



# OICA comment for allocation proposal from CLEPA (SG3)

30th May 2024



# Comment for allocation

- ✓ There was CLEPA's allocation hierarchy proposal for A-LCA in last SG2-3 meeting.
- ✓ This proposal has a difference from ISO14067 that about economic allocation.
- ✓ This proposal is saying that if we have 5 times difference of economic value between product and co-product then economic allocation will be applied.
- ✓ For this proposal, we have 3 concerns as below.

1. Some of our material could have 5 times difference of economic value with co-product.(eg., leather)
2. Some material upper process have several co-product and some of them could have 5 times difference of economic value from product. (e.g., blast furnace process of steel production)
3. We suppose major dataset is following ISO allocation hierarchy and if we have different hierarchy then it affect to calculation result.

➔ We propose to confirm above points and then answer to SG3



# Appendix