

International Organization for Standardization Organisation internationale de normalisation Международная организация по стандартизации

ISO TECHNICAL MANAGEMENT BOARD

SUBJECT

IWA on Net-Zero Guiding Principles

BACKGROUND

A proposal for the development of an ISO International Workshop Agreement (IWA) on *Net-Zero Guiding Principles* was submitted by the British Standards Institution (BSI). BSI is willing to provide the secretariat for the development of the IWA.

Note that in parallel, a ballot for process adaptation to slightly reduce the announcement and meeting document lead time for the IWA is launched – see TMB VF 29/2022.

The proposal for the IWA including purpose and justification is attached in annex.

ACTION

The members of the Technical Management Board are invited to:

- Approve the proposal for an IWA on *Net-Zero Guiding Principles*
- Allocate the secretariat to BSI (UK)

By 13 May 2022.



PROPOSAL FOR AN INTERNATIONAL WORKSHOP AGREEMENT

A proposal for an International Workshop Agreement (IWA) shall be submitted to the secretariat of the Technical Management Board at ISO/CS (<u>tmb@iso.org</u>). Proposals will be referred to the ISO Technical Management Board for approval (4-week ballot).

Once the proposal for the IWA is approved by the TMB, the proposer will be requested to prepare an announcement/ invitation to the workshop, which will be circulated to the ISO members by ISO/CS. Please note that the announcement must be made at least 90 days in advance of the agreed date to allow potential attendees adequate time to plan on attending the workshop (Annex SI.3).

See the ISO Supplement Annex SI for full details of the Procedure for the development of IWAs.

Proposer

A proposal to hold an ISO workshop for the purpose of developing one or more IWAs on a particular subject may come from any source, including ISO member bodies, liaison organizations, corporate bodies etc. An organization that is not an ISO member body or liaison organization, or is not international in scope, shall inform the ISO member body in its country of its intent to submit such a proposal.

BSI (on behalf of Our 2050 world)

Contact details of proposer

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Title of the proposed IWA

Net-Zero Guiding Principles

Purpose and justification

Climate change is the most pressing challenge that our planet faces. Scientific assessments through the Intergovernmental Panel on Climate Change (IPCC) reports have shown that many of the worst consequences of climate change could be avoided by limiting global warming to 1.5°C. In order to achieve this, global anthropogenic (human-caused) emissions would need to reach Net-Zero by 2050. To do so, governments, through the Paris Agreement, have committed to "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels" (Art. 2.1(a)), as well as "to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century, on the basis of equity" (Art. 4.1). It, however, remains unclear what Net-Zero means in practice for state (nations and countries) and non-state actors (companies, charities, educational and financial institutions, regions and cities).

The proposed output, "Net-Zero Guiding Principles" (working title), has the objective to bring authoritative alignment of "net-zero" to support voluntary initiatives¹, standards, and national and international policy objectives which will remove or reduce variation in definition and approach, ultimately increasing their impact. The Guiding Principles will include the following:

- 1. Definition of (sub-planetary²) Net-Zero and related concepts
- 2. Guidance on how the Net-Zero concept should be incorporated in initiatives, strategies, and policies
- 3. The basis for accountability mechanisms and measurements such as development of consistent indicators enabling reporting and communication

This scope acknowledges and builds on progress by voluntary initiatives, campaigns and governance, supporting their purpose and increasing their reach. It also enables a consistency of "Net-Zero" in future intervention and deliverables (including ISO standards). The IWA should be a mechanism for alignment, rather than a singular method for implementation.

Justification:

- The "planetary"^{Error! Bookmark not defined.} definition of net-zero is straight forward and well understood, but much debate remains for actors applying the term to a transition or status including business, national and local government. The debate also relates to products, processes and services.
- Research has identified that, despite growing mobilisation, there remains extensive variation in approach by non-state actors.
- This variation leads to confusion, inaction, exploitation and hampers emission reduction efforts. It also makes monitoring, tracking and decision-making difficult as it is not possible to use consistent, comparable indicators and metrics.
- Authority, consensus and high-level endorsement is required through an open, transparent and inclusive process to bring alignment to the definition and use of the term "net-zero" – the IWA process will enable the engagement of all relevant stakeholders, particularly those that are not traditionally part of the ISO development process and the leadership of voluntary initiatives. It is also essential for the output to have wide ownership.

Whilst some are attempting to bring alignment to this space, it is only an ISO-like output (ideally ISO) that would have the international acceptance and potential to operationalise and mainstream the "Net-Zero Guiding Principles" quickly.

• To be successfully implemented, the resulting content would require a "critical-mass" of

support, joint ownership and advocacy including those outside of the ISO system.

 The scope of the IWA is aligned to the objectives of the "High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities" recently formed at the request of the UN Secretary General, and other UN – including UNFCCC – developments.

¹ ¹For example, <u>Race to Zero partner initiatives and networks</u> (SBTi, SME Climate Hub, B Corp, ...).

² "Sub-planetary" is used to refer to the entities that make us the planet – all entities on earth: state and non-state actors. "Planetary" is used to refer to the planet as a single entity.

Does the proposed IWA relate to or impact on any existing work in ISO committees?
🛛 Yes 🗆 No
Please list any relevant documents and/or ISO committees
 Relevant groups: ISO/TC 207, Environmental management, in particular ISO/TC 207/SC 7, Greenhouse gas management and related activities; ISO/TC 301, Energy management and energy savings, in particular ISO/TC 301/WG 16, Zero Net Energy; ISO Technical Management Board Climate Change Coordinating Committee; ISO Technical Management Board Strategic Advisory Group – Environment, Sustainability, Governance
Relevant documents/WI:
 A number of International Standards developed by ISO/TC 207, including: ISO 14080 'Greenhouse gas management and related activities. Framework and principles for methodologies on climate actions'; ISO WD 14068 Greenhouse gas management and related activities – Carbon Neutrality; ISO 14001, Environmental management systems – Requirements with guidance for use - ISO 14060 series; ISO/AWI 50010 'Energy management and energy savings – Guidance for zero net energy in operations'; The ISO London Declaration and action plan; ISO guide 84.
Additional information in relation to the differences with the proposed IWA and the ISO WD 14068, Greenhouse gas management and related activities – Carbon Neutrality:
Net Zero is a similar concept to Carbon Neutral, however it goes beyond just carbon and is typically on a larger scale (and usually achieved over a longer timeline). ISO/WD 14068 is focused on "Carbon Neutrality", and is an adjacent and related concept to "Net-Zero", which is the focus of the IWA. The IWA will provide a definition of net zero and supporting terminology (net zero is referenced in ISO 14068 not defined) and guiding principles aligned to the recently created UN Secretary General's High Level Experts Group and related UNFCCC developments, to tackle greenwashing of claims in net zero initiatives.
Net zero principles relate to the transformational aspirations to change, rather than reduce emissions. The IWA can therefore allow for and reflect broader considerations and developing international thinking regarding transitions. These can include more fundamental business model transitions (e.g. manufacturer considering what the issue is, i.e. people mobility and migrate to that type of business to achieve net zero).
ISO 14068 provides a standardised approach towards achieving carbon neutrality and communicating associated claims, i.e. reduction of direct and indirect GHG emissions that include offsetting schemes. The IWA would be complementary to the GHG emission reduction providing the needed definition and an overarching approach that can frame and support wider transitions.

Further to this it is expected that the IWA will target primarily "Voluntary initiatives, National Government and Regulators, Intergovernmental Organisations, and International NGOs", rather than focusing on application to organisations and products in ISO/WD 14068.

The need to resolve the fragmentation in this space is absolutely critical and there are a number of bodies looking to address this. ISO's mandate to deliver this would be a "game changer" - ensuring that standards developers globally will have clear, accessible and implementable principles and guidance

BSI as the proposer and manager of the workshop process, will continue a close cooperation with ISO/TC207 and the ISO/TMB CCCC, and will ensure that these two deliverables will be aligned and complimentary – for example the IWA might include that emissions calculations will be aligned with 14068 and hence with 14064-1. Together these two ISO deliverables will bring much clarity to the landscape both within the specific near term and for planning transitions

There is no intended overlap between this proposed IWA and the draft ISO 14068.

An IWA is proposed to ensure speed and engagement of all interested parties (**including those stakeholders that are not currently active in the ISO system**). BSI has been in close consultation with the ISO/TC 207 leadership and the ISO/TMB CCCC in the development of the proposal and has support for the initiative. The IWA is a strong ISO offering to address an emerging / urgent need, once published the IWA could be the basis of a future International Standard, within the ISO/TC 207 scope.

The IWA should better enable ISO to map, reference and link its content to all relevant TCs involved and enable alignment of relevant standards in an integrated way, avoiding duplication and eventual misalignments.

Relevant stakeholders (list of organizations that may be interested)

The following stakeholders will have an interest in the IWA: The International Electrotechnical Commission, Voluntary initiatives, National Government and Regulators, Intergovernmental Organisations, and International NGOs.

In addition, any organisations looking to use, make or support a "net-zero" claim, including: businesses, civil society, philanthropic organisations and funders, consumer and environmental NGOs, and financial institutions.

Member body willing to act as secretariat

BSI

Number of meetings to be held (if more than one is envisaged) and proposed dates

Anticipate 3 workshops dependent on seed document maturity and planning. It is intended that all workshops will take place virtually. The plan is for the workshops to be held in early July (date TBC), end July / early August and September.

The intention is for the IWA to be published in advance of COP 27 as an ISO input to the COP and as a mechanism to meet the objectives of the London Declaration. ISO has made a commitment to climate change mitigation and this IWA is a first step to establish solid guidance that can be used to move towards Net Zero.

BSI is in the process of developing a seed document which will be provided 4 weeks in advance of the first workshop. The proposed outline of the seed document and proposed draft outline of the IWA:

- 1. Introduction
- 2. Scope
- 3. Climate justice and inclusivity
- 4. Terms and Definitions
- 5. The sub-planetary net-zero definition
 - a. The role of offsets the extent of their use
 - b. Scope the inclusion of scope 1-3 emissions
 - c. Fair share account for the ethical and pragmatic elements of planetary balance
 - d. Targets & reporting reductions and measures in an absolute or relative manner
 - e. Timeframe the choice of target year and baseline year
 - f. Historic emissions clearing carbon "debt"
 - g. GHGs the completeness of GHGs in scope
- 6. Roadmap and guidance for incorporation of the net zero concept in initiatives, strategies, and policies
- 7. The basis for accountability mechanisms and measurements

Annexes are included with this proposal (give details)