Guidance on quantifying greenhouse gas emission reductions from the baseline for electrical and electronic products and systems
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GUAM ON QUANTIFYING GREENHOUSE GAS EMISSION REDUCTIONS FROM THE BASELINE FOR ELECTRICAL AND ELECTRONIC PRODUCTS AND SYSTEMS

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IEC TR 62726, which is a technical report, has been prepared by IEC technical committee 111: Environmental standardization for electrical and electronic products and systems.

The text of this technical report is based on the following documents:

<table>
<thead>
<tr>
<th>Enquiry draft</th>
<th>Report on voting</th>
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<tbody>
<tr>
<td>111/335/DTR</td>
<td>111/345/RVC</td>
</tr>
</tbody>
</table>

Full information on the voting for the approval of this technical report can be found in the report on voting indicated in the above table.
This publication has been drafted in accordance with the ISO/IEC Directives, Part 2.

The committee has decided that the contents of this publication will remain unchanged until the stability date indicated on the IEC web site under "http://webstore.iec.ch" in the data related to the specific publication. At this date, the publication will be

- reconfirmed,
- withdrawn,
- replaced by a revised edition, or
- amended.

A bilingual version of this publication may be issued at a later date.

**IMPORTANT –** The “colour inside” logo on the cover page of this publication indicates that it contains colours which are considered to be useful for the correct understanding of its contents. Users should therefore print this publication using a colour printer.
INTRODUCTION

Electrical and electronic products and systems (hereinafter referred to as EE products) are widely used in our society, hence raising awareness of their environmental impacts. Consequently customers in the market and other stakeholders are requiring, or requesting that the electronics sector takes action to address the quantification and reduction of environmental impacts through environmental conscious design during the product development phase.

Among those environmental impacts, climate change is an important issue. A number of initiatives at local, national, regional, and international levels are being developed and implemented, aiming to curb the concentration of greenhouse gas (GHG) emissions which is understood to be a major causative factor.

All industry sectors are trying to reduce GHG emissions in order to meet the national, regional and global reduction targets for the future in order to stabilize atmospheric concentration below the level of triggering catastrophic climate change. For the EE sector, developing and supplying new products that achieve GHG reductions in society compared to other products offers significant opportunities for achieving large scale GHG reductions.

Among methodologies to quantify products’ impacts on climate change is carbon footprint of products (CFP), which only covers GHG emissions that occur during the life cycle of the product. Although EE products consume energy, the EE industry is enabling other sectors to reduce large amounts of GHG emission. There are different opportunities for GHG reduction when the EE industry provides the same or similar function as existing products in the marketplace but with significantly less GHG emissions. For example, a manufacturer of renewable energy technologies can be interested not only in tracking the emissions and reductions that occur during the life cycle of its products, but also in assessing the reduction in society’s GHG emissions as a result of using renewable energy technologies compared to generating electricity by combusting fossil fuels.

Examples of such products and solutions include:

- wind turbines or solar panels, compared to fossil fuel power plants;
- LED bulbs, compared to incandescent bulbs;
- online meeting (including software), compared to business travel.

For assessing this enabling effect, two scenarios are compared: the situation “with the technology” and “without or with old technology”. Because the enabling effect is not included in CFP, quantification of such reductions requires a different methodology. Actually many companies are already quantifying or communicating future environmental contribution by this enabling effect through their businesses with numeric target values, such as “help society to reduce XX million tons by 2025 through our high energy-efficient products”. Currently, various quantifications and claims for such GHG reduction are carried out mainly on a voluntary basis. However, there is no internationally recognized methodology to validate such numerical targets specifically for EE products. There is a business value in establishing an internationally recognized methodology at this time.

A basic generic and relevant methodology is provided by ISO 14064-2. This ISO standard also incorporates the idea of “product-related GHG projects” and allows GHG projects to be performed as a result of product development.

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1 Numbers in square brackets refer to the Bibliography
The idea is related to EE products contributing to GHG emissions reduction such as high energy efficient EE equipment. The necessity of a sector-specific guidance applicable to the EE sector is recognized by considering specific characteristics of EE. These include their complex and dynamic supply chain, their varying lifespan, sometimes extending over many years, and associated energy consumption. Such characteristics underline the significance of the use stage of many EE products.

In accordance with ISO 14064-2, this report addresses “EE product-related GHG projects” as activity or activities performed as a result of the development and supply of EE products into the market alter the conditions identified in the baseline scenario which cause greenhouse gas emissions reduction, as well as the methodology associated with it.

In particular, the objectives of this report are as follows:

- enable organizations in the EE sector to quantify their contribution to society in reducing GHG emissions through their products and systems;
- allow EE product-related GHG projects to be evaluated in terms of their GHG emission reductions amount compared to a baseline.

In addition to the above purposes, the additional benefits below are also expected:

- facilitate incorporation of a GHG related target into design and development strategy of EE products;
- establish consistency and bridging between different product areas in the EE sector;
- help product-specific technical committees (TCs) with limited amount of expertise or resources to develop their own methodology.

The features of this report are as follows:

- This report contains the study and review of relevant standards, regional initiatives and practices to clarify and compare the differences and similarities in multiple existing methodologies for GHG reduction studies.
- This report is based on relevant International Standards, especially ISO 14064-2, and other forum/industry standards, and therefore gives a comprehensive guidance which enable readers to carry out GHG reduction study for EE products.

It should be also emphasized that GHG emission reduction addresses the single impact category of climate change and does not assess other potential social, economic or environmental impacts arising from the provision of products. Therefore GHG emission reductions do not provide an indicator of the overall environmental impact of products.

**NOTE** This report may be used as quantification guidance for GHG emission reductions as a part of the environmental impact categories in a multi-criteria environmental assessment.

The information in this report is entirely informative in nature, and does not establish or is intended to imply any normative requirements.
1 Scope

IEC TR 62726, which is a technical report (hereinafter referred to as "report") describes principles and guidance on quantifying greenhouse gas emission (CO₂e) reductions compared to a baseline (which includes “business as usual”) for electrical and electronic products and systems (hereinafter referred as EE products).

This report addresses GHG reduction through an EE product-related GHG project, not just the difference between GHG emissions of two EE products.

This report is applicable to any type of EE product-related GHG projects which are introducing low-carbon technologies or highly energy-efficient products, etc., including both final products and intermediate products.

This report is based on the result of a comparative study on existing methodologies published or under discussion in international organizations.

This report is intended to be used by those involved in design, development and use of EE products, and their supply chains regardless of industry sectors, regions, types, activities and sizes of organizations.

Table 1 illustrates an example of an EE product-related GHG project and its relation with an EE product (also see Figure 2):

<table>
<thead>
<tr>
<th>EE product-related GHG project</th>
<th>Target product</th>
<th>Baseline scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction of 500,000 units of high-performance (energy-efficient) UPS in city A</td>
<td>High-performance (energy-efficient) UPS</td>
<td>1 million units of conventional UPS in city A</td>
</tr>
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</table>

In this report, ISO 14064-2, ITU-T L.1410 [2] and GHG Protocol for Project Accounting, are studied and compared since these documents and initiatives are regarded as the most influential ones worldwide at the moment.

This report refers to requirements relevant to EE product-related GHG projects in the existing documents, e.g. ISO 14064-2 and GHG Protocol for Project Accounting and quotes them with boxes. The boxes are followed by guidance applicable to EE product-related GHG projects. It is to be noted that these boxes do not capture the full text of the referred standards therefore readers are encouraged to read the standards to fully understand their requirements.

This report is programme-neutral. If an organization applies for a specific programme (e.g. a greenhouse gas programme, such as certification and recognition of GHG reduction units under clean development mechanism (CDM) of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC), or another climate change mitigation programme) some requirements of that programme may apply in addition to the descriptions given in this report.
NOTE 1 Under the Kyoto Protocol’s CDM, a key provision is that CDM projects contribute to local sustainable development goals in addition to generating greenhouse gas emissions reduction. Sustainable development criteria may also be important to other climate change mitigation programmes. Because sustainability is not directly related to greenhouse gas emissions quantification, this report does not address such provisions or criteria.

2 Normative references

There are no normative references. Informative references are noted in the bibliography.

NOTE This clause is included so as to respect IEC clause numbering.