

# Role of Scope 3 emissions in decarbonisation

ERCST 2<sup>nd</sup> discussion session under Chatham House Rules

L. Stalmans, 26-01-2021

EU ETS  
Link with JI/CDM



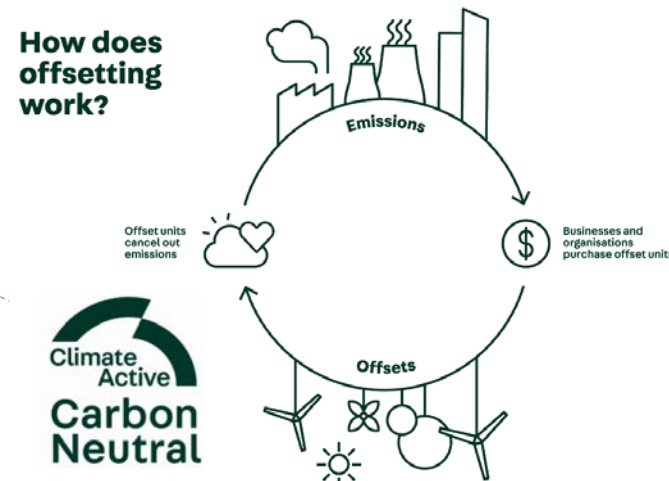
Regulatory approaches



Climate

Voluntary initiatives

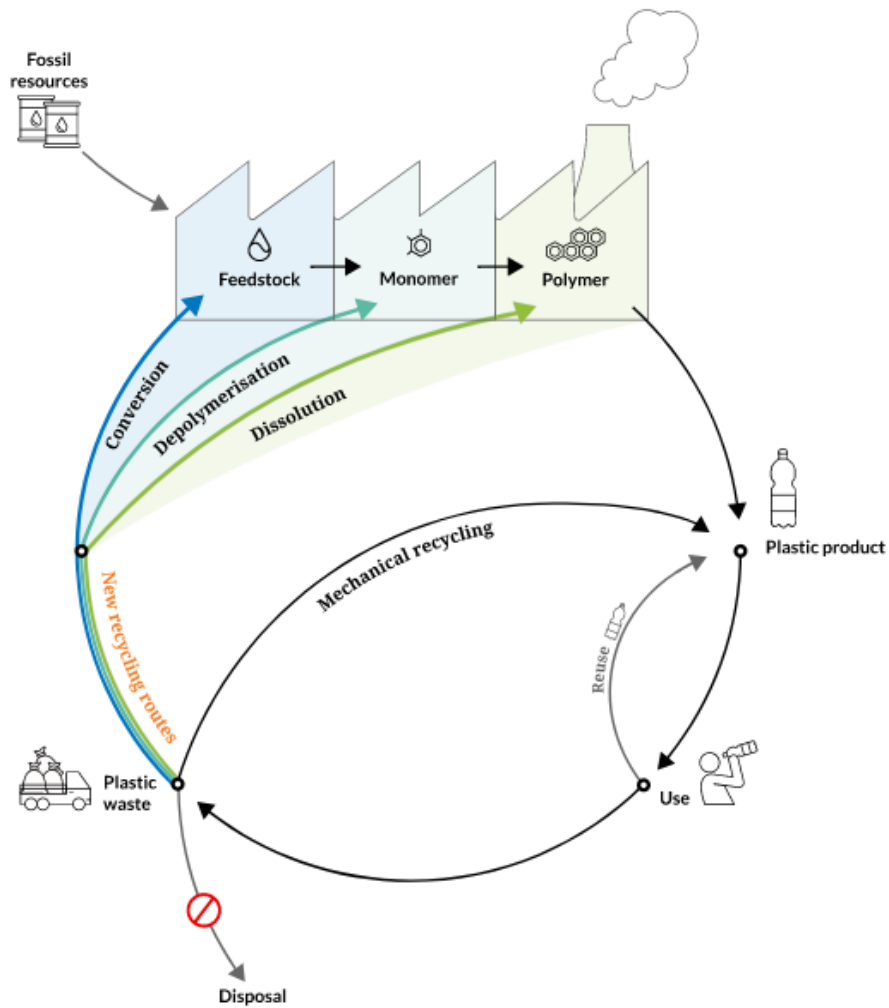
Circularity



2008 ...

... 2020 ...

Time



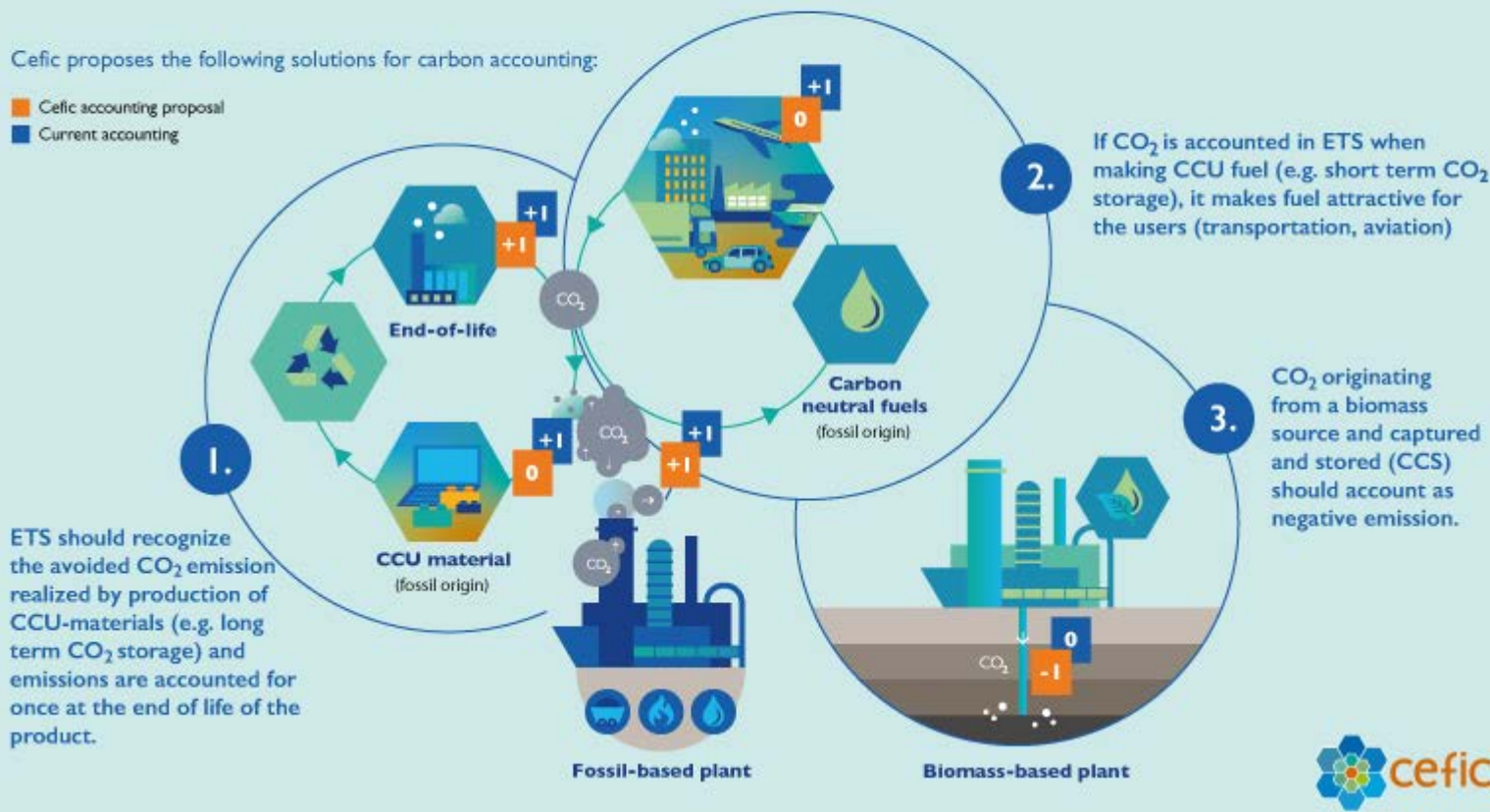
<https://cefic.org/a-solution-provider-for-sustainability/chemical-recycling-making-plastics-circular/>

## EU ETS ACCOUNTING NEEDS TO CHANGE SO THAT CCU IS CONSIDERED AS A WAY TO AVOID EMISSIONS, AS CCS ALREADY IS

**CCU can become more attractive if accounted for accordingly in the EU ETS**

Cefic proposes the following solutions for carbon accounting:

- Cefic accounting proposal
- Current accounting



[https://cefic.org/app/uploads/2020/07/Cefic\\_Carbon\\_accounting\\_solutions\\_2505\\_image.png](https://cefic.org/app/uploads/2020/07/Cefic_Carbon_accounting_solutions_2505_image.png)

# Considerations

- Scope 3 (*...what's in a name...*) may well be more sizeable than actual own scope 1 (&2), and especially for chemical and plastics industry – keeping materials “in the loop” (i.e. avoiding end-of-life) is a strong lever for both climate action and circularity / resource efficiency
- Co-existence of voluntary and regulatory schemes, not aligned across different geographies on the globe adds to the complexity (e.g. what about double counts, additionality, reporting, credibility)
- Enhanced ties / alignment between climate and circularity legislation might mutually boost reaching the aspirations (e.g. get the incentive right for avoided end-of-life (CO2) emissions)
- Evolutionary approach could e.g. be to include ‘waste incineration’ in EU ETS; more far-reaching modifications could e.g. be to have the embodied CO2 emissions covered in a climate contribution at final product level