



The EU BCA Public Consultations

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ERCST

Roundtable on
Climate Change and
Sustainable Transition

Introduction

- **The Consultations take place for 12 weeks until October 28**
- **Today's meeting outline:**
 - It is the first approximation to answers
 - Rationale - with the short explanation to the questions
 - Key questions to be covered in the discussion
 - One question we present in detail (design calculation of the carbon content)

Public consultation

Questionnaire:

- Design and coverage of the mechanism
- Lists of potential sectors
- Implementation issues
- Impacts: social, economic, environmental

Questions of the BCA public consultation

- Q. 3,4 What are the objectives of the BCA?
- Q. 5 What are the important policy interlinkages and why?
- Q. 6 Any of the design option should take place and why? Other options which ought to be considered?
- Q. 7- Different scopes are outlined, what on and why?
- Q. 8 Sectoral scope: priority sectors, pilot sectors
- Q. 10 Method of calculation of embedded emissions
- Q. 11 How do you verify carbon content (third party or self-certification)
- Q. 13 BCA implementation risks (transshipment, substitution, resource shuffling)
- Q. 14 Geographic scope (exemption, policy criteria)
- Q. 15 Economic/Social/Environmental impacts of implementation of a BCA

Rationale Q.10 (example)

To what extent do you agree that the calculation of imported products should be based on?

Specific implementation issues

10. Please indicate to what extent you agree that the calculation of the carbon content of imported products should be based on

	I. Strongly agree	II. Somewhat agree	III. Somewhat disagree	IV. Strongly disagree
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a. EU product benchmarks for free allocation under the Emissions Trading System, i.e. the greenhouse gases emitted during the production process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Country of origin-specific product benchmarks to be defined for direct emissions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Global product benchmarks to be defined for direct emissions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	I. Strongly agree	II. Somewhat agree	III. Somewhat disagree	IV. Strongly disagree
d. EU emission factors to be defined for indirect emissions, i.e. the emissions caused by the generation of electricity used to produce the covered product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. Country of origin-specific emission factors to be defined for indirect emissions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f. Global emission factors to be defined for indirect emissions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	I. Strongly agree	II. Somewhat agree	III. Somewhat disagree	IV. Strongly disagree
g. A factor for both direct and indirect emissions taking into account the production method used in the installation were it was produced	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h. A method that traces the build-up of emissions across the value chain of a product in different countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i. Giving importers the possibility to demonstrate in a verifiable manner how the product was manufactured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	I. Strongly agree	II. Somewhat agree	III. Somewhat disagree	IV. Strongly disagree

j. The Commission Product Environmental Footprint method (which is in line with the international standard ISO 14067 and considers both direct and indirect impacts)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
k. Product Environmental Footprint Category Rules developed based on the Commission Product Environmental Footprint method, which also include a benchmark reflecting average environmental performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q.10 Rationale Specific implementation issues 1/3

Direct emissions

a. EU product benchmarks for free allocation under the Emissions Trading System, i.e the greenhouse gases emitted during the production process

Answer: Strongly agree

Rationale: The use of EU emission factors are the most feasible option politically and data-wise.

b. Country of origin-specific product benchmarks to be defined for direct emission

Answer: Somewhat disagree

c. Global product benchmarks to be defined for direct emissions

Answer: Somewhat disagree

Rationale: Even though it would be the most precise methodology, lack of data and political feasibility make them unlikely options.

Q.10 Rationale Specific implementation issues 2/3

Indirect emissions

d. EU emission factors to be defined for indirect emissions, i.e the emissions caused by the generation of electricity used to produce the covered products

Answer: Strongly agree

Rationale: Considering the difficulty of assessing indirect emissions, the use of EU emission factors are the most feasible option politically and data-wise.

e. Country of origin-specific emission factors be defined for indirect emissions

Answer: Somewhat disagree

f. Global emission factors to be defined for indirect emissions

Answer: Somewhat disagree

Rationale: Considering the difficulty of assessing indirect emissions, the use of EU emission factors are the most feasible option politically and data-wise.

Q.10 Rationale Specific implementation issues 3/3

Environmental footprint

j. The commission Product Environmental footprint method

Answer: Somewhat disagree

k. Product Environmental Footprint Category rules developed based on the Commission Product Environmental Footprint method, which also include a benchmark reflecting average environmental performance

Answer: Somewhat disagree

Rationale: Calculating embedded emission with product environmental footprint method adds complexity and administrative burden on the CBAM. Problem of transforming some environmental footprint into a carbon “content” and a carbon price.



Thank you!

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