

NEPCon Carbon Footprint Management Standard

Synopsis from standard development process

This document describes the results from two rounds of stakeholder consultations related to the development of NEPCon's Carbon Footprint Management standard (CFM standard). Find the standard version 1.0 as well as the consultation letter and notes to the first draft of the Standard on our website [here](#).

NEPCon is an affiliate member of the ISEAL Alliance and we are embracing a transparent and multi-stakeholder based approach to maintaining the highest level of stakeholder consensus to ensure high quality of our standards and procedures. NEPCon is committed to a policy of open source on our environmental service and we therefore encourage public comments and inputs to standards and procedures, which are also accepted outside the official consultation period.

Summary of public consultation

First consultation round

Version 1.0_First Draft was sent out in a 60 day period of stakeholder consultation and staff review from 26 March 2012 (extended until 6th August), following a mapping exercise in which a broad range of stakeholders were identified. The stakeholder map included representatives from private companies, environmental organisations, standard setting organs, climate professional, climate consultancies, government officials as well as a number of NEPCon and Rainforest Alliance staff. A total of 68 stakeholders from 50 organisations were consulted. Furthermore, the standard review was announced in NEPCon/Rainforest Alliance newsletter [Certified Wood Update \(April 2012\)](#), published on [ISEALs homepage](#) and advertised in staff emails through an email banner. A stakeholder webinar to clarify key issues to the standard was announced and two pilot services were conducted to test the quality and auditability of the standard.

Besides numerous reviews by NEPCon Climate team, the standards received a total of 43 comments from 7 separate organisations. Most comments refer to the use of concepts, the level of obligatory scope 3 inclusions, the issue of calculating land use changes and alignment with other relevant background standards. The consultation emphasised the need to evaluate further a handful of unclear issues, such as the threshold level for included emissions (2.1.10) and the use of an emission buffer to account for excluded emissions (indicator 2.1.9).

All comments have been incorporated in the table 1 below, along with the response and appropriate actions taken.

Second consultation round

Version 1.0_Second Draft was sent out in a second and final 60 day public stakeholder consultation from 18 April to 21 June 2013. Close to 200 stakeholder organisations were consulted via email invitations in three languages. All active stakeholders were consulted via stakeholder meetings to discuss potential changes in more details. Additionally, the standard review was announced in NEPCon/Rainforest Alliance newsletter [Certified Wood Update \(April 2013\)](#), published on [ISEALs homepage](#) and advertised in staff emails through an email banner. A total of 16 comments from 4 different organisations were received, adding significant value to the Standard. All comments have been incorporated in the table 2 below, along with the response and appropriate actions taken.

Table 1: Stakeholder comments - first round

Input	Document reference	Comments/concerns	Response	changes to standard
WRI	NEPCon Carbon Footprint Management Standard (2012 Version 1.0, Final Draft)	Page 7: In the last bullet, PAS 2050 is mislabeled PAS 2060	Agreed	Changed
		Page 10, 2.1.1.: The options for defining the organizational boundary should be “equity share,” “operational control,” and “financial control” to be aligned with the GHG Protocol Corporate Standard	Agreed	Changed
		Page 10, 2.1.3.: The standard should clearly define the minimum boundary in the text rather than referencing the appendix. All scope 1 and scope 2 emissions should be required. All scope 3 categories should be included (rather than only the subset included in the annex) if the goal of the standard is to support carbon neutrality. For example, scope 3 emissions from the “use of sold products” are not required. If a company makes GHG-intensive products (e.g., automobiles, petroleum products), more than 90% of scope 3 emissions are expected to be in the “use of sold products” category. It would be misleading for a company to exclude nearly all of its scope 3 emissions and be verified under this standard as “carbon neutral” by simply offsetting its scope 1 and 2 emissions and a small subset of scope 3 emissions. WRI recommends that all scope 3 emissions be required in order for a company to be considered “carbon neutral”. The standard could specify a few minor exceptions that are not expected to be significant for any sector, but any scope 3 categories/activities that could be significant for any sector should not be excluded (since this standard applies to all sectors).	This would be too complicated, and we are not requiring neutrality anymore, plus focussing on the forestry sector (the same could happen with LUC though), although for now applicable to other. Good to keep in mind for the future.	

	<p>Page 10, 2.1.6: All companies should be required to report all emissions of CO₂, CH₄, N₂O, HFCs, PFCs, and SF₆. (In addition, NF₃ is now required by the UNFCCC so should also be required.) Many companies emit HFCs from air conditioning and refrigeration equipment. For companies that do not generate PFCs, SF₆, or NF₃, they can simply report that these gases are not applicable to them. However, for companies with activities that do emit PFCs, SF₆, or NF₃, these gases have very high global warming potential values, so excluding them would result in a very incomplete GHG inventory, and would not be in conformance with any GHG Protocol standards.</p>	<p>Agreed</p>	<p>Changed</p>
	<p>Page 10, 2.1.7: If a company needs to estimate the size of excluded emissions, the benefit of excluding them is lost, so companies should include those estimates in the inventory rather than excluding them (even if only an estimate has been used). There can be a general statement that any exclusion needs to be disclosed and justified.</p>	<p>Clarified and language changes (to reflect that you don't have to do a real estimation but only an anticipation, in a rough manner) as per the PAS: 2.1.7. Emissions estimated anticipated to constitute less than 1% of the total anticipated estimated carbon footprint may be left out (same concept as materiality in common words). Statement added</p>	
	<p>Page 10, 2.1.8: If data doesn't exist, how would a company (or an assurance provider) know whether exclusions do not exceed 5% of total emissions? Since this task requires an estimate, companies should include that same estimate in their GHG inventory. This would then do away with the need to include an artificial emissions buffer in 2.1.9 which would likely be less accurate than using the estimate required by section 2.1.8.</p>	<p>Agreed for me. Same as above.</p>	
	<p>Page 10, 2.2 (and throughout the document): "baseline emissions" should be called "base year emissions" instead, since baseline refers to a hypothetical counter-factual scenario used in project GHG accounting</p>	<p>Agreed</p>	<p>Changed</p>
	<p>Page 17, Annex II: The list of scope 3 categories in the annex should use the same terminology as the GHG Protocol Scope 3 Standard (i.e., the same scope 3 category names) in order to avoid confusion in the marketplace.</p>	<p>Agreed</p>	
<p>MARM (Spanish Ministry and DNA)</p>	<p>Page 10, points 2.1.7, 2.1.8 and 2.1.10: A question arises regarding the possibility of omission of emissions as together those could exceed 5%, which would contradict the final conditions (point 2.1.10). Perhaps the intention is that point 2.1.7 and 2.1.8 are exclusive so you have to choose between the default of 1% or 5%. Or that you can discount the 1% first and then not account for 5% of the remaining. In either case I think we must mention that not lead to confusion.</p>	<p>Agreed. Indeed it has been observed that this could lead to confusion and has been modified, clarifying the non significant sources of emissions (1%, same concept than materiality in the PAS, but trying to avoid too technical words), and that the 5% is calculated regardless of the 1%, as causes are different</p>	

Page 12, point 3.2.3. The selection of the calculation method looking for the most accurate option possible will depend on the available information. It maybe can be written differently: "Companies should use the most accurate calculation method available and that it's adjusted to the quality of information that is actually usable"

This part has been completed adding to "accuracy" the requirement to be "conservative", in case that different options exist. It is considered thta the quality side is included in the 3.5, and it is decided not to repeat it here to keep the std as light (and thus auditable and practical) as possible. Besides, tha "guiding principles" have been included at the beggining of the std.

Page 12, Section 3.4: I think it would be desirable to go deeper into this section by importance due to the potential double counting of reductions (emissions). That is, if we suppose a structural change of the company, if allocation rules are not well defined it is possible that the component parts of the organization incur this error.

Unlike the case with other standards where companies themselves can make self-declarations, certification to this standard will always be subject to independent verification. Thus, firstly, as required in the 3.4.1, the allocations should be avoided whenever possible, which will be checked by the auditor, and secondly it is required that allocations are clearly documented, to again be verified. We haven't been able to have a more demanding requirement for this to be applicable in general, not found that in other standards, but we will remain attentive to their effectiveness for changes in future versions if this is not enough.

Page 14, Section 5.2: I guess you have considered leaks and multiple process (intermediate products) from raw material production but I would like to emphasize on the importance PRODUCT FOOTPRINT consideration of the location of production or extraction of the raw material (and / or intermediate processing product) by the importance of its distance from the place of processing.

It has been indeed considered (see process map in I Anex III)

<p>Danish Standards Foundation</p>	<p>How or why not has the upcoming ISO standard on CFP been used in your development of the NEPCon standard?</p>	<p>We have not scrutinised the ISO14067 because it was not available when we started the process, so we have based the comparison on the PAS and the GHG protocols. We would consider to include any relevant issue to the standard though.</p>
	<p>How do your standard relate to the EU proposal on Environmental Footprint for products and organizations?</p>	<p>It was our clear impression that the EU guide was for products only. As far as we know the ISO14067 and EU proposal are very much aligned with the GHG P Product standard and PAS standard – particularly the carbon parts of the EU proposal, so again, we are happy to include anything relevant so your comments are more than welcome.</p>
<p>Ingenieursbureau Evan Buytendijk BV</p>	<p>A Dutch translation would be nice after some time.</p>	<p>Once the standard is finalized it will be translated to the different languages of the countries we work as found relevant.</p>
	<p>Marketing is of importance, especially since there are many systems already and also some have died already. But, first things first.</p>	<p>Sure, the intention is to have a sound well tested system and then promote it.</p>
	<p>What will the cost to be certified be?</p>	<p>It is expected to be similar to a regular CoC audit, so the overall cost is expected to be reduced when combining CoC and CF in the same audit</p>

'The Product Footprint can be started after starting the Corporate Footprint'. At what point exactly can one start with the Product Footprint? What is the benefit of having separate systems? Aren't two systems less clear to the public? How will they be differentiated (logo, status)? (Looking through the eyes of the company who wants to use certification as competition tool)

The systems have to be clearly differentiated because the scopes are different, and thus the calculation can be done independently at any moment, while in this vs of the standard we decided that to prove a real commitment the organizations would need to have the corporate carbon footprint to be certified for a specific product. The criteria on part 6 "Claims" will be clarified, but basically with the corporate footprint you can sue statements covering the whole organization but can't do on-product labelling, more in a CSR perspective, while for the product footprint you can label on product and target a specific market looking for a product carbon neutral or at least with a specified carbon footprint in T Co2e

The emission buffer leaves a bit of own interpretation the way it is described now. This might of course be covered by the justification of methods necessary.

This will be clarified in the next version as it was found to be confusing indeed.

The method for accounting CO2 land use is still a bit vague. If the wood is certified, so sustainable, land use is automatically 0? If not certified one should calculate the forest decline over the total land? What if there is an increase in forest area, then this would not be representative for the non certified timber?

If the wood is certified you may account 0 emissions for land use change (LUC), but you also may decide to account for the LUC if estimate that the result is positive. In the other cases you shall account for LUC emissions. The different possibilities that may appear, depending on the harvesting periods etc. and how to calculate the emissions are described in The Greenhouse Gas Protocol Product Standard – Appendix B

Only FSC is mentioned, not PEFC as being considered to guarantee sustainability in 3.1.3

That's right, based on our experience and different sources PEFC cannot guarantee sustainability per se, so PEFC cases would need assessed on a case by case basis

	<p>3 types of GHG's are obligatory to calculate with, more may be included. If applicable a company with a high output in another GHG than those 3 is now free in adding it or not. Should there be a remark about obligatory including more if substantial?</p>	<p>All 7 GHG (CO₂, CH₄, N₂O, HFCs, PFCs, NF₃ and SF₆) are now mandatory</p>
	<p>Annex II and V -1.2: it says land use is not included in the Corporate Footprint. In Annex II it is included, so there is probably a typo there.</p>	<p>It is not mandatory, but recommend only as it would entail a better knowledge of the CF</p>
	<p>Referring to point 8, in Annex V 1-2 it says companies are recommended to include land use if substantial. It could also be made obligatory.</p>	<p>For now it has been set as recommended because the effort needed may be significant and no other std are requiring it, but is a good point that we will be monitoring and may change in future vs if we can provide practical streamlined and rigorous guidance.</p>
	<p>There are some more typo's here and there in the text.</p>	<p>To be reviewed, thanks</p>
<p>Gould Paper Sales UK</p>	<p>Having gone through your document, I find that I am again concerned that like many other organisations offering similar services, whilst there is a tenuous link with PAS 2050/2060, everybody is adopting their own interpretation. My understanding is that since there is still no fixed benchmark for measuring carbon footprint in respect of our business –paper, and allegedly not due until 2015, the setting of standards is somewhat arbitrary, as they cannot be reliably measured.</p> <p>As a 'broker' (non-stockist) paper merchant, we have been approached by a number of "carbon footprint offsetters", and so far none of them have a reliable solution. Some of the other paper merchants are offering similar exercises directly to their customers, which makes some sense inasmuch that they understand the detail, but I think there needs to be more co-ordination in promoting standards on a dedicated or specific sector basis, because what is a suitable standard for a forestry operation or a mill group, could be significantly different to those of a paper merchant.</p>	<p>Thanks for this comment. This is exactly why we have decided to move forward with this new NEPCon standard. Please note that this is not a standard for calculating the carbon footprint (CF). This std is intended to verify a CF that might have been calculated by any of the more reliable existing standards (that's why some minimum requirements are set on specific items) but the aim it to be transparent on what and how it has been calculated (see section 5 on reporting and public information) and have an independent party to verify this. This would be a first step to have more consistent rules, and NEPCon aim is to be able to compile this information and provide sector specific guidance.</p>

Graphic Association Denmark

Scope

The demand for covering 95 % of the total emissions for the product chain seems very ambitious, and particularly when it comes to product calculations. We know that this is a demand from other international standards. No matter what, we doubt that it will be possible to make product calculations according to this demand unless generic data are used significantly. The consequence of this is that the product calculation will not be used as a competitive parameter in the market and in the dialogue between the company manufacturing the product and customer. If a product calculation shall make a difference in relation to improving the performance of the product it must primarily reflect the parameters that the customer can change e.g. choice of supplier, raw materials and design. We know that this view is contrary to the view of some LCA experts, who find the calculation incorrect if all emissions are not included. This is a choice between theory and what can work in practice in the market. For graphic companies the demand for 95 % is next to unrealistic, as the paper normally contributes more than 50-70 %. 95 % of 30-50 % is very difficult to reach.

It is indeed a requirement for other standards and thus we want to maintain it at least until we develop sector-specific guidelines and can demonstrate the best option available for each to prove best practises.

Carbon neutrality

When defining carbon neutrality as a demand you should take into consideration that there are other important environmental impacts than GWP. The carbon emission doesn't say anything about the use of energy and might give a benefit to companies using electricity from nuclear power plants or companies having a bad energy efficiency. Who is the most environmental friendly, the one with the lowest carbon emission or the one with the highest energy efficiency? There is a risk for green washing when claiming carbon neutrality.

That's right indeed, and while we keep other items link to a broader ecological footprint it has been decided to require neutrality, that now would be a second step after focussing on emission reduction.

3.1 Identifying emission sources

It's not clear whether avoided emissions form e.g. recycling of biogenic end products or incineration with energy recovery can be taken into consideration. The carbon storage and End of life are the most important parameters for biogenic products. A standard aimed for these products should be more specific, when these parameters are part of the scope.

Recycling is considered as per the GHGP guidelines, and carbon storage in wood products also, based on IPCC guidelines 2006 or more relevant and accurate methods.

The inclusion of biogenic emissions, when the source is not considered sustainable by way of certification, seems like a political and commercial requirement. There might be a correlation between some forest activities and the carbon emissions, but we doubt this, and FSC guarantees the lowest emission. Are there any independent studies stating this? No matter what, there might be other and more simple ways to document whether land-use-change has a significant consequence e.g. reports from FAO.

Our experience verifying forest carbon projects shows us that indeed land use change (LUC) is a much more complex issue. Having the FSC as a requirement for demonstrating sustainability is intended only to allow FSC forests not to be accounted for the LUC emissions, as our experience in that field has proven that it is the best std to prove sustainability of the land use and thus no LUC. So it does not guarantee the lowest emission, but it guarantees to the biggest extent possible that the land is not going to be converted, and so it can be assumed that there are zero emissions. Actually, the reality claimed by different organizations is that sustainable forest management might increase the forest stocks, but what we have included here is that if someone wants to account for that (even in an FSC certified forest) then they would need to do the calculations, as required for any other forest where sustainability is not demonstrated.

Annex II: The text in the paragraphs is confusing: "Minimum inclusions, recommended". Is it minimum or is it a recommendation. According to GHGP scope 1 and 2 is mandatory.

Please notice the different colors, as some items are mandatory, meeting the GHGP requirements, and others are recommended

<p>Rainforest Alliance</p>	<p>Standard auditability: an important consideration when drafting this standard should be: How will auditors evaluate conformance with the standard? In many cases the standard defers to the organization to determine the methodology or the assessment criteria to be applied when evaluating organizational carbon footprint. For example, section 2.1 requires the organization to define the boundaries for the Corporate Footprint and Product Footprint. However, these requirements do not require organizations to justify how boundaries were set (e.g. see 2.1.1 and 2.1.5), as such the auditor cannot evaluate if the boundaries were set appropriately given the wording of the language. By including words such as “justify”, “provide evidence”, or “demonstrate”, it allows the auditors to evaluate the process used to demonstrate conformance with the standard. Without this wording it is very difficult to evaluate the quality, accuracy, and conservativeness of the organization choices. I have tried to highlight examples of where language could be added within the standard to make it more auditable within the attached document.</p>	<p>Agreed and changed</p>	<p>changed</p>
	<p>Clearly defining the scope within claims: One of the most important components of an LCA is how the LCA boundaries are set. As such the scope as defined in 5.2.1 of the standard should at minimum be referenced in any claims. This is critical to avoid issues associated with “green washing” where claims could be made broadly about an organizations emissions, expanding beyond the scope defined within the CFM plan. I have tried to highlight specific areas of concern associated with claims within the attached document.</p>	<p>Agreed</p>	
	<p>Offsetting thresholds: The objective of this standard as I understand it is to provide a complete process for limiting organizational negative impacts on the climate. In order to achieve the greatest positive impact, the amount of allowable emission offsets should be controlled by the standard. I feel that a maximum amount of allowable emission offsets should be set (e.g. no greater than 40% of baseline emissions can be offset). This forces organizations to focus on reducing emissions at all costs, perhaps even when not financially favorable. It is through reducing emissions that that organizations will have the greatest impact on atmospheric GHG emissions, not through offsetting.</p>	<p>Agreed</p>	

Methods and process available to organizations: The standard is very flexible in how GHG emissions are calculated by organizations. This is a benefit to organizations, as it allows greater flexibility in choice, however it will also create greater variance within the application of the standard. It may be helpful to provide guidance with the standard as to minimum acceptable methods for the calculation of GHG emissions. One example within the standard of where more guidance could be incorporated is in the calculation of long-term storage of carbon in products. In section 3.1.3 the standard states that organizations may include the “carbon storage profile of the product over the 100-year assessment period”. Without minimum requirements on acceptable practices to do this, organizations are at the liberty to develop their own models of carbon storage in products. This is concerning as no minimum requirements for transparency, conservativeness, or accuracy for the development of models is included beyond the qualitative requirements outlined in section 5.3.2. Further, in most forest carbon standards, inclusion of carbon stored in wood product is limited to only the carbon remaining within the product at the end of the 100 year period (which is often less than 10% of the original carbon stock).

Agreed and clarified

I have highlighted a number of other comments within the attached document. In general I think it is very important to ensure the standard requires transparent and conservative evidence of conformance for all requirements. The standard should be written in a way that auditors can evaluate conformance with individual requirements based on the overarching principles defined within section 1.1.1 of the standard. Additionally it is important to consider how the standard will be implemented. Is there a defined level of assurance (a basic ISO requirement) that auditors will need to reach in order to demonstrate conformance? How will nonconformances be addressed (e.g. will organizations be required to address all nonconformances before any claims can be made about the CFM certification)?

Agreed as to include the principles.
NCR closure: Same as usual: cert given with minor NCR, to be clarified in the handbook when is minor and when major.

The standard could do more to focus on the issues specific to these sectors (timber paper)

<p>(LUC) this is the real challenge especially if the focus is on paper and wood companies. This will be where more guidance is needed if the standards you reference fall short. Some of the principles of carbon project accounting may have to be considered, e.g. mandatory inclusion of certain pools, use of a certain tier of data, conservative handling of uncertainty, use of averaging across cycles.... etc</p>	<p>Agreed, to be developed in the future</p>
<p>So there is no quantitative estimate of uncertainty? I have not seen conservatism mentioned either... perhaps you need one or the other to maintain integrity of the numbers.</p>	<p>Guiding principles added in the introduction, including conservativeness. To be monitored for future versions based in our experince</p>
<p>Absolute emissions and intensity are very different things. You should determine that you shall request both, but not leave it for a choice. The problem with intensity, as I'm sure you understand, is a company can grow and grow and grow their emissions, while keeping intensity constant. I think both data points are important.</p>	<p>You have to reduce one or the other, so you can't grow and grow and then keep the intensity constant. In any case, we will monitor if requiring absolute reductions if feasible, it seems requiring no growth for the companies would make the std not very applicable</p>
<p>I would be much more comfortable with definitions that were referenced to authoritative sources if these are not 100% NEPCon definitions; i.e., ISO standards, PAS standards, etc.</p>	<p>We want to have accurate definitions but make sure that are understandable. To be reviewed and if some definitions are potentially problematic just copy them from other organizations and reference the source.</p>
<p>Where are these principles defined? There is a definition section at the end of the document, however as these are referenced as principles it seems as though there should be a specific section explaining and defining these principles and how they are applied. n the VCS the guiding principles are explicitly defined, and it is specifically noted that auditors can defer to these principles when evaluating conformance with the standard. This is a critical component for auditors, as it enables auditors to reference the guiding principles when evaluating conformance.</p>	<p>Added to the scope section</p>



Table 2: Stakeholder comments - Second round

Input	Document reference	Comments/concerns	Response	Changes to standard
The Ecological Council	NEPCon Carbon Footprint Management Standard (2013 Version 1.2, Final Draft) Section/indicator: Introduction [Page1]	The first effort in all activities to reduce a company's climate impact is to improve resource use, both in materials and energy, etc. This recommendation I could not find. Further discussion: The standard should define the right order of things - that is explain to companies that in order to create additional change to the climate they go through; 1 Energy savings 2 Material / resource optimization 3 Substitution with more sustainable products 4 Invest in Renewable Energy 5 Consider offsetting emissions	NEPCon realises that there is a need to guide organisations to the right order of preference for reduction and offsetting efforts and NEPCon will always do so in any interaction with CFM clients. However, up to companies to decide the most meaningful options for CO2 reductions and hence, how to priorities their actions towards reductions. A standard must be a normative document that states the rules and requirements to fulfil the standard and ultimately the goal of reducing the company's climate impact. Explanatory text has therefore been minimised. Indicators that safeguard CO2 reduction are: <i>4.1.1. The Organisation shall set targets for emission reduction based on the base year carbon footprint.</i> <i>6.1.3. Claims of carbon emission reduction and carbon neutrality may only be made once the Organisation can prove it has reduced and achieved carbon neutrality in accordance with this standard.</i> <i>6.1.4. The Organisation shall be eligible to make claims about carbon neutrality based on offsetting alone only for the first year of certification.</i>	CFM standard introductory section has been elaborated to explain the difference to other standards, hereby emphasising which companies NEPCon is prepared to work with. Special features of the CFM standard is described: 1. Include scope 3 2. Set demands on reduction 3. Using buffer 4. Demands on public communication [See page 1]

<p>Section/indicator: All standard</p>	<p>The next action is to ensure, for example, energy in production of purchased resources and own in-house production is performed with renewable energy. Here is best that the Renewable energy is owned by the reporting company or that the company has entered into long-term Power Purchase agreements - either as up-front investment before installation of renewable energy or at the latest in before the renewable energy facility is two years - which is most additional. You are not taking the up the issue of "Green Credentials" or "Guaranties of Origin" up or give any definitions of types of biomass, which you consider sustainable when it is used for energy production. It surprises me, considering your forest background.</p>	<p>NEPCon realises that the biomass sustainability is an important aspect of carbon footprinting. The EU is still working on clear sustainability indicator. NEPCon will follow this development closely to ensure that ANY unsustainable biomass is reflected in a company's carbon footprint in future versions of the CFM standard. For now it shall be reported separately.</p> <p>Regarding "Green Credentials" and "Guaranties of Origin, NEPCon acknowledges that there is a need to prove the origin and the credibility of a renewable energy product. However we realise that there are more way of doing this than providing Green Credentials.</p>	<p>Indicator 3.1.3. has been added saying: <i>Avoided emissions (e.g. from recycling) and emissions of biogenic carbon (e.g. biomass) shall not be included but may be reported separately.</i></p> <p>Indicator 3.3.9. have been added saying: <i>The Organisation shall ensure that the emissions reduction resulting from the organisations use of renewable energy (calculated with a zero emission factor) is not double counted – e.g. included in the national energy mix, national emissions reduction efforts or elsewhere.</i></p>
<p>Section/indicator: All standard</p>	<p>As a last resort - but it is almost the first with you - is be offsetting. Here it is so important to clearly define what types of offsetting you will accept. Purchase of allowances (AAU) from the EU ETS can probably go into your definition, but are totally ineffective. Establishing credits (VER's) through voluntary actions can be used if they are certified by trusted parties, such as WWF via Gold Standard. Credits from eg. CDM and JI projects should not be used as the UN certification of additionality is simply too weak. Forest Credits should be excluded, as long as there is no bullet-proof way to ensure "permanence" and prevent logging moving elsewhere.</p>	<p>Our standard clearly requires continued internal reductions and state that that reductions are preferred to offsetting and we have included a threshold for reduction in the guidelines for the use of claims and labels about the company's climate efforts. (see Annex VI)</p> <p>As is the case with the carbon credits system in general, NEPCon realises that there can be projects that do not fully live up to standard, or turn out not to have the intended effect. We believe that in most cases the rigor of the forest carbon standards safeguards this unintended effect and provides buyers with credible credits that can be used to compensate for industrial emissions with confidence. Permanence of forest carbon projects is rigorously safeguarded through the Verified Carbon Standard, Plan Vivo and Gold standard via various Non-permanence risk evaluation tools specifically developed for projects in the Agriculture, Forest and Land Use sectors (AFOLU). The tool also included a risk buffer to account for unintended non-permanence issues arising during the project period.</p> <p>Annex IV clearly states the conditions for emission offsetting.</p>	<p>CDM and JI credits have been removed from Annex IV's list of credible offsetting schemes. The credibility of offsetting systems will be evaluated continuously and might give rise to changes to this annex and the systems and the global carbon markets develop. [See page 15]</p> <p>Focus on reduction has been strengthened further in the introductory text and in is also mentioned in indicator 4.1.1., 6.1.3. & 6.1.4.</p>
<p>Section/indicator: All standard</p>	<p>And finally, a comment that we DEC not support CO2 neutrality if it is not based on real and additional measures. And I cannot see that your standard guarantees this.</p>	<p>The CFM Standard clearly demands reduction and a buffer for excluded emissions sets the bar much higher than existing products on the market.</p> <p>The standard does not promote CO2 neutrality without the change towards additional carbon reductions.</p>	<p>Text on carbon reductions strengthened throughout the standard</p>

<p>Face the Future</p>	<p>NEPCon Carbon Footprint Management Standard (2013 Version 1.2, Final Draft)</p> <p>Section/indicator: 4. Carbon footprint management plan</p>	<p>what happens in the case where a company is unable to document year on year reductions as required in the standard?</p>	<p>It depends on the justification. However, in general companies shall demonstrate reduction according to the CFM management plan. If no reduction is achieved at all - depending on the justification - companies shall receive a minor non-conformity the first year. If it is repeated the following year, the non-conformity shall be upgraded to a major and companies will have to take action to go towards reduction (not necessarily achieve them) within a three months period. If not, certificates will be suspended. Labels can only be used if the reduction threshold has been achieved and the company demonstrates on-going reduction - year after year.</p>	<p>-</p>
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<p>Carbon Trust Registered Consultant</p>	<p>NEPCon Carbon Footprint Management Standard (2013 Version 1.2, Final Draft)</p> <p>Section/indicator: Introduction & references [Page1]</p>	<p>1.-Product Environmental Footprint (PEF)/ Organization Environmental Footprint (OEF) EU guides. The communication from the Commission to the European Parliament and the Council “Building the Single Market for Green Products”, and the associated OEF /PEF guides from past April 2013, reinforces the EU objective to harmonized the footprint based claims. The development of these guides will probably lead to policy measures. Therefore, to take reference of these guides could be essential in order to alignment. The EU initiative is internationally leading the objective to harmonize footprint claims and there isn't any other initiative with a such weight to take into account by the moment apart from voluntary ISO regulation.</p>	<p><u>Importance of Product and sector category rules:</u> Indicator 3.1.3 has been added stating that: <i>In case updated sector or product specific category rules exist these shall be applied</i></p>
		<p>As principal issues missed by the NEPCon standard it would be the following:</p> <p>a) The importance of taking Product or Sector Categories Rules (PCR/SCR) as reference. Paper sector is quite active in that aspect. In order to focus the NEPCon standard in the timber and paper sector, It would be interesting the reviewing the PCR and SCR already published in these sectors. Although the development of these sort of documents is irregular, this is the best way found to establish the rules as similar as possible for the same kind of products and avoid different levels of accuracy in the use of the footprint instrument.</p> <p>b) A more structured and accurate data quality and uncertainty assess The requirements for assessing data quality and uncertainty in the standard could be too much flexible and difficult to evaluated. If the objective of this standard is to look for the highest commitment of the organization achieving as a last step the carbon neutrality, there should be a requirement with the same level of commitment related to the data quality (assessed in a traceable, repeatable, defined and objective way). To define several data indicators (completeness, time representativeness, technological representativeness, geographical representativeness, etc.) and ask for a semi quantitative assess could be adopt as the same approach taken in ISO 14044 (and adopted as well in PEF/OEF guides, GHG Protocol and PAS 2050)</p>	<p><u>Data quality and uncertainty</u> Indicator 3.5.2. has been added stating that: <i>The Organisation shall produce an assessment of the data quality based on the completeness, time representativeness, technological representativeness, geographical representativeness. The assessment should provide a quantitative evaluation when possible.</i></p>

Section/indicator: 3.3.6	Government publications could be outdated or could present wide conditions emissions factors not reflecting the best quality data available. "Official status" of the data source not must be a (only) indicator of data quality (see comment 1b)	This is a very good point. Wording of the standard will be changed accordingly.	Wording in indicator 3.3.6 has been adjusted to: <i>Where quantifications are based on calculations (e.g. GHG data is multiplied by an emission factor) GHG emissions shall be calculated using emission factors from updated and reliable source i.e. government publications or international or industry guidelines</i>
Section/indicator: 3.3.1	It could be desirable to ask for using primary data at least in the processes owned, operated or controlled by the applicant organization (this approach is also taken in PAS 2050 and GHG Protocol) if it is not justified than other option is more representative or appropriate.	This is a very good point. Wording of the standard will be changed accordingly.	Wording in indicator 3.3.1 has been adjusted to: <i>The carbon footprint shall be based on primary data for all processes owned or operated by the organisation. For any other process organisation shall use primary data if available and otherwise use secondary data from a relevant and authoritative source.</i>
Section/indicator: 3.3	Collect emission data and choose emission factors: Accounting for electricity use.: If (part of) the electricity used is renewable and a zero emission factor is wanted to be used it is important that no double counting occurs. The supplier should guarantee that the renewable electricity supplied to the organization is not sold to other consumers nor accounted anywhere else.	This is a very good point. Wording of the standard will be changed accordingly.	Indicator 3.3.9. have been added saying: <i>The Organisation shall ensure that the emissions reduction resulting from the organisations use of renewable energy (calculated with a zero emission factor) is not double counted – e.g. included in the national energy mix, national emissions reduction efforts or elsewhere.</i>
Section/indicator: 3.4.2	In order to look for the more accurate footprint calculation possible, once the allocation has not been able to be avoided, a physic base allocation (mass, energy) could be prioritized against economic rule allocation, and the economic rule could be prioritized against others (this approach is also taken in PEF guide, PAS 2050 and GHG Protocol)	Section 3.4 Allocations is somewhat lacking and the standard has been changed accordingly.	Indicators in section 3.4 have been adjusted and added: <i>3.4.1. The Organisation shall avoid or minimise allocations where possible. This is done by either subdividing the process and collecting data, or expanding the system boundaries to include the full process.</i> <i>3.4.2. If allocations cannot be avoided they shall be based on a physical relationship (mass, energy) or as a second priority on an economic relationship.</i> <i>3.4.3. The Organisation shall identify and document allocation methods.</i>

<p>Section/indicator: 4. Carbon footprint management Plan</p>	<p>Improvement quality data: Once the data quality and uncertainty are assessed, an improvement plan should be adopted as an issue of the general carbon footprint management plan.</p>	<p>This is a very good point. Wording of the standard will be changed accordingly (see also above)</p>	<p>Indicator 3.5.2. has been added stating that: <i>The Organisation shall produce an assessment of the data quality based on the completeness, time representativeness, technological representativeness, geographical representativeness. The assessment should provide a quantitative evaluation when possible.</i></p> <p>Indicator 4.1.5. has been added stating that: <i>The Organisation shall make a plan for improving data quality of the Carbon footprint calculations over time.</i></p>
<p>Section/indicator: 3.4. Allocations</p>	<p>Recycled and recyclable allocation: A requirement of how to manage the recycled and recyclable material should be necessary in order to harmonize (i.e. minimum between [100:0] or [0:100] approaches, etc.). The different possibilities to allocate the emissions of these materials have an important influence in footprint results (especially in “raw materials” and “waste” phase emissions).</p>	<p>This is a very good point. Wording of the standard will be changed accordingly.</p>	<p>Indicator 3.4.4. has been added stating: <i>PRODUCT FOOTPRINT ONLY: Benefits (in the form of reduced emissions) of using recycled material can either be allocated to the acquisition of the recycled material or to recycling of this material, not both.</i></p> <p>Indicator 3.4.5. has been added stating: <i>PRODUCT FOOTPRINT ONLY: For allocations of recycled input or recyclable output organisations shall use either the 100-0 (All process emissions of recycling stay within the organisations production chain) or 0-100 method (calculation of a virgin material displacement factor that reduced the total carbon footprint), or apply an emission factor calculated based on one of these methods.</i></p>
<p>Section/indicator: 4.3. Carbon emissions offsetting</p>	<p>Offset limits: In order to support the greatest impact in GHG emissions reductions, it could be necessary to set a maximum amount of allowable emissions offset.</p>	<p>NEPCon realises that a threshold for reduction or a maximum allowable emission offsets is a strong incentive for emission reduction. Hence, we have included indicators that emphasises the need for organisations' to demonstrate commitment to carbon emissions reduction (4.1.4., 4.1.4. And 4.1.8.). In order to push reduction further we have included a threshold of 5% reduction for the use of the CO2 reduction and CO2 neutrality label and demand continued reduction for the continued use of these labels (see Anne VI). Furthermore, it is clear from the Standard that organisations cannot make Carbon neutral claims based on offsetting alone, beyond the first year of certification. Thresholds for reduction, both in the main standard but also the communication guidelines, will be evaluated on a yearly basis.</p>	<p>-</p>

	<p>Section/indicator: Introduction [page 1]</p>	<p>Have you consider including “services” in the scope, and not just “goods”? Although the standard targets timber and paper sector in particular, it is considered a wider use; other close sectors could find helpful a wider scope; (i.e. garden or green space maintenance).</p>	<p>NEPCon considers Services to be a product and have elaborated the description of <i>Product carbon footprint</i> in the glossary</p>	<p><i>Description of Product carbon footprint (annex VI) has been adjusted to: The calculated emissions from all life cycle stages of a given unit of product or well-defined service product in its time of function.</i></p>
<p>Rainforest Alliance Climate team</p>	<p>Section/indicator:</p>	<p>Consider if one source of emissions makes up more that 50 % of the footprint whether the 5% exclusion limit should cover all remaining emissions. For some agricultural products the Land use change emissions are rather big and over-shadow the remaining emissions.</p>	<p>Good point and something that we will evaluate during forthcoming reviews of the standard. For now, we think there is only a low risk of the neglect of significant emissions. When organisations evaluate which emission to include in their carbon footprint they do so based on rough estimates or anticipated emission sizes. Given this uncertainty we find it unlikely that the 50% rules would make a significant difference. However, in the case where specific product category rules have been develop (e.g. for agricultural products as you mention) organisations are obliges to use those guidelines according to indicator 3.2.3.</p>	<p>Indicator 3.1.3 has been added stating that: <i>In case updated sector or product specific category rules exist these shall be applied</i></p>