

An overview of a new approach to incorporate GHG reporting that allows organisations to calculate and report air pollution footprints

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IAPSC 2022 - Wednesday 28th September

Impact CLEAN on Urban AIR Health FUND

scope 2 emissions adaptation emission scopes carbon reporting mitigation carbon footprint climate change tcfd reporting secr reporting climate finance greenhouse gases scope 1 emissions scope 3 emissions



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GHG Footprint v. Air Pollution Footprint

Similarities

- The same or similar emission sources
- Established data collection and reporting framework •
- Available resources

Challenges

- Physical occurrence of emissions where ?
- Technology use at the source how ?
- Not all air pollutions are emitted from the same processes as GHG emission





Explore and develop a framework for company reporting of emissions relevant to air pollution, with a focus on PM_{2.5}, PM₁₀ and NOx, alongside or as part of existing carbon reporting





Overall Approach

> Completed

• Phase 1 – Scoping Phase

Develop an approach to estimating air pollutant emissions

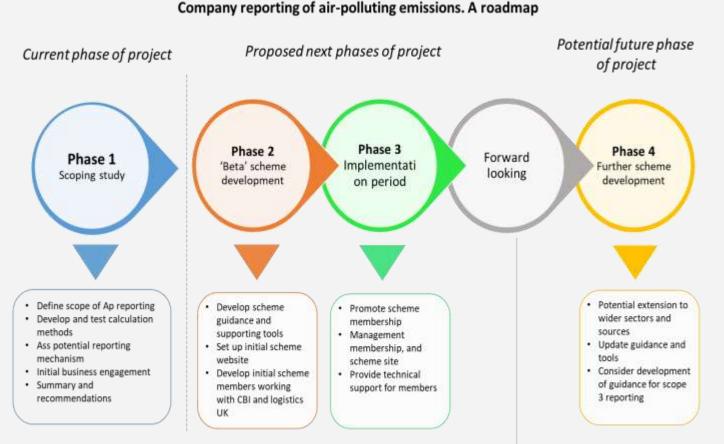
- Defining the scope of assessment in relation to the GHG report framework
- Identify priority industry and business types
- Develop and pilot emissions estimation method

Define a reporting process

- Explore existing mechanisms
- Assess barriers and challenges to reporting
- Stakeholder engagement

Current work

- Phase 2 "Beta" development and set up
- Phase 3 Implementation phase





The case study organisations – Pilot



Construction

- Major construction consortium
- Lead by Costain
- Number of sites in urban area considered
- Focus on Non Road Mechanical Machinery (NRMM)



Hospital

• Focused on hospital fleet

Two service companies

• But also assess heat and power related to CHP plant

Consider heat and power, plus transport activities



tp bennett

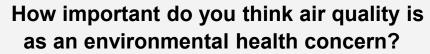


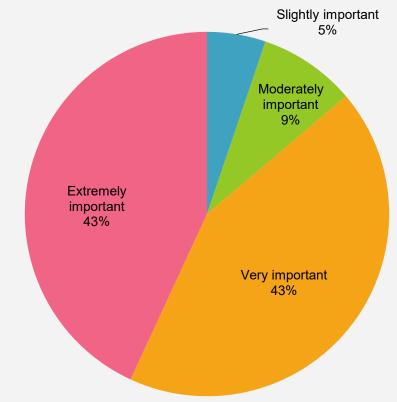


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Business Engagement Survey – Highlights

- Almost 200 responses
- Current reporting
 - 70% of organisation reported GHG emissions, with a wide range of schemes and requirements in use
 - Only 25% reported AP in any form mainly permitting or planning conditions
 - However 50% did have some policies related to air pollution: regulation compliance, health and safety, transport and fleet
- Key drivers
 - Clear guidance and methods
 - Tools and reporting framework
 - Regulatory recognition or incentive





Clear willingness to understand air pollution footprint so action can be taken



Company reporting of air-pollutant emissions: A scoping report



Company reporting of air-pollutant emissions: A scoping project Final report Report for IoUH and CAF <u>ED14910100_GuysStTomas_BusinessAQ_Footprint_Report_Task1_2</u> (ricardo.com)





Build upon the outcomes of the phase one scoping study to develop the reporting framework fully and engage a wide number of medium and large organisations in the initial scheme



Summary outcomes - Scope and focus of a scheme

- Emission Scopes
 - Scope 1 as priority, with inclusion of scope 2 as key overall emissions source
 - Key pollutant NOx, PM₁₀ and PM_{2.5}
- **Priority Sectors:** Key emission sources in urban areas
 - The transport sector especially urban logistics businesses;
 - The construction sector with many construction sites in urban areas;
 - The services and retail sector offices, retail businesses, leisure and public services

Activities / Sources:

- Transport activity directly owned, leased or hired vehicles, travel
- Use of heat and power combustion emissions from heating plant and scope 2 emissions from use of electricity
- Off road machinery (often termed Non-Road Mobile Machinery) construction, services, retail





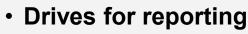


Summary outcomes - Structure of a scheme

- Emissions estimation
 - Based on EMEP/EEA guidebook
 - Tier method
 - Tier 1 only requiring existing GHG data collection
 - Tiers 2 and 3 require additional data layers and development of data collection systems

Key elements of phase 2 (development) and 3 (implementation)

- Guidance on how to calculate emissions, including assumptions
- Supporting data sheets on emission factors/assumptions
- Data collection/reporting templates
- Development of scheme website
- Run and manage the scheme for 2 years, set up within year 1



- Work on how AP footprint can be better supported by environmental systems such as ESG and Sustainability Report
- Work and advice businesses on how link air pollution footprint with business objective support cleaner operation and healthier environment



Benefits of Air Pollution Footprint

- Broadening corporate GHG reporting to include air pollutants is an important evolution in environmental reporting that supports **better sustainability**.
- Link between air pollution and GHG emissions and supports better sustainability and platform to engage and work with commercial organisations
- The increased scope and visibility of combined reporting increase understanding of true business contribution to local air pollution and emissions sources. This helps inform more effective corporate pollution reduction strategies and funding.
- Proactive reporting on corporate air pollution emissions demonstrates good **environmental**, **social**, and **governance** values, appeals to socially responsible investors and consumers
- Helps to improve the quality of life for those living and working nearby helps organisations to be a better neighbour





Air Pollution Footprint reporting benefits everyone



ESG values

Demonstrates good environmental, social, and governance values. Air pollution reporting benefits everyone



Appeals to investors

Appeals to socially responsible investors and consumers. ШШШ Improves local communities

Informs activities to improve air quality in communities and the local environment.



Quality of life

Helps to improve the quality of life for those living and working nearby.



Get involve

Who can participate and what is involved?

Type of organisation

Businesses that already undertake GHG emissions reporting, with operational activities in urban areas. Sectors of particular interest include fleet operators, retail, construction, and the service sector.

Involvement

Participation requires submission of information on current reporting practices and data collection methods, as well as feedback on project guidance materials, tools and the process for calculating pollution foot-printing.

Commitment

Businesses can opt to participate in the pilot for a minimum of 12 months or extend their commitment to up to 3 years.

Engagement

Participants will be supported through quarterly free training workshops, networking events and technical helpdesk support for general enquiries. Regular project updates will be provided via call and email.





Impact on Urban Health



Air Pollution Footprint Pilot Scheme

Join in a pioneering pilot scheme designed to improve the health of workers, customers, and your local community.

Take part in the pilot scheme

Businesses will receive detailed guidance on how to report on their air pollution emissions.

Express your interest by **31**st October 2022.

Register using the QR code or web address. <u>ee.ricardo.com/corporate-air-pollution-footprint-pilot-scheme</u>







Thank you

Any questions?