF A PRODUCT)



Comparative: What would be the better alternative?

Reveals total resource requirements & emissions from all life cycle stages

→ LCA can tell which product has a lower footprint and is accordingly more sustainable

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SCOPE 3 EMISSIONS

2030 Goals:

50% absolute reduction in **scope 1, 2 and 3** greenhouse gas (GHG) emissions representing all of Starbucks direct operations and value chain.

EXAMPLE: STARBUCKS

Starbucks Greenhouse Gas Footprint FY17




CRADLE TO GRAVE LCA OF MILK



• Which milk causes the least greenhouse gas emissions (has the lower carbon footprint)?



Hot Spot: Process that causes significant impacts

• What are the hotspots in the different milk life cycles?



Cow Milk



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Source: EPD, 2016, Granarolo, EPD Organic soy drink, EPD, 2018, Granarolo, EPD Organic pasteurized whole milk

COMPARING APPLES & ORANGES?

Life Cycle Assessment can quantify environmental impacts of different products. But how to assess and compare seemingly different products?



It's possible as long as they fulfill the same function

LIFE CYCLE ASSESSMENT ALLOWS THE COMPARISON ENVIRONMENTAL IMPACTS OF DIFFERENT PRODUCTS



What is the function they both fulfil?

How much of each should we compare? e.g., 170g apple with 170g of chocolate bar?



Major ingredients: 25 g sugar, 13 g peanuts, 5 g cocoa, 5 g milk powder, vegetable oils, vanilla extract, ...

- Function: serve as a snack in between meals
- Functional Unit: 1 medium sized apple (170g) vs. 1 bar (50g) of caramel-peanut chocolate

→ Assessment of impacts of materials required to fulfill such a functional unit (reference flows)

FUNCTIONAL UNIT WHY DO WE NEED TO DEFINE A FUNCTIONAL UNIT

Functional Unit: 1 liter of milk



- Functional unit: comparison of products on the basis of equivalent function, for example: comparison of 2 packaging systems for 100 litres of milk by (a) 100 disposable cartons or (b) 1 reusable bottle ; instead of comparison of 1 carton and 1 bottle.
- Functional unit is basis for comparison



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Source: ISO 14044:2006 - Chapter 4.2.2 Goal of the study; Hauschild et al. 2018 - Chapter 7

LIFE CYCLE ASSESSMENT OF MILK

STEP1: DEFINE THE FUNCTIONAL UNIT

1. What is the function, how much of it do we want to compare, and what type and kind of material (ingredients) do we need to fulfil it?

Identical function but different material flows.



Ingredients: Whole milk

Nutrients (per 100mL)	
Carbon Hydrates/ Sugar	5.0 g
Proteins	3.3 g
Fat	3.7 g
Calories	67 kcal
Calcium	120mg



Functional unit:

1 liter of milk

Ingredients: Water, organic soya beans, sugar, dietary fiber, natural flavors

Nutrients (per 100mL)	
Carbon Hydrates/ Sugar	0.5g
Proteins	3.6g
Fat	2.1g
Calories	35 kcal



ACTIVITY/DISCUSSION

Scope of the LCA study



In pairs



5 min

Draw onto your printout

Draw into the graphic: Which stages/phases are covered in these 5 terminologies? Cradle-to-grave, Cradle-to-gate, Cradle-to-cradle, Gate-to-gate, Well-to-wheel

Life cycle phases	Production phase		Use phase	End of Life	
Life cycle stages Dr. Meike Sauerwein	Extraction /Production of Raw Materials	Processing Ingredients	Production	Use	Disposal, Recycling

10. February

COMMON LCA TERMINOLOGY

SCOPE

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- Cradle-to-grave: Scope includes end-of-life disposition of the product/material
- Cradle-to-gate: LCA boundaries include material acquisition, processing, transportation, and manufacturing (factory gate), but not product uses or disposal
- Cradle-to-cradle: Scope includes the entire material cycle, including recycling
- Gate-to-gate: Partial LCA looking at a single added process or material in the product chain
- Well-to-wheel: Application of fuel cycles to transportation vehicles



BUILDING LIFE CYCLE



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Source: Civic Exchange, HKGFA, 2020: Decarbonising Hong Kong Buildings Policy Recommendations and Next Steps

LIFE CYCLE ASSESSMENT OF MILK

STEP BY STEP

- 1. What is the function, how much of it do we want to compare, and what type and kind of material (ingredients) do we need to fulfil it?
- 2. What are the **processes** involved in **each life cycle stage** of the product system(s)?



MAPPING LIFE CYCLE PROCESSES

On that file you can find a

- Raw material production
- Transport
- Production & Packaging
- Distribution
- Use and End of Life





DIFFERENT LIFE CYCLE HOTSPOTS

EXAMPLE: GREENHOUSE GAS EMISSIONS FROM APPLE LIFE CYCLES



Source: Poore, J., & Nemecek, T. (2018). Reducing food's environmental impacts through producers and consumers. Science. Note: Greenhouse gases are weighted by their global warming potential value (GWP100). GWP100 measures the relative warming impact of one molecule of a greenhouse gas, relative to carbon dioxide, over 100 years. OurWorldInData.org/environmental-impacts-of-food • CC BY

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Source: https://ourworldindata.org/grapher/food-emissions-supply-chain?country=~Apples

LIFE CYCLE HOTSPOTS

EXAMPLE: GREENHOUSE GAS EMISSIONS FROM BEEF LIFE CYCLES



Source: Poore, J., & Nemecek, T. (2018). Reducing food's environmental impacts through producers and consumers. Science. Note: Greenhouse gases are weighted by their global warming potential value (GWP100). GWP100 measures the relative warming impact of one molecule of a greenhouse gas, relative to carbon dioxide, over 100 years.

OurWorldInData.org/environmental-impacts-of-food • CC BY

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Source: https://ourworldindata.org/grapher/food-emissions-supply-chain?country=~Apples

SIMILAR PRODUCTS - DIFFERENT LIFE CYCLE HOTSPOTS



Source: Poore, J., & Nemecek, T. (2018). Reducing food's environmental impacts through producers and consumers. Science. Note: Greenhouse gases are weighted by their global warming potential value (GWP100). GWP100 measures the relative warming impact of one molecule of a greenhouse gas, relative to carbon dioxide, over 100 years. OurWorldInData.org/environmental-impacts-of-food • CC BY Source: Poore, J., & Nemecek, T. (2018). Reducing food's environmental impacts through producers and consumers. Science. Note: Greenhouse gases are weighted by their global warming potential value (GWP100). GWP100 measures the relative warming impact of one molecule of a greenhouse gas, relative to carbon dioxide, over 100 years. OurWorldInData.org/environmental-impacts-of-food • CC BY

LIFE CYCLE ASSESSMENT OF MILK

STEP BY STEP

- 1. What is the function, how much of it do we want to compare, and what type and kind of material (ingredients) do we need to fulfil it?
- 2. What are the **processes** involved in **each life cycle stage** of the product system(s)?
- **3. Inventory** What **resources** go into each stage? What amount? e.g., electricity, water, amounts of chemicals, etc.
- 4. Inventory Which emissions are released at each stage? Amount? e.g., concentration of chemicals in wastewater & air, solid waste, etc.



Soy milk

LIFE CYCLE INVENTORY

DATA SOURCES

Primary Data

- Process data
- Governmental statistics
- Surveys

. . .

Secondary data (Background data)

- Life Cycle Databases
- Published LCA reports (academic literature or reports following ISO 14044)





LIFE CYCLE INVENTORY

DATABASES

- Ecoinvent
 - Around 18000 LCI datasets,
 - aggregated and disaggregated
- GaBi Professional
 - Over 2500 datasets, mostly aggregated
- European reference Life Cycle Database (ELCD)
 - Less than 200 datasets
- Chinese Life Cycle Database
 - About 600 LCI datasets for key materials, chemicals, energy systems, transport, and waste.
 - <u>http://www.itke.com.cn</u>
- Many others



LIFE CYCLE ASSESSMENT OF MILK

STEP BY STEP

- 1. What is the **function**, how much of it do we want to compare, and what type and kind of material (ingredients) do we need to fulfil it?
- 2. What are the **processes** involved in **each life cycle stage** of the product system(s)?
- **3. Inventory** What **resources** go into each stage? What amount? e.g., electricity, water, amounts of chemicals, etc.
- 4. Inventory Which emissions are released at each stage? Amount? e.g., concentration of chemicals in wastewater & air, solid waste, etc.

5. Classifying the type of potential impact (damage), a specific emission could cause in the environment







One chemical can potentially contribute to several impact categories





LIFE CYCLE ASSESSMENT OF MILK

STEP BY STEP

- 1. What is the **function**, how much of it do we want to compare, and what type and kind of material (ingredients) do we need to fulfil it?
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- 5. Classifying the type of potential impact (damage), a specific emission could cause in the environment
- 6. Characterizing (quantifying) environmental Impacts

GLOBAL WARMING

- Greenhouse gasses can absorb & re-emit 'heat'
- Molecules vibrate but don't break
 → can repeat the same process over and over again



CHARACTERISTICS OF GREENHOUSE GASES







Long atmospheric
LifetimeStrong absorption
(The more energy the
molecule absorbs, the
more effective it will
be in warming.)

High gas concentration in the atmosphere

Global warming potential Measure of how much energy the emissions of 1 kg a gas will absorb over a given period of time, relative to the emissions of 1 kg carbon dioxide (CO_2) .

		GWP time horizon			
Gas	Lifetime, yr	20 yr	100 yr	500 yr	
Carbon Dioxide, CO ₂	~100	1	1	1	
Methane, CH ₄	12	72	25	7.6	
Nitrous Oxide, N ₂ O	114	289	298	153	
CFC-12, CCl ₂ F ₂	100	11,000	10,900	5,200	
HFC-23, CHF ₃	270	12,000	14,800	12,200	
HFC-134a, CH ₂ FCF ₃	14	3,830	1,430	435	
Sulfur Hexafluoride, SF ₆	3,200	16,300	22,800	32,600	

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Sources: <u>https://www.acs.org/content/acs/en/climatescience/greenhousegases/properties.html</u> <u>https://www.epa.gov/ghgemissions/understanding-global-warming-potentials;</u> IPCC Report ARS5-Chapter 8

CHARACTERIZATION – QUANTIFYING THE POTENTIAL IMPACT OF A GROUP OF CHEMICALS



MILK – CARBON FOOTPRINT -RESULTS



• Which milk causes the least greenhouse gas emissions (has the lower carbon footprint)?



- Hot Spot: Process that causes significant impacts
- What are the hotspots in the different milk life cycles?



Cow Milk





⁽⁴⁾ Storage: Fridge for 13 days for cow milk, 1 day for soy milk (cooled after opening)

TOTAL

BUT LIFE CYCLE ASSESSMENT IS NOT ONLY ABOUT CO $_2$ & GREENHOUSE GAS EMISSIONS



- LCA is a tool at allows quantification of a variety of different environmental categories
- This can help to **avoid burden-shifting** from one category to another, *e.g., making* reductions in carbon footprint but increasing toxicity impacts

LCA - HOTSPOTS & TRADE-OFFS

Improvements in one life cycle stage or one environmental category may **worsen the impacts in another** life cycle stage or environmental category.





LCA - TRADE-OFFS

Improvements in one life cycle stage or one environmental category may worsen the impacts in another life cycle stage or environmental category



Fig. 10.5 Comparing two products, which alternative would you choose? Examples of footprints are indicated in *green shading*; impact categories commonly assessed in LCA are indicated in *blue shading*

KEY TAKEAWAYS LIFE CYCLE THINKING

Life Cycle Thinking

- considers environmental impacts (Life Cycle Assessment) and cost (Life Cycle Costing) & at all life cycle stages
- reduces the narrow focus on just one or two stages
- indicates how changes in one life cycle stage affect the resource use and emissions from other life cycle stages.



KEY TAKEAWAYS LIFE CYCLE ASSESSMENT

1. IDENTIFY HOT SPOTS WITHIN A PRODUCT'S LIFE CYCLE



Hot Spot: Process that causes significant impacts

2. IDENTIFY TOTAL IMPACTS THAT OCCUR ALONG A PRODUCT'S LIFE CYCLE (ECO-FOOTPRINT OF A PRODUCT)



KEY TAKEAWAYS LIFE CYCLE ASSESSMENT

Life Cycle Assessment

- reveals the full picture of a product's environmental performance & allows a quantitative comparison of products & judgement about product sustainability
- helps to identify
 - where excessive resource used & excessive emissions /waste created
 - material/processes/product options with lower environmental impacts
- Is a commonly used tool to quantify environmental impacts along the life cycle, applied in various areas incl. product design, manufacturing and environmental labelling, marketing, etc.


PART 2

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- Life Cycle Assessment Methodology
 - Recap and linkage to key frameworks and ISO standards
 - How are LCA results commonly displayed?
 - Discuss benefits and limitations of LCA
- Life Cycle Assessment Tools & Applications
 - Examples of common uses of LCA
 - Using LCA results what to pay attention to?
- Life Cycle Costing
 - Basic concepts

LIFE CYCLE ASSESSMENT

QUANTIFICATION OF ENVIRONMENTAL IMPACTS ALONG THE LIFE CYCLE

1. IDENTIFY HOT SPOTS WITHIN A PRODUCT'S LIFE CYCLE



Hot Spot: Process that causes significant impacts

2. IDENTIFY TOTAL IMPACTS THAT OCCUR ALONG A PRODUCT'S LIFE CYCLE (ECO-FOOTPRINT OF A PRODUCT)







Dr. Meike Sauerwein 10. February 2023 Hunt et al. (1996) : LCA — How it came about — Personal reflections on the origin and the development of LCA in the USA, Intern. Journal of Life Cycle Assessment

LCA - METHODOLOGICAL FRAMEWORK

THE FOUR PHASES OF LCA



LIFE CYCLE ASSESSMENT OF MILK

STEP BY STEP

- 1. What is the function, how much of it do we want to compare, and what type and kind of material (ingredients) do we need to fulfil it?
- 2. What are the **processes** involved in **each life cycle stage** of the product system(s)?
- **3. Inventory** What **resources** go into each stage? What amount? e.g., electricity, water, amounts of chemicals, etc.
- 4. Inventory Which emissions are released at each stage? Amount? e.g., concentration of chemicals in wastewater & air, solid waste, etc.

- 5. Classifying the type of potential impact (damage), a specific emission could cause in the environment
- 6. Characterizing (quantifying) environmental Impacts



BUT LIFE CYCLE ASSESSMENT VS. CARBON FOOTPRINT



• LCA is a tool at allows quantification of a variety of different environmental categories including carbon footprinting

LIFE CYCLE IMPACT ASSESSMENT CATEGORIES

Despite the importance of global warming due to greenhouse gas emissions - keep in mind that these are not the only impacts



LIFE CYCLE IMPACT ASSESSMENT CATEGORIES

Table 1. Selected LCIA methods and impact categories. Metrics of impact categories are shown for each LCIA method.

LCIA Methods	CML	EDIP	EF	EPD	ILCD	IMPACT	ReCiPe	TRACI
Global warming	kg CO ₂ eq	kg CO ₂ eq	kg CO ₂ eq	kg CO ₂ eq	kg CO ₂ eq	kg CO ₂ eq	kg CO ₂ eq	kg CO ₂ eq
Acidification Ozone depletion	kg SO ₂ eq kg CFC-11 eq	m² kg CFC-11 eq	mol H+ eq kg CFC-11 eq	kg SO ₂ eq kg CFC-11 eq	mol H⁺ eq kg CFC-11 eq	kg SO ₂ eq kg CFC-11 eq	kg SO ₂ eq kg CFC-11 eq	kg SO ₂ eq kg CFC-11 eq
Eutrophication	kg PO ₄ eq	kg P	kg P eq	kg PO ₄ eq	kg P eq	kg PO ₄ P-lim	kg P eq	kg N eq
Energy con- sumption	MJ		MJ	MJ		MJ primary	kg oil eq	MJ surplus
Resource	kg Sb eq	PR2004	kg Sb eq	kg Sb eq	kg Sb eq		kg Cu eq	
Smog	$kg C_2 H_4 eq$	per.ppm.h	kg NMVOC eq	kg NMVOC	kg NMVOC eq	$kg C_2 H_4 eq$	kg NO _x eq	kg O ₃ eq
Water depletion			m ³ depriv.	m ³ eq	m ³ water eq		m ³	
toxicity (Cancer)	kg 1,4-DB eq	person	CTUh		CTUh	kg C ₂ H ₃ Cl eq	kg 1,4-DCB	CTUh
Particulate matter			disease inc.		kg PM2.5 eq	kg PM2.5 eq	kg PM2.5 eq	kg PM2.5 eq
Ecotoxicity (Freshwater)	kg 1,4-DB eq	m ³	CTUe		CTUe	kg TEG water	kg 1,4-DCB	CTUe
Land use			Pt		kg C deficit	m ² org.arable	m ² a crop eq	

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Source: Dong et al. 2021: Developing Conversion Factors of LCIA Methods for Comparison of LCA Results in the Construction Sector, Sustainability

ACTIVITY Interpreting LCA results







In pairs

10 min

Feel free to take notes on handout

LCA RESULTS

- How many materials are compared?
- Scope?
- Which life cycle stages?
- Which environmental categories?
- What unit?
- Which one is the best/worst?

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Figure 10: Breakdown of GWP for the maintenance phase only





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- MW = Monterrey steel solution with wood batten
- MS = Monterrey steel solution with steel batten
- CW = Classic steel solution with wood batten
- CS = Classic steel solution with steel batten.

Source: https://worldsteel.org/wp-content/uploads/Life-cycleassessment-Environmental-assessment-of-roofing-systems.pdf

Figure 12: Cradle to grave GWP contribution per material



LCA -TOOLS

Dr. Meike Sauerwein 10. February 2023



CLASSIFICATION & CHARACTERIZATION OF POTENTIAL ENVIRONMENTAL IMPACTS

10. February 2023



WHAT ARE COMMON LCA TOOLS?

LCA SOFTWARE TOOLS

- SimaPro
 - Most widely adopted; produced by Pre Consultants (Netherlands)
 - Comes preloaded with many databases
 - Can model whole product systems using aggregated or disaggregated datasets
- GaBi
 - Very popular LCA software produced by Sphera
 - Comes with GaBi database and other databases can be purchased
- Open LCA
 - Open source software produced by Green Delta (German Consultancy)
- Other include Umberto, Quantis Suite, Brightway2, etc.

SímaPro

Sphera[®]

openica



GABI (SPHERE)



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SIMAPRO (PRE-CONSULTING)





SimaPro Tutorial

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LIFE CYCLE ASSESSMENT (LCA) & TOOLS



COMPARISON OF BUILDING LCA TOOLS

Embodied Carbon Calculators

Life Cycle Assessment Tools







Athena Sustainable Materials Institute



CARBON ASSESSMENT TOOL

Understanding the embodied carbon of construction materials and carbon emissions of on-site construction process provides the opportunities to improve the sustainability performance and construction project efficiency.

Start your journey with the CIC Carbon Assessment Tool

SIGN IN

CIC-CARBON ASSESSMENT TOOL SCOPE OF THE TOOL

The scope of the Tool is **Cradle to Site** (A1 to A5) and is based on the ISO 14025:2010 (Environmental Labels and Declarations -Type III Environmental Declarations - Principles and Procedures



CIC CAT Tutorial (2019)



SUPERSTRUCTURE

SUBSTRUCTURE

Aggregate Concrete Reinforcement Bar Prefabricated Reinforcement Bar Structural Steel Prefabricated Structural Steel

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SITE IMPACTS

Electricity Town Gas

Fuel Consumption Water C&D Waste

Concrete Reinforcement Bar Structural Steel Timber Formwork Metal Formwork Metal Hoarding Timber Hoarding Bamboo Scaffolding Metal Scaffolding

ACTIVITY CIC Carbon Calculator Tool





10 min

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Data Input – Front Page

 'Perma Works Substi 	anent S – ructure'	CIC Carbon Assessment Tool 建造架議會破評估工具	< TJS - Test 1 Project Information	on Data Input Result	s Analysis Comparison		1HKGCic@cundall.com Project Manager
The softv will allow you to	vare v	~	Total Carbon Emission 0 tCO ₂ e	_	+ Request New N	Material 📑 Import Template 🗸 Import	Export
choose:			Permanent and Temporary Works		0 tCO ₂ e		
011000001					0 tCO ₂ e		
	Material Family				0 tCO ₂ e		
					0 tCO ₂ e		
	Material				0 tCO ₂ e		
	Country/Origin	Permanent W	/orks - Substructure 🕕	Permanent Wo	orks - Superstructure 🚯	Temporary Works 🕕	Site Impacts ()
	Quantity				+ Add New Material	Note: All carbon emi Input contains a prec within to estimate the	ssion factors used in Design lefined "wastage value" e potential wastage in actual
	Unit	"Add New Field" to the project	is the button to click to	add the materials	construction operation does not exist in the database.	n. This "wastage value" construction stage's	
Dr. Meike Sauerwein 10. February 2023		The number will Substructure and	be total for the project a Superstructure	nd split into			CONSTRUCTION INDUSTRY COUNC 建造業議會

Data Input - Material

Add New Material		×	aa new material		,
CIC Green Product	NO		CIC Green Product	NO	
			Material Family	Concrete ~	
Material Family	select v		Material	select v	
Material 🚺	Aggregate Concrete Reinforcement Bar Prefabricated Reinforcement Bar		Country/Origin	select ▲ C100, > 25% PFA mix C100, ≤ 25% PFA mix C100, 35 - 55% GGBS mix	
Country/Origin	Structural Steel		Quantity	C100, 55 - 75% GGBS mix C20, ≤ 25% PFA mix C20, OPC	
Quantity	0		Unit	C30, > 25% PFA mix C30, ≤ 25% PFA mix C30, 35 - 55% GGBS mix C30, 55 - 75% GGBS mix	
Unit	select v			C30, OPC C35, > 25% PFA mix C35, ≤ 25% PFA mix C35, 35 - 55% GGBS mix C35, 55 - 75% GGBS mix	Add
	Close Add	orks - St	aperstructure ()	C35, OPC C40, > 25% PFA mix C40, ≤ 25% PFA mix	

Select the type/**specification** of the material from the predefined drop down list

If the **type/specification** for the material is unknown, please select the **Average or Unknown** option provided



CIC CAT User Guide (2019)

Select the material family from the predefined drop down list

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Monthly Carbon Emission 5,706 tCO₂e



WHO USES LIFE CYCLE ASSESSMENT - AND WHY?

TOWARD LIFE CYCLE THINKING

LCA APPLICATIONS

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LIFE CYCLE ASSESSMENT IN PRACTICE

In 2010, the Finnish Environment Institute published a report on the adoption of LCA in 20 global corporations from multiple sectors.

Sustainability Expertise in All Major Industries

Building &

Metals, Minina &

Let us help you simplify and strengthen

innovation, transparency, and reporting

to establish credible sustainability.

Manufacturing

profitability





Consumer Goods

Energy & Mobility

Move doser to sustainability and meet even tightening targets with the insights and tools only thinkstep offers.

Construction Make product development sustainable from concept to consumer hands with We help you integrate sustainability our deep data, expertise, and throughout the building and construction value chain to foster growth and technology



Chemicals & Life Science

Reduce energy intensity, develop alternatives, and optimise supply chains with the right data on demand.



Services & Public Sector

Use our proven methodologies and consistent data to show the world what sustainability is really worth.

Table 2. Environmental impact categories taken into account by companies surveyed.

	Energy consumption	Climate change	Acidification	Eutrophication	Material depletion	Phochemical ozone formation	Ozone deple-tion	Waste problem	Eco-toxicity	Human toxicity	Water reserve impacts	Land use	Biodiversity
BASF													
Bombadier Transportation													
Continental													
Daimler													
Electrolux													
GE													
GlaxoSmithKline													
Interface													
KONE													
Nestle Waters													
Procter & Gamble													
Siemens													
Unilever													
Vattenfall													
Vestas													
Xerox													

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Sources: Nygren & Antikainen (2010) Use of life cycle assessment in global companies. Reports of the Finnish Environment Institute. Life Cycle Assessment (2018): Theory and Practice, Part I – Chapter 4; M. Z. Hauschild, R. K. Rosenbaum, S. I.Olsen (Ed.); Springer International Publishing

APPLICATION OF LCA RETAIL

LIFE CYCLE ASSESSMENT IN PRACTICE

RETAIL

Walmart has committed to science-based targets for emissions reduction, including achieving zero emissions in their operations by 2040 and engaging suppliers through the Project GigatonTM initiative to reduce or avoid supply chain emissions by 1 billion metric tons by 2030.

Walmart suppliers report their emissions reductions activities through

- disclosure to CDP
- project Gigaton Account

Provision of various calculation tools incl.

- Waste Reduction Model & Waste diversion calculator (U.S. EPA),
- Life cycle assessment tool COMPASS (for packaging)
- Design-for-recyclability calculator
- National FARM Program Environmental Stewardship Module (FARM ES) tool
- Fertilizer calculator
- Etc.

*Scope 3 is estimated to represent 95% of Walmart's full scope 1, 2, and 3 emissions

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10. February 2023Source: https://corporate.walmart.com/esgreport/esg-issues/climate-change
Walmart Sustainability Hub, 2021, Project Gigaton Accounting Methodology





💓 1. LCA AND HOTSPOT IDENTIFICATION



EXAMPLE: CHICKEN MEAT





THE SUSTAINABILITY CONSORTIUM™



Key Performance Indicators

				RESPONSE OPTION			
Supplier S	urveys and	 Crop Supply Mapping For what percentage of your crop supply can you identify the country, region, or farm of origin? 		 A. We are unable to determine at this time. B. The following percentages represent the origins of our crop supply: B1% is the portion of our crop supply for which we are unable to determine the origin. 			
Measuring	Progress			 B2% is the portion of our crop supply for which we have identified the country of origin. B3% is the portion of our crop supply for which we have identified the region of origin. B4% is the portion of our crop supply for which we have identified the farm of origin. 			
		2. Access to Oppo Farmers What percentage sourced crop su from smallholder a program to inc agricultural traini	ortunities for Smallholder e of your smallholder farmer- oply, by mass, was sourced farmers that are supported by rease opportunities for ng, inputs, and services?	 A. Not applicable. We do not source our supply from smallholder farmers. B. We are unable to determine at this time. C. The following percentage of our smallholder farmer-sourced crop supply, by mass, was sourced from smallholder farmers that are supported by a program to increase opportunities for agricultural training, inputs, and services: C1%. 			
Sotting Targets based		3. Child Labor Us	e - On-farm	A. We are unable to determine at this time.			
	3. Child Labor Use - On-farm	labor	 A. We are unable to determine at this time. B. The following percentages, by mass purchased, represent the outcomes of our risk assessment(s) for the worst forms of child labor for our crop supply: 				
on KPI (for suppliers)	What are the outcomes of the risk assessments for the worst forms of child performed on your crop supply?						
to improve			B1 % of crop supply came from low-risk countries with corrective actions taken for any known high-risk sites.				
			B2. %	o of crop supply came from high-risk countries that have	e high-risk sites		
Support for follow up			for which we to	ok corrective actions.			
	5. Fertilizer Application - On-farm		A. We are unable	to determine at this time.			
actions	What was the nitrogen use intensity and		B. We are able to report the following for our crop supply:				
	phosphorus surplus associated with fertili	lizer	B1 kg nitrogen per metric tonne of crop harvested.				
	application on the fields where your crops	swere	B2. %	o of our crop supply, by mass, is represented by the nur	mber reported		
Regular checks on	produced		in B1.				
Process			B3. k	g phosphorus surplus per metric tonne of crop harveste	ed.		
			B4 % in B3.	o of our crop supply, by mass, is represented by the nur	nber reported		
				B4% of our crop supply, by mass, is represented by the number reported in B3.			

LIFE CYCLE ASSESSMENT IN PRACTICE

RETAIL

- Identify hotspots (bottlenecks) of environmental impacts of products
- Selection of relevant indicators to measure sustainability performance of a product

Objective

The assessment tool includes a set of **key performance indicators** (KPIs), along with a proposed method of scoring products against these indicators.

Target group

Retailers [...] may voluntarily use this tool to independently evaluate product sustainability, with scores intended to remain confidential between **retailer and supplier**.



KPI Table of Contents

PA	CKAGING		60 points	
#	KPITITLE		POINTS PAGE #	
1.	Design, policy, and goals		5 2	
2a/b.	Sustainable sourcing		15/10 4/8	
3. 4	Attribute communication	н	JMAN HEALTH	1:
 5	Recyclability = Sales pack	#	KPITITLE	POINT
6	Ctowardahin list shamias	1.	Worker health and safety – Manufacturing	20
0.	Stewardship list chemical	2.	Fragrance management	15
		З.	Formulation – Stewardship list chemical management	-
		4.	Formulation – Chemical selection	15
		5.	Formulation – Stewardship list chemical usage	-
		6.	Chemical footprint	15
		7.	Risk assessment and product safety	15
		8.	Ingredient disclosure to manufacturers	15

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The items we consume, which include food, beverage, and agriculture, make up a large percentage of our consumer goods purchases. These are items we rely on daily for our nutrition and consumption for ourselves and our families.

Sustainability issues within these items tend to have similar hotspots: deforestation, biodiversity, labor rights, animal welfare, packaging, and many more. The production of these items directly affect not just the planet, but the people that work to bring these items to a retail store online or near you.



Click through the food, beverage, and agriculture items below to explore the many sustainability issues present their supply chain. TSC members are working daily to mitigate these hotspots to help us create more sustainable products. In addition, TSC works with global companies to help tackle both food waste and hunger along with our commodity mapping program that uses trade route data to help companies see where their commodities like coffee, beef, and barley originate.



10. February 2023

Source: https://sustainabilityconsortium.org/thesis-product-finder/





GENERAL MERCHANDISE

FOOD, BEVERAGE, AND AGRICULTURE



CLOTHING, FOOTWEAR, AND TEXTILES



HOME AND PERSONAL CARE





LIFE CYCLE ASSESSMENT IN PRACTICE

TSC PRODUCT SUSTAINABILITY TOOLKIT





https://www.sapstore.com/solutions/99039/TSC-Product-Sustainability-Toolkit-for-SAP-Product-Stewardship-Network https://www.sustainabilityconsortium.org/downloads/coffee-product-sustainability-toolkit-supply-chain-diagram/
APPLICATION OF LCA POLICY MAKING

Table 4.1 Examples of LCA applications at different stages of the policy cycle

Topic	Initiation year and/or geographical scope		
LCA as a knowledge tool in policy formulation			
Environmental technologies action plan (ETAP)	2004; EU		
Integrated product policy (IPP)	2003; EU		
Directive on the eco-design of energy using products (EuP)	2005; EU		
Strategy for the sustainable use of natural resources	2005		
Sustainable production and consumption action plan (SCP)	2007; EU		
Biofuels	Germany		
Application of pesticides	Costa Rica		
Supporting the implementation of information based instrument.	s: LCA & policy imple	mentation	
Eco-labelling	Various countries		
Environmental product declarations (EPD)	Various countries		
Strategic environmental assessment directive	2004		
Public procurement	EU, Japan		
Construction products directive	1989; EU		
Ordinance on the avoidance and recovery of packaging wastes	Germany		
Waste management	France, Mexico, japan		
LCA as a tool for policy evaluation			
Thematic strategy on prevention and recycling of waste & Waste framework directive	2005; EU	2005; EU	
Waste oil directive	2000: EU		

LIFE CYCLE ASSESSMENT IN PRACTICE

ECO-LABELLING (GOVERNMENTAL POLICY)





Dr. Meike Sauerwein

10. February 2023

Life cycle approach guarantees that the products' major environmental impacts are reduced in comparison to similar products on the market.

Methodology

- Development of LCA based benchmarks and product performance criteria in each product category
- Manufacturers provide data / test results about their products
- Comparison with benchmark criteria → if product does sufficiently well (in hotspot categories) it is awarded a label





VOLUNTARY ECO-LABELS EXAMPLE: ECO-LABEL BY EUROPEAN COMMISSION

Rinse-off Cosmetic Products



Once it's on your products, the EU Ecolabel guarantees

- Reduced impact on aquatic ecosystems
- Fulfilment of strict biodegradability requirements
- Limited packaging waste



Sources: http://ec.europa.eu/environment/ecolabel/products-groups-and-criteria.html https://ec.europa.eu/environment/ecolabel/documents/Rinse-off%20Cosmetics%20factsheet.pdf



EU PRODUCT **ENVIRONMENTAL** FOOTPRINT (PEF)











Lyreco

LYRECO

LIQUID

LAUNDRY

EVALUATION

Lyreco Laundry Liquid is a product

A PEFCR for the Laundry Liquid detergents products cate-

gory was designed by a committee of industry experts and

validated by a steering committee chaired by the EC.

This PEFCR makes possible to evaluate the environmental

performance of a Laundry Liquid detergent, according to

weighted impact evaluation of all environmental indicators

The score is defined on a common usage basis: 1 dose of

It is expressed in micropoints (µpt) and compared with the

score of a representative Laundry Liquid detergent (with

EU average characteristics). The closer this score is to zero, the less impact it has on the environment.

a defined functional unit. This score is the results of the

in the Lyreco Hygiene range.

SCORING METHODOLOGY

at each stages of the product lifecycle.

product per 1 wash.

Lyreco Laundry Liquid is more environmentally friendly that the average laundry liquid with a score of 12.6 vs 18 upt/dose.

LIFECYCLE ASSESSMENT

Except for the End-of-life, Lyreco Laundry Liquid performs better than the representative product at each stage of the lifecycle. For the Raw material stage, which is one of the most important one, Lyreco product particularly performs in comparison with the average product. This is also the case for the Manufacturing process.

50% less impact in the Raw Material category: 4.58 vs 8.10 µpts/dose

30% less impact on the Manufacturing process category: 0.30 vs 0.46 µpts/dose

LIFECYCLE COMPARED RESULTS (in upt/dose)*

	LYRECO	REPRESENTATIVE PRODUCT
RAW MATERIAL	4.58	8.1
PACKAGING	0.77	2.05
MANUFACTURING	0.3	0.46
DISTRIBUTION	0.69	1.22
END-OF-LIFE	6.24	6.13
TOTAL	12.58	17.95
USE PHASE Including water release fr	20.65 om the washing mad	20.65 chine.

(*)The detailed results of the environmental performance of the Lyreco product ("PEF report" certified by trusted third party EY) can be asked at: group.qss@lyreco.com







(FOSSILS)

8% PARTICULATE MATTER

NEXT

STEPS

000

ENVIRONMENTAL INDICATORS

In a detailed evaluation, Climate change, Resource usage (fossils) and Particulate matter are the most impacted environmental indicators.

KEY ENVIRONMENTAL PERFORMANCE FACTORS

Less detergents required to wash 4.5 kg of textiles

Chemical used are less impacting

Lower amount of chemical

Encourage our suppliers to adopt the EU PEF methodology

Continuous improvement

Promote EU PEF to our customers

VOLUNTARY STANDARDS FOR BUSINESSES EU PRODUCT ENVIRONMENTAL FOOTPRINT

"The European Commission (EC) developed the product environmental footprint (PEF) method to support valid product comparisons"

"



Source: https://www.youtube.com/watch?v=xTXtGpRyxUk https://pre-sustainability.com/solutions/consulting/sustainable-products/product-environmental-footprint/

VOLUNTARY STANDARDS FOR BUSINESSES

EU PRODUCT ENVIRONMENTAL FOOTPRINT

- The European commission in collaboration with LCA consultants and companies from specific industries, initiated projects to **conduct LCA of representative market products**
- Based on those they develop Product Environmental Footprint Category Rules (<u>PEFCR</u>)
 a guideline how to conduct LCA for different product groups, to allow comparability
- This includes the provision of a variety of data sets and simpler calculation tools to enable life-cycle based calculations on a product level which would normally very expensive and data-intensive
- Assessment **results in a Report / Label** that indicates by how many % the product is better than the benchmark products

*generic PEF method available for product types without PEF CR

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10. February 2023

Source: https://ec.europa.eu/environment/eussd/smgp/PEFCR_OEFSR_en.htm#final



22 March 2022

Sustainable Products Initiative – A new digital product passport

SPI Sustainable Products Initiative

The European Commission gears up to launch its Sustainable Products

Initiative (SPI) on 30 March. The introduction of digital product passports is

expected as one of the highlights.



On the EU digital product passport



Digital Product Passport > On the EU digital product passport

The fact that products should carry a passport is not new, and definitely not new in GS1. The real change is that this is happening through legislation and by leveraging both green and digital transformations.

The regulation states that "the product passport means a set of data specific to a product that includes the information (specified in the delegated act) and that is accessible via electronic means through a data carrier".

Under the new regulation, the product passport shall:

- ensure that actors along the value chain, including consumers, economic operators, and competent national authorities, can access product information relevant to them
- improve traceability of products along the value chain
- facilitate the verification of product compliance by competent national authorities
- include the necessary data attributes to enable the tracking of all substances of concern throughout the lifecycle of the products covered

APPLICATION OF LCA CONSTRUCTION



LIFE CYCLE ASSESSMENT IN PRACTICE

CONSTRUCTION INDUSTRY

International EPD® System Type III: ISO 14025

Environmental Product Declarations (EPD)

- Supporting / verify performance claims
- Product Certification e.g. used in building assessment schemes



Dr. Meike Sauerwein 10. February 2023 https://www.youtube.com/watch?v=v6sJrp443Hg https://www.environdec.com/What-is-an-EPD/Applications/Building-assessment-schemes/

LIFE CYCLE ASSESSMENT IN PRACTICE

ENVIRONMENTAL PRODUCT DECLARATIONS (EPD) (TYPE III ECO-LABELS)

Quantified environmental information on the life cycle of a product embedded in a system to verify and register EPDs and maintain a publicly-available library of EPDs.

E.g. building industry increasingly use LCA based information for their environmental impact communication

The EPDs

- Are used in marketing and communication and demonstrate a company's responsibility for sustainability impacts
- Provide information that can directly be used to quantify impacts in building assessment schemes.



ENVIRONMENTAL PRODUCT DECLARATION (EPD)

- Life Cycle Assessments of products (particularly popular for construction materials) reported in a standardized format
- Based on ISO standard ISO 14025 (Environmental Product Declaration)
- Follow Product Category Rules: 'standardized LCA recipe'



PRODUCT CATEGORY RULES

THE COOK-BOOK FOR MAKING LCA-BASED ENVIRONMENTAL PRODUCT DECLARATIONS

A PCR is a copyrighted document that is part of the EPD "cookbook" and contains the recipe to create a high-quality EPD for the product category you are interested in.

The PCR provides the instructions for how the life-cycle assessment (LCA) should be conducted. It sets out what you need to consider, including but not limited to:

- System boundaries, i.e. which processes and stages of the product's life cycle need to be considered
- Declared/functional unit: the amount, weight and service life of the product being assessed
- How to define e.g. the use phase and end-of-life options
- What impact categories need to be assessed in addition apart from the standard set as described in our General Program Instructions (GPI)



EPD DATABASES: LCA REPORTS OF BUILDING MATERIALS

EXAMPLE: EPD REPORT: STEEL



CUT AND BENT REINFORCING STEEL BARS

LIFE-CYCLE ASSESSMENT

LIFE-CYCLE ASSESSMENT INFORMATION

2020 Period for data

DECLARED AND FUNCTIONAL UNIT

Declared unit 1 kg Mass per declared unit 1

BIOGENIC CARBON CONTENT

Product's biogenic carbon content at the factory gate Biogenic carbon content in product, kg C 0 Biogenic carbon content in packaging, kg C - 0

SYSTEM BOUNDARY

This EPD covers the cradle to gate with options scope with following modules; A1 (Raw material supply), A2 (Transport) and A3 (Manufacturing), A4 (Transport), as well as C1 (Deconstruction), C2 (Transport at end-oflife), C3 [Waste processing] and C4 (Disposal). In addition, module D benefits and loads beyond the system boundary is included.

A5 B1 B2 B3 B4 B5 B6 B7

BE

CUT-OFF CRITERIA

The study does not exclude any modules or processes which are stated mandatory in the EN 15804:2012+A2:2019 and the applied PCR. The study does not exclude any hazardous materials or substances.

The study includes all major raw material and energy consumption. All inputs and outputs of the unit processes, for which data is available for, are included in the calculation. There is no neglected unit process more than 1% of total mass or energy flows. The module specific total neglected input and output flows also do not exceed 5% of energy usage or mass.

Because of lack of accuracy in available modelling resources steel wire and textile straps are excluded, they constituents under 0,1% of product mass. Also the EU pallets are excluded they have a low mass share compared to the product and are reused. The production of capital equipment, construction activities, and infrastructure, maintenance and operation of capital equipment, personnel-related activities, energy and water use related to company management and sales activities are excluded

ENVIRONMENTAL IMPACT

Note: additional environmental impact data may be presented in annexe

CORE ENVIRONMENTAL IMPACT INDICATORS - EN 15804+42, PE

Impact cate A1-A3 A4 C2 C3 C1 GWP-total GWP-biogeni ke 002e GWP-LULUC Ozone depletion Acidification p EP-freshwater EP-terrestrial POCP ("smort")

I) GWP = Global Warning Potential; EP = Eutrophication potential; PCCP = Photochemical azone formation; ADP = Abiotic depletion potential; 2] EN 15804+A2 disclaimer for Abiotic depletion and Water use and optional indicators except Particulate matter and longing radiation. human health: The results of these environmental innont indicators shall be used with one are the increated at a re-tractional action. Water use and optional indicators except Particulate matter and lonizing radiation, human health. The these results are high or as there is limited experienced with the indicator. 3) Required characterisation in resons or mese environmental impact indicators shall be used wi in method and data are in kg P-eq. Multiply by 3,07 to get PO4e.

Dr. Meike Sauerwein 10. February 2023

Sources: https://www.environdec.com/library EPD, Cut and Bent Reinforcing Steel Bars

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EPD DATABASES / LIBRARIES



The data sets follow the international standards and norms and are used for building LCA software, green public procurement (GPP), etc.



Global Construction Products EPD/LCA Database

Show 10 🔻 entries	• entries Showing 1 to 10 o				744 entries filtered from 4,758 records			CRESET Table	
EPD Product Name	Unit	Classification 🔶	Country/ Region	Valid Until 🗘	EPD Type ♥	EPD Owner 🗘	Database	View	
Search		Search.	· ·	S.*	Ψ.	Search.	Selec		
3D Fiberglass (LSP - FG)	1.0 m2	Mineral building products / Bricks, blocks and elements / Natural cut stone	TR	2025	Specific Dataset	AKDO-Silkar Madencilik San. ve Tic. AS.	GloCoMDat TurCoMDat	Ø	
3M Baseboard and Multi-use Adhesive	1.0 kg	Mineral building products / Mortar and Concrete / Concrete additive	BE	2024	Specific Dataset			0	
3M P3000 High Performance Wood Floor Adhesive (2 x 3.5 kg bags in a pail)	1.0 m2	Mineral building products / Mortar and Concrete / Adhesive and adhesive mortar	WEU	2024	Specific Dataset	3M Company Europe	GloCoMDat EUCoMDat	Θ	
3M P3000 High Performance Wood Floor Adhesive (600 ml sausage)	1.0 m2	Mineral building products / Mortar and Concrete / Adhesive and adhesive mortar	WEU	2024	Specific Dataset	3M Company Europe	GloCoMDat EUCoMDat	ø	
3M QS 2000 B 24 kV moulded rubber splice kit	í.0 Piece	Plastics / Sealing materials / Rubber	FR	2021	Specific Dataset	3M Company Europe	GloCoMDat EUCoMDat	0	

COMPARISON OF BUILDING LCA TOOLS

Embodied Carbon Calculators



Life Cycle Assessment Tools





Athena Sustainable Materials Institute

LIMITATIONS OF LCA

THE ELUSIVE BENCHMARK

LCA Comparison shows what is a "better product" not what's sustainable



LCA LIMITATIONS **GHG Emissions** Land Use Scty. Water Acid. Eutroph. (g SO₂eq) (g PO₄^{3–}eq) (kL eq) (kg CO₂eq) (m²year) 10th 10th 75 Pc Mean 0 25 50 300 Pc Mean 0 100 200 75 150 0 75 50 100 150 0 100g protein Α COMPARABILITY Beef (beef herd) 724 20 42 . 50 164 Lamb & Mutton 757 11 12 20 30 185 **OF RESULTS** Beef (dairy herd) 490 7.3 22 1 H 9.1 17 0 15 10 15 10 0 75 150 0 75 150 0 50 100 Crustaceans (farmed) 1.0k 5.4 18 0.4 2.0 5.1 11 Cheese 1.9k 4.4 41 . Published reports may not be . 4.6 7.6 Pig Meat 116 . → 4.8 11 comparable Fish (farmed) 612 . 2.5 6.0 . 0.4 3.7 . Poultry Meat 326 2.4 5.7 . 3.8 7.1 Eggs 100 2.6 4.2 . 4.0 5.7 e.g. different functional units Tofu 354 1.0 2.0 1.1 2.2 Groundnuts 100 0.6 1.2 . 1.8 3.5 10th pctl. 0.5 0.8 Other Pulses 115 → 4.6 7.3 ruminant Peas 438 0.3 0.4 . 1.2 3.4 meat Nuts 199 -2.2 0.3 → 2.7 7.9 Grains 23k 1.0 2.7 1.7 4.6 9 15 30 10 20 100 2 3 6 0 0 0 50 B 1 liter Milk 1.8k 1.7 3.2 → 1.1 8.9 1.0 🔹 0.3 0.7 Soymilk 354 0.6 3 2 10 0 5 10 0 20 5 40 1000 kcal 4 Cassava 288 0.8 1.9 0.4 1.4 0.3 0.8 Rice (flooded) 7.8k 1.2 0.4 0.3 0.9 1.1 2.9 Oatmeal 139 161 Potatoes 604 0.2 0.6 - e. . . . 0.6 1.2 dd Wheat & Rye (Bread) 8.8k 0.3 0.6 0.4 1.4 1.5 . 0.3 0.7 Maize (Meal) 6.2k 0.2 0.4

COMPARABILITY OF RESULTS

Published reports may not be comparable

e.g., setting boundaries & process inclusion / exclusion



Dr. Meike Sauerwein 10. February 2023 Source; Ramboll 2022: COMPARATIVE LIFE CYCLE ASSESSMENT (LCA) SINGLE-USE AND MULTIPLE-USE TABLEWARE SYSTEMS FOR TAKE-AWAY SERVICES IN QUICK SERVICE RESTAURANTS

RESULTS ARE NOT UNIVERSALLY TRUE

LCA results not universally true for all different locations, times, societies
 → comparability can be low

e.g., environmental performance of EV depends on local electricity grid





ALL YOU NEED IS DATA, DATA, DATA

- Hugh amount of high-quality data required
 - data can be inadequate, lacking or confidential
 → assumptions necessary
 - time & resource & cost intensive
 → Doing LCA for millions of products an impossible task?
- Datasets can be outdated / not representative / incomplete - Example organic cotton H&M



Dr. Meike Sauerwein 10. February 2023

Source: https://qz.com/2180075/hm-showed-bogus-environmental-higg-index-scores-for-its-clothing

Source: <u>Commodore v. H&M Hennes & Mauritz LP 2022</u>; BATES KASSATLY and BAUMANN-PAUL (2022): The great Greenwashing Machine Part 2: The Use And Misuse of Sustainability Metrics In Fashion

JUST AN ANALYSIS TOOL

LCA itself is just an analysis tool to evaluate and track performance & doesn't require the analyst to take action nor guarantees that the right action will be taken to improve the sustainability performance of products/processes and services





LIFE CYCLE COSTING



Dr. Meike Sauerwein 10. February 2023 https://www.youtube.com/watch?v=leploo_Kv84

LIFE-CYCLE COSTING (LCC)

Life-cycle costing (LCC) means considering all the costs that will be incurred during the lifetime of the product, work or service:

- **Purchase price** and all associated costs (delivery, installation, insurance, etc.)
- **Operating costs,** including energy, fuel and water use, spares, and maintenance
- End-of-life costs (such as decommissioning or disposal) or residual value (i.e. revenue from sale of product)



LIFE CYCLE ASSESSMENT / COSTING EXAMPLES: TOOLS DEVELOPED BY THE EUROPEAN COMMISSION

The European Commission has developed a series of sector specific LCC calculation tools which aim to facilitate the use of LCC amongst public procurers.





To assess the LCC of the current situation and roughly evaluate different solutions to help guide pre-tendering market engagement activities, or to narrow down different technological solutions.

DURING TENDERING

To compare offers during the evaluation and award of contracts, as foreseen in <u>Directives</u>

AFTER TENDERING

To evaluate the performance of the awarded solution in comparison to the previous situation or other offers, to monitor and communicate results and help prepare future tenders.

- Identify cost drivers
 - some can be easily included in LCC calculations, such as energy consumption.
 - Others -such as durability might be relevant from an economic point of view but are more difficult to quantify in terms of how much they increase the product's lifespan.
- Besides cost drivers, **basic parameters** for the LCC need to be defined (evaluation period, discount rate, your electricity cost, etc.).

Dr. Meike Sauerwein

LIFE CYCLE COSTING

COSTS ARE ACCUMULATED OVER A LIFESPAN

Monetary flows occur at different times.

- \rightarrow This complicates the analysis for two reasons.
 - 1. prices change due to the market dynamics

Car example: all costs associated with a car (steel, labour, fuel, plastics, taxes etc.), are change from year to year. \rightarrow In the long run there is a sustained **increase in the general** price of goods

- →In LCC one would like to compare costs based on a chosen reference year and therefore all costs needs to be adjusted to that year when doing the comparison. This is done by using inflation rates.
- 2. people are likely to have a time preference, and often prefer to spend money later rather than now.
 - LCC accounts for this comparison of comparing future and present costs by using **discounting**. Discounting essentially weights impacts by assigning a lower weight to costs in the future than present costs.

LIFE CYCLE COSTING (LCC)

- **Conventional LCC** (financial LCC): original method, and in many ways synonymous with Total Cost of Ownership.
- Environmental LCC is aligned with environmental LCA in terms of system boundaries, functional unit, and methodological steps.
- Societal LCC includes monetarization of other externalities, including both environmental impacts and social impacts (less developed)

Table 15.2 Comparison of the different variants of life cycle costing

	Conventional LCC	Environmental LCC	Societal LCC
Goal	The assessment of all life cycle costs that are directly covered by the main producer or user in the product life cycle	The assessment of all life cycle costs that are directly covered by all stakeholders connected to the product life cycle	The assessment of all life cycle costs that are covered by anyone in the society
Definition of the life cycle	Economic lifetime, often excluding end-of-life	Complete life cycle	Complete life cycle
Perspectives	Mainly one stakeholder, either manufacturer or user	One or more stakeholders connected to the life cycle	Anyone in the society, often governments
Reference unit	Product or project	Functional unit	functional unit
Types of costs	Internal costs of one stakeholder, focusing mainly on acquisition and ownership costs	Internal costs of stakeholders connected to the life cycle, plus external costs and benefits expected to be internalised such as CO ₂ taxes	Internal costs of all actors plus external costs, i.e. impacts that production or consumption have on third parties
Adjustment to inflation	Yes	Yes	Yes
Discounting of results	Consistent, with discount factors ranging between 5 and 10%	No. Discounting the results of the LCC would make the analysis inconsistent with the steady-state assumption of LCA (see Sect. 15.5 on discounting)	Consistent but usually low discount factors (<3%)
Consistent with LCA?	No	Yes, but with a risk of double counting the monetarised environmental impacts	No, due to risk of double counting and inconsistencies with the quasi-dynamic approach in sLCC (see Hunkeler et al. (2008))
Standards	Multiple standards, including ISO 15663, IEC 60300-3-3, BS 3843, AS/NZS 4536, ISO 15686	None, but follows the LCA standards ISO 14040/14044	Currently no standards

CONVENTIONAL LIFE CYCLE COSTING

- only internal costs are considered
 → Total Cost of Ownership (TCO)
- Activity-Based-Costing (ABC)
 - \rightarrow hotspot identification



Fig. 15.1 Different level of details for different actors in life cycle costing of a passenger car

LIFE CYCLE COSTING



Have you / has your organization been applying Life Cycle Costing? In what context?

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Life Cycle Evaluator

This 12 month online subscription tool helps to compare costs and activities of components to support the ongoing management of your property portfolio.



LIFE CYCLE COSTING IN PRACTICE

CHEMICAL INDUSTRY

- EXAMPLE: BASF (ECO-EFFICIENCY TOOL)
- Comparing Environmental Performance with Cost (Life Cycle Costing) → Portfolio Graph
- Aggregate different environmental impacts into one score (index)





Fig. 4.8 The eco-efficiency portfolio comparison (*upper*, base case; *lower*, scenario with Indonesian electricity mix)



KEY TAKEAWAYS LIFE CYCLE ASSESSMENT

1. IDENTIFY HOT SPOTS WITHIN A PRODUCT'S LIFE CYCLE



Hot Spot: Process that causes significant impacts

2. IDENTIFY TOTAL IMPACTS THAT OCCUR ALONG A PRODUCT'S LIFE CYCLE (ECO-FOOTPRINT OF A PRODUCT)



KEY TAKEAWAYS LIFE CYCLE ASSESSMENT

- There is a growing demand for quantification of impacts and disclosure, esp. of carbon emissions along the product/ building life cycle
- Trends point into the direction that corporates have to consider their supply chain emissions
- LCA is a mature tool, yet
 - new, simplified applications are developed by various institutions to make LCA more accessible
 - applications of LCA expand to more and more sectors



THANK YOU FOR YOUR ATTENTION!

Feel free to stay and ask question or continue earlier discussions



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