GRPE A-LCA IWG
SG5(EoL) status report

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16th A-LCA IWG meeting
September 10th, 2024

Agenda

1. Status of controversial topics
2. SG5(EoL) 1st Drafting presentation
3. Next action

SG5 Controversial topics list

Summary of the latest status

Topic	Option				Status
0.Material/Parts recycling modeling	Recycled content method (Cutoff)	Closed Loop Approximation Method (CLAM)	Circular Footprint Formula (CFF)		Agreed to common modeling
1.Boundary conditions					Agreed to common boundary
2.Secondary data	Global harmonised	Region by region	Country by Country		Agreed to treat as reference.
3.Second life parts	Include	Exclude			Agreed to include with a condition of traceability
4.Logistics	Include	Exclude			Plan to request SG1 direction under the 'Include' option
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	Exclude Use and EoL phase of exported vehicle	Under discussion with SG4 with priority of exclusion
6.Recycle process	Current process	Future process			Agreed to apply current process

Agreement of “Material and parts recycling modeling”

- Circular Footprint Formula (CFF) or Recycled Content Method (RCM) should be applied to the evaluation of material and parts recycling.

- In cases where obtaining appropriate data for CFF parameter setting is difficult, Recycled Content Method (RCM) may be applied.

- In case of CFF application, 1) Production burden should be evaluated in the material production stage. Both 2) Burdens and benefits related to secondary materials input and 3) Burdens and benefits related to secondary materials output should be evaluated and merged in the disposal/recycling stage as *Module D (naming t.b.d.).* *Module D* should be separately reported and included into total vehicle CFP .
The material and parts to which CFF is applied should be reported (according to the reporting requirement.)

Circular Footprint Formula

$$(1-R_1)E_V + R_1 \times \left(AE_{recycled} + (1-A)E_V \times \frac{Q_{Sin}}{Q_p} \right) + (1-A)R_2 \times \left(E_{recyclingEoL} - E_V^* \times \frac{Q_{Sout}}{Q_P} \right)$$

⇩ *Module D structure (naming t.b.d.)*

1) Production burdens $(1-R_1)E_V + R_1 \times E_{recycled}$

2) Burdens and benefits related to secondary materials input $-(1-A)R_1 \times \left(E_{recycled} - E_V \times \frac{Q_{Sin}}{Q_P} \right)$

3) Burdens and benefits related to secondary materials output $(1-A)R_2 \times \left(E_{recyclingEoL} - E_V^* \times \frac{Q_{Sout}}{Q_P} \right)$

Discussion with SG4 leading team

■ Background

- SG5 is considering environmental impacts ELV management out of sale region.
- This is one of a controversial issue among SG5 as opinions are divided on whether to cut off this case or to calculate LCA in the region where the car was actually dismantled.
- Since this issue is not limited to EoL stage but is also in the product use stage, SG5 intends to share a common view with SG4.

■ Proposal from SG5 leading team

System boundary to exclude second Use and EoL phase of exported used car to out of sales region or country (due to not enough traceability, second use or EoL process information,,,,)

■ Next action

- Aiming for registration as an overarching aspect, report to the leading team as a common view of SG4 and 5

【Agreement】

- SG4 will continue to study Option 4.

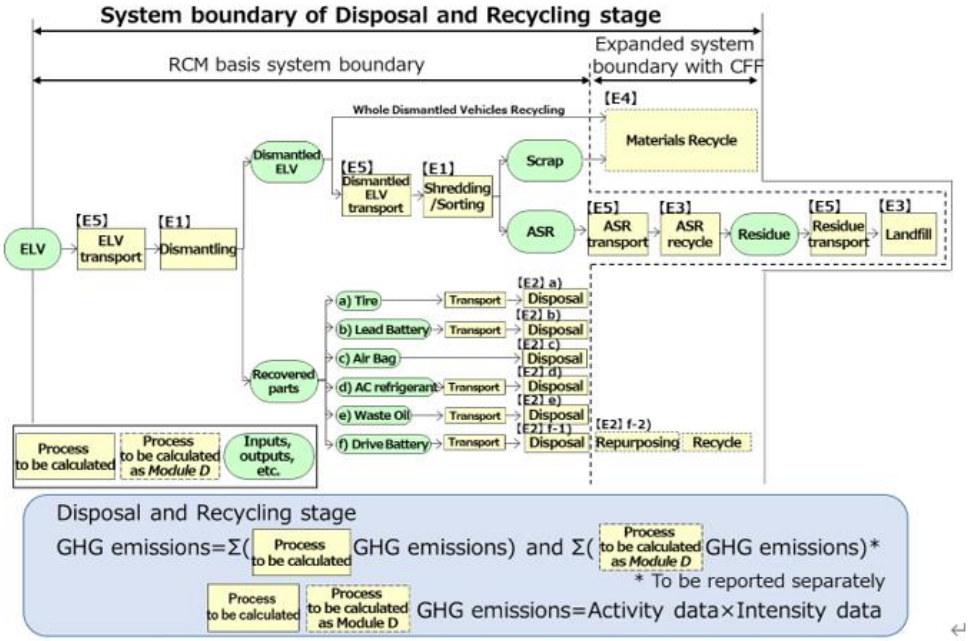
- Bring the common position between SG4/5 to IWG

SG5(EoL) 1st Drafting presentation

- Request to study “SG5 EoL_Drafting_verN_240703” word document and submit “SG5 Drafting 1st FB sheet” excel document to SG5 leading team by 13th Sept.

▪ 1.1 Disposal and recycling stage

The system boundary of the disposal and recycling stage as well as its calculation method are outlined below.



▪ 1.1.1 Processes included in the data collection scope

Data collection applies to the processes outlined below.

【E1】 End-of-life vehicle (ELV) dismantling ... sorting process

【E2】 Recovered parts dispos... ...g process

【E3】 Automobile sh... ...sidue (ASR) disposal and recycling process

【E4】 Materials recycling processes

【E5】 Transport processes

Extraction of draft document

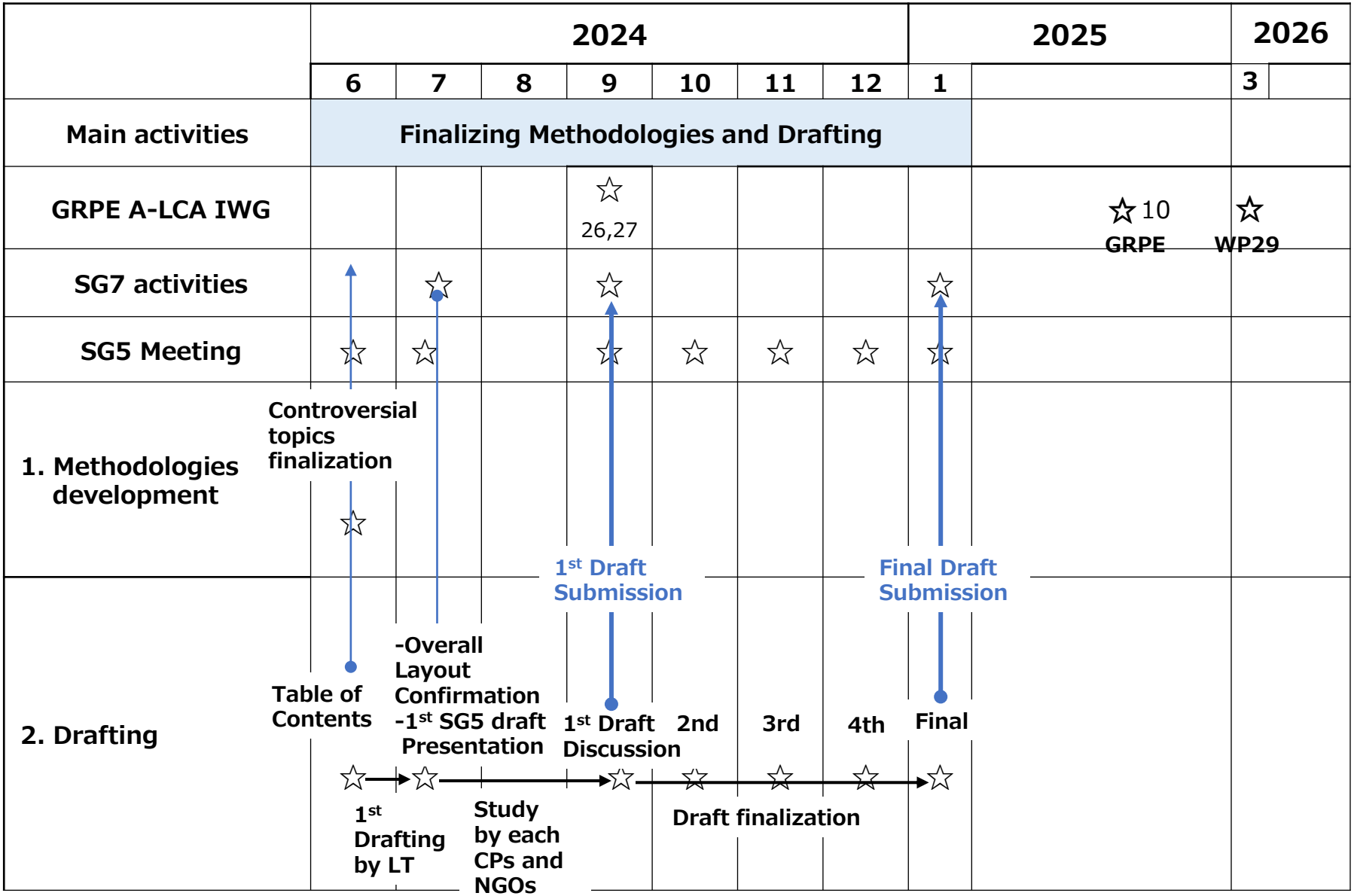
25th Sept. SG5 meeting 015 agenda & logistics

- Date & Time ; 25th Sept, 2023, 13:00-17:00
- Attendee ; -Leader, Co leader, MAIN PARTICIPANTS; in person
  -OBSERVERS; on line
- Venue; JAMA European office, Floor 4, Avenue Louise 287, 1050 Brussels, Belgium
- Agenda

1. Opening speech by SG5 leader/Co leader ; 13:00-
2. SG5 013 minutes and 014 agenda confirmation ; 13:10-
3. **SG5 1st Drafting discussion (1)** ; 13:20-
   -Break- 15:00-
4. **SG5 1st Drafting discussion (2)** ; 15:10-
5. Wrap up and next action ; 16:50-
6. Closing speech by SG5 leader/Co leader ; 16:55-

APPENDIX

SG5 6 months schedule for Drafting



New proposal 2 in June SG5

5. ELV management out of sale region

FRA OICA

Topic	Option 1	Option 2	Option 3
ELV management out of sale region Neutral CLEPA	Take into account process of country of sale JPN Or,EU AL	Take into account global averag Or,EU AL	Take into account

Compromise

Option 4

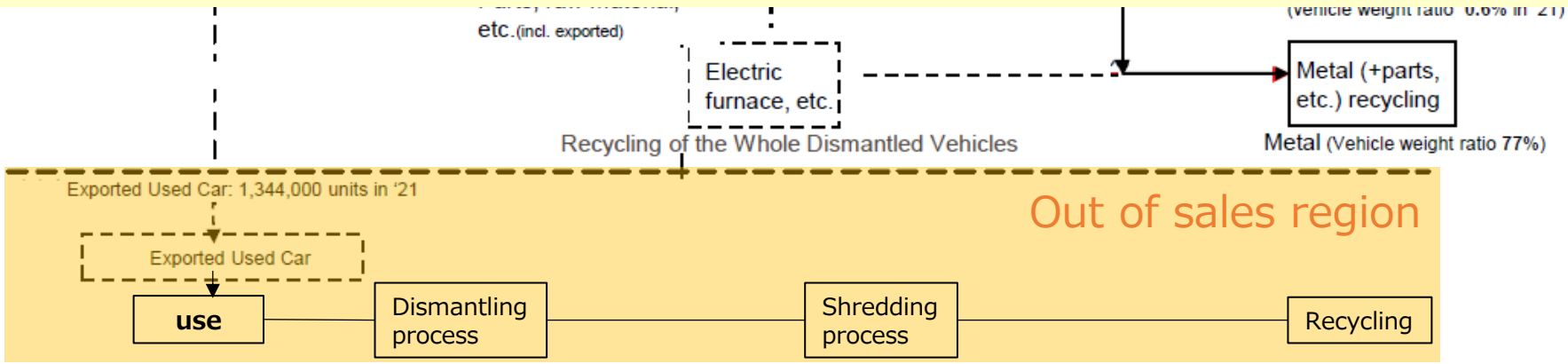
Cut off Use and EoL phase of exported vehicle out of sales region

<New proposal 2>

To be aligned with SG4

<System boundary>

-Exclude second Use and EoL phase of exported used car to out of sales region or country (due to not enough traceability, second use or EoL process information,,,,)



Material/Parts recycling modeling
Internal discussion summary of Cutoff and CFF

As of 17th June

SG5 member's opinion are all aligned officially.

Leading Team	**China (CATARC)**	**・Both Cutoff and CFF methods should be included in the standard**	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。
	Japan (JASIC)	**・Support CATARC proposal**	・Specific use case description on Cutoff or CFF to be discussed respecting ToR of A-LCA
Main Participants	**France**	**・Both Cutoff and CFF methods could be acceptable, CFF is favorable**	・No strong position. A final official position will be taken at the next SG5 meeting.
	US(EPA)	**・Both Cutoff and CFF methods are preferable**	
	OICA	Concerning End of Life, OICA does not favor unanimously CFF or Cut Off, but promotes the method which is the most accurate, practical for all stakeholders of the reporting, and clearly transparent in order to prevent greenwashing. **OICA therefore sees positively the JRC compromise relative to the EPD "Module D" thanks to the transparency of the modularity approach clearly identifying the RMC content from the additional environmental benefits.**	
	CLEPA	**・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	**・Only CFF, need to study Scenario, but having both methodologies in A-LCA could be acceptable**	
Observers	**JRC**	**・CFF approach is favorable. Considering both methodologies in the discussion according to the scope could be acceptable**	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).