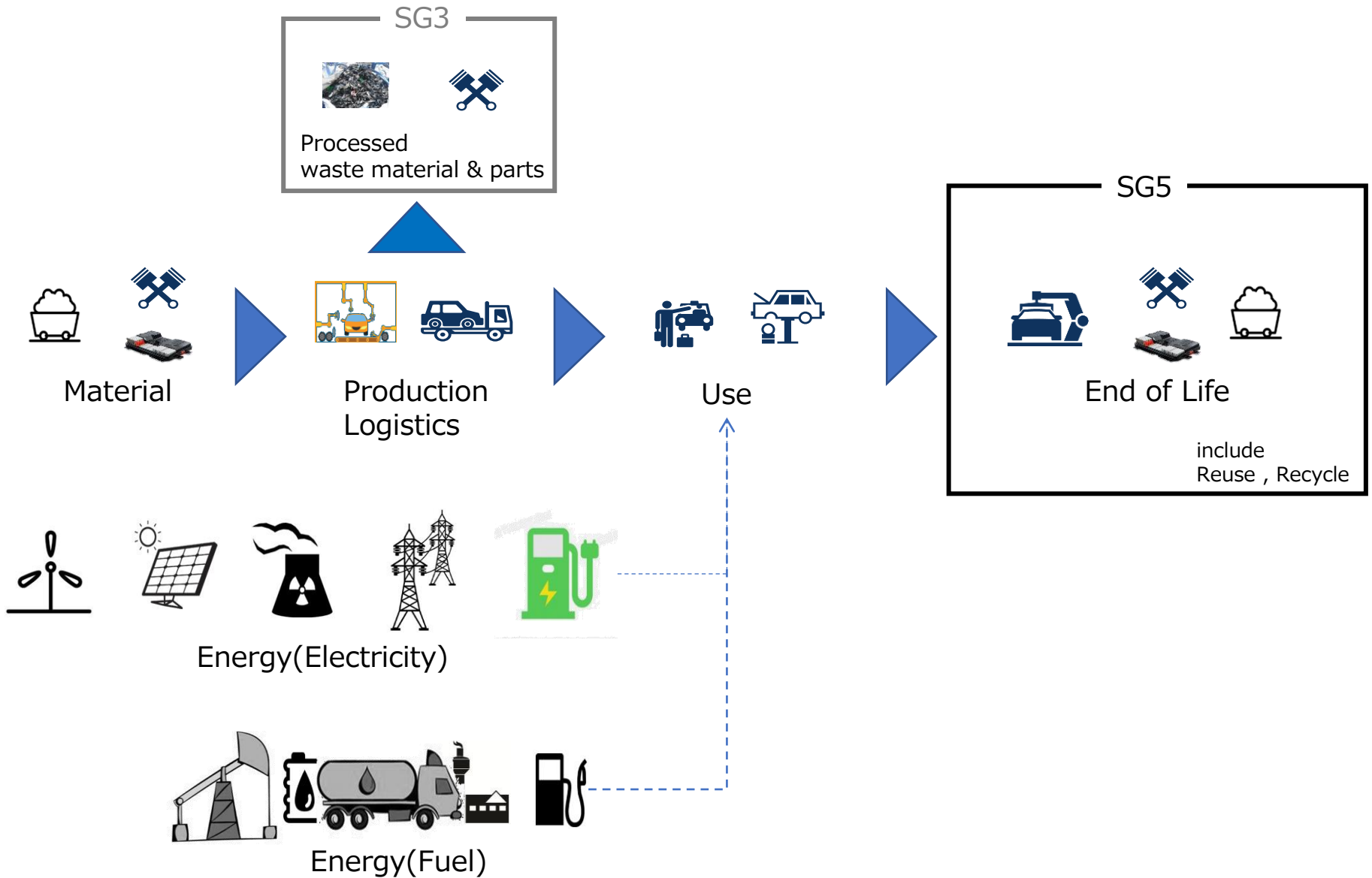


GRPE A-LCA IWG SG5 status report

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8th-9th Jan. 2024

Scope of SG5



SG5 Controversial Topics list

Topic	Option 1	Option 2	Option 3
0.Material/Parts recycling modeling	Recycled content method (Cutoff)	Closed Loop Approximation Method (CLAM)	Circular Footprint Formula (CFF)
1.Boundary conditions	SG 5	SG 2	
2.Secondary data	Global harmonised	Region by region	Country by Country
3.Second life parts	Include	Exclude	-
4.Logistics	Include	Exclude	-
5.ELV management out of sale region	Take into account process of country of sale	Take into account global average	Take into account process of country of EoL
6.Recycle process	Current process	Future process	-

0. Material/Parts recycling modeling

Internal discussion summary of Cutoff and CFF

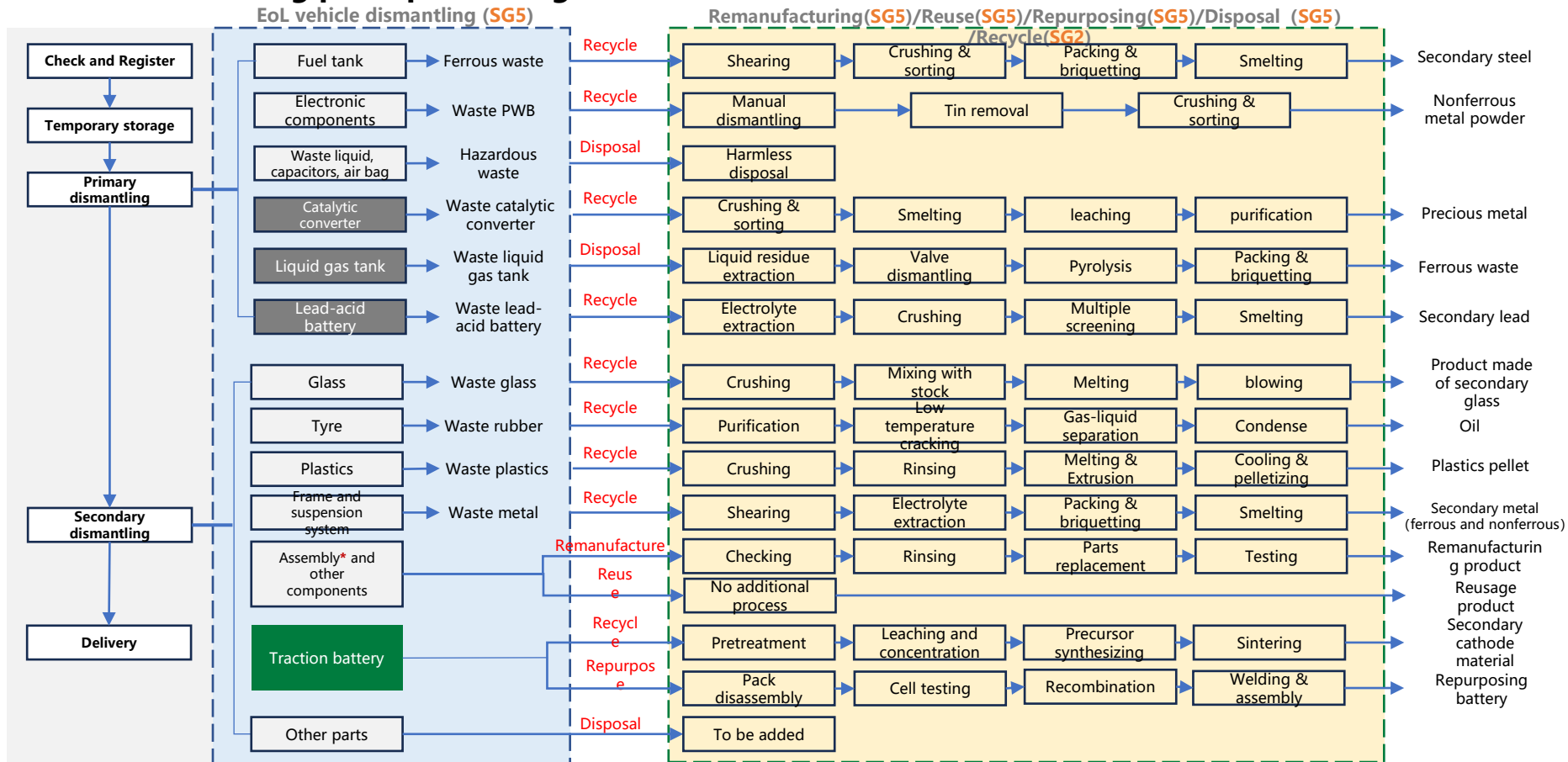
		Result	Remarks
Leading Team	China (CATARC)	<ul style="list-style-type: none"> • Both Cutoff and CFF methods should be included in the standard 	<ul style="list-style-type: none"> ① CFF method: for the purpose of comparing different technical route without considering responsibilities ; ② CUT-OFF method: for the purpose of comparing different individual products with same technical route. <p>• Detailed boundary and principle of these two methods presented in SG5 006</p>
	Japan (JASIC)	<ul style="list-style-type: none"> • Support CATARC proposal 	<ul style="list-style-type: none"> • Specific use case description on Cutoff or CFF to be discussed respecting ToR of A-LCA
Main Participants	France	<ul style="list-style-type: none"> • Under study 	<ul style="list-style-type: none"> • No strong position
	US(EPA)	<ul style="list-style-type: none"> • Under study until Feb. SG5 	
	OICA	<ul style="list-style-type: none"> • OICA sees the potential of the CATARC proposal. However, it is needed to wait for CLEPA to present their proposal too, and to get more detailed information on the CATARC proposal. • Secondly, To request of a clear definition/condition when to use which method 	
	CLEPA	<ul style="list-style-type: none"> • Cradle-to-Gate, step 1 (level 3&4 ,reporting’): Support Cutoff • Cradle-to-Grave, step 2 (level 1&2 ,technology comparison’): Support CFF for selected parts and associated Materials 	
	European Aluminum	<ul style="list-style-type: none"> • Only CFF, need to study Scenario, but having both methodologies in A-LCA could be acceptable 	
Observers	JRC	<ul style="list-style-type: none"> • CFF approach is favourable. Considering both methodologies in the discussion according to the scope could be acceptable 	<p>European Commission Recommendation (EU) 2021/2279 on the use of the environmental footprint methods to measure and communicate the life cycle environmental performance of products and organisations, in which Annex 1 e 2 refer to PEF (Product Environmental Footprint) while Annex 3 e 4 to OEF (Organisation Environmental Footprint).</p>

3. Second life parts

- Option1 is proposed from Japan and China in case that traceability is confirmed
- Under study by other SG5 participants

Topic	Option 1	Option 2	Option 3
Second life parts	Include	Exclude	-

<China Dismantling parts processing of EoL vehicle>



Direction for internationally - harmonized procedure in ToR

■ Background

- ✓ SG5 is discussing the harmonization of recycling modeling as the most important item.
- ✓ During this discussion, two methods (cut off and CFF) are being considered as options for an internationally harmonized procedure, to be used depending on the specific conditions.
- ✓ Both cut off and CFF align with the objective of reducing carbon footprint, as they can assess the environmental impact of material recycling and parts reuse.

■ Confirmation

- ✓ SG5 leaders are seeking clarification on whether this option meets the requirements of the guidelines that the A-LCA IWG aims for.

GRPE A-LCA Objectives from ToR

- 1) To develop **an internationally-harmonised procedure** to determine the carbon footprint* of different technologies
- 2) This resolution can be used to help make policy and can encourage automotive industries to reduce carbon footprint
- 3) Shall be developed respecting the principles of transparency and consistency, also strike a balance between the accuracy and the workload considering the complex supply chain