

# **Cement Sustainability Initiative Global Cement Sectoral Approach**

UNFCCC  
International Chamber of Commerce

Bonn - 6 June 2008



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# 18 CSI participants: operating in more than 100 countries on the five continents

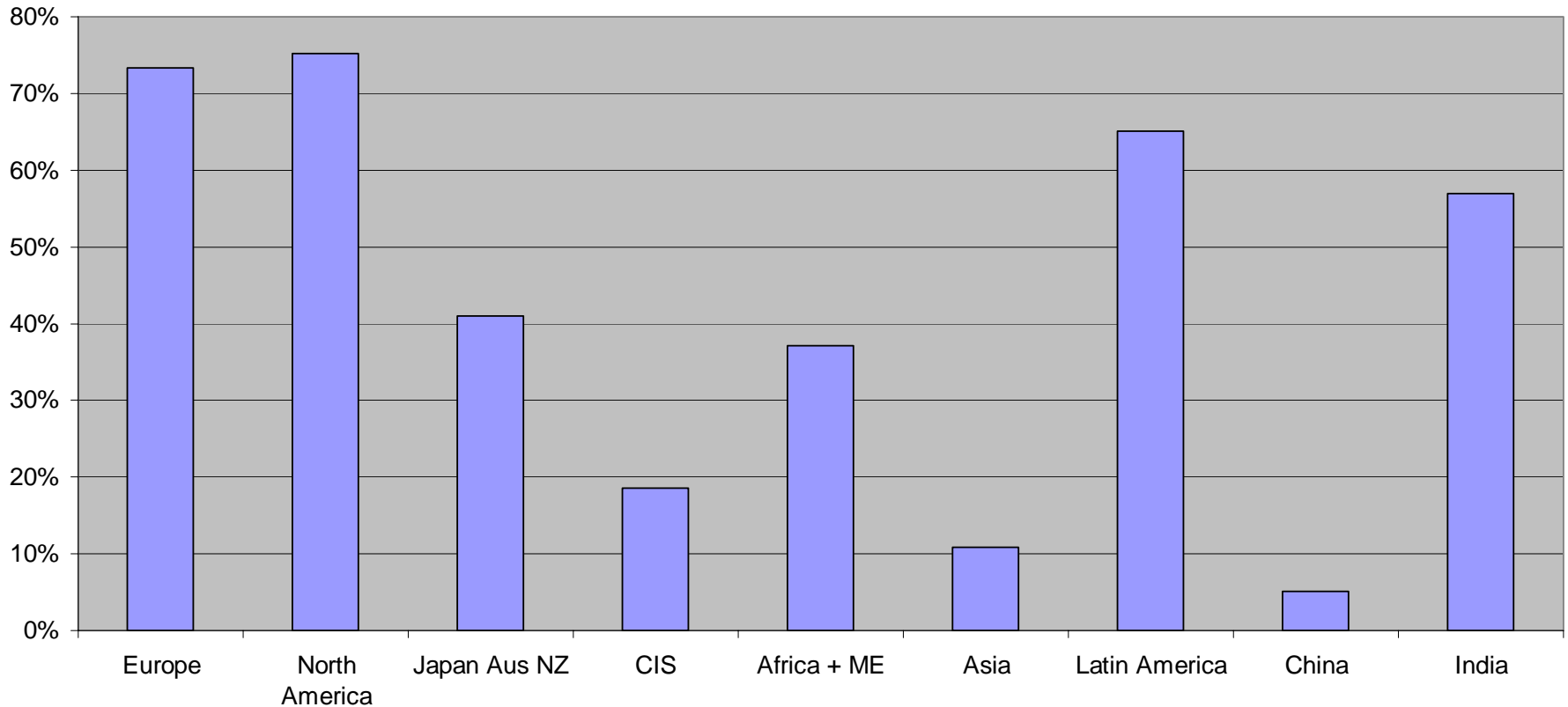


HEIDELBERGCEMENT



# Geographic coverage – CSI 2005

Perimeter of WBCSD reporting by geographical areas



Source of country data : USGS  
(Hydraulic cement, World  
production by country), see  
<http://minerals.usgs.gov/minerals/pubs/commodity/cement/>



# CSI initiatives to prepare sectoral approach work

- Building tools for consistent data collection – **CSI CO<sub>2</sub> Protocol**, field tested, reviewed and revised
- Building **global database** of facility emissions – *“Getting the Numbers Right”*
- Independent 3<sup>rd</sup> party **verification** beginning 2006
- **Capacity building** on use of the tools, esp. in China and India
- Development of new **Sectoral Benchmarking CDM** methodology

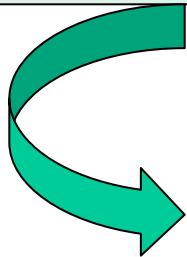


## Cement Sectoral Approach: CSI motivation

- Engagement of developing economies where most of emissions now or will take place
- Competitive concerns – the “unlevel playing field”
- Potential ability to move more rapidly with smaller number of key industry players and countries, compared to global agreement

# Cement Sectoral Approach: CSI motivation

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Need to identify and quantify benefits of sectoral approach:

- How much *real* emissions reductions does it offer?
- Does it do so more easily, rapidly, cost effectively than existing policy tools?

# In our view, a sectoral approach must ...

- Be set within the UNFCCC
- Be compatible with existing and future mechanisms
- Include major developed and developing economies
- Use simple metrics and methodologies
- Use verified emissions data to track compliance
- Be mandatory. Government involvement is needed to enforce agreed sectoral targets
- Provide a mechanism to review/adjust targets over time
- Enhance new technology development
- Others?



# We have launched a formal modelling exercise

- Based on
  - Global carbon market (baseline)
  - Soft measures (including R&D, technology based agreements, technology transfer etc.)
  - Intensity based trading with no-lose concept
  - Intensity based trading without no-lose concept



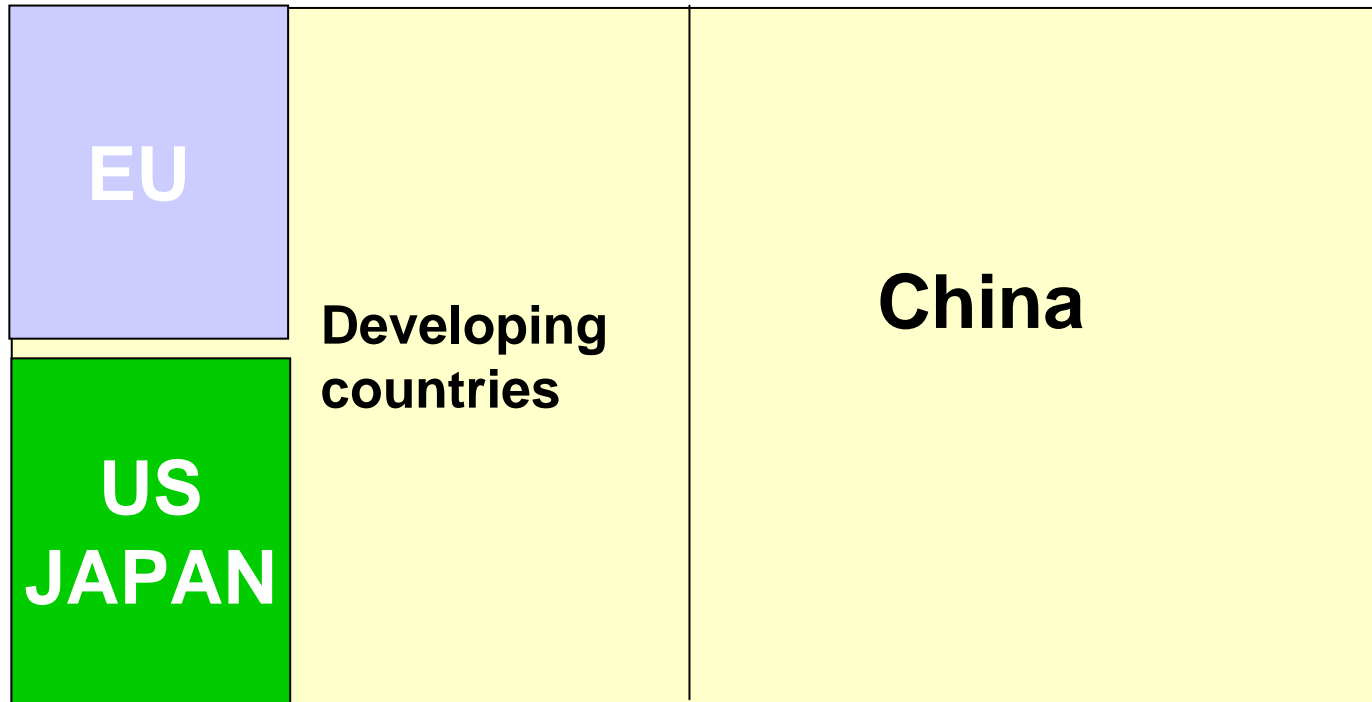
# We have launched a formal modelling exercise

- Aiming at
  - Demonstrate that global GHG reduction in the cement industry can be achieved faster, better, and more equitably by a sectoral approach for the cement industry than with other currently available approaches alone
  - Identify high potential sectoral policies / instruments and reference policies
  - Develop a basis to propose the most effective sectoral approach framework to achieve these objectives post-2012
  - Develop key CSI arguments based on the findings of the modelling work to influence policy making and interact with other sectors

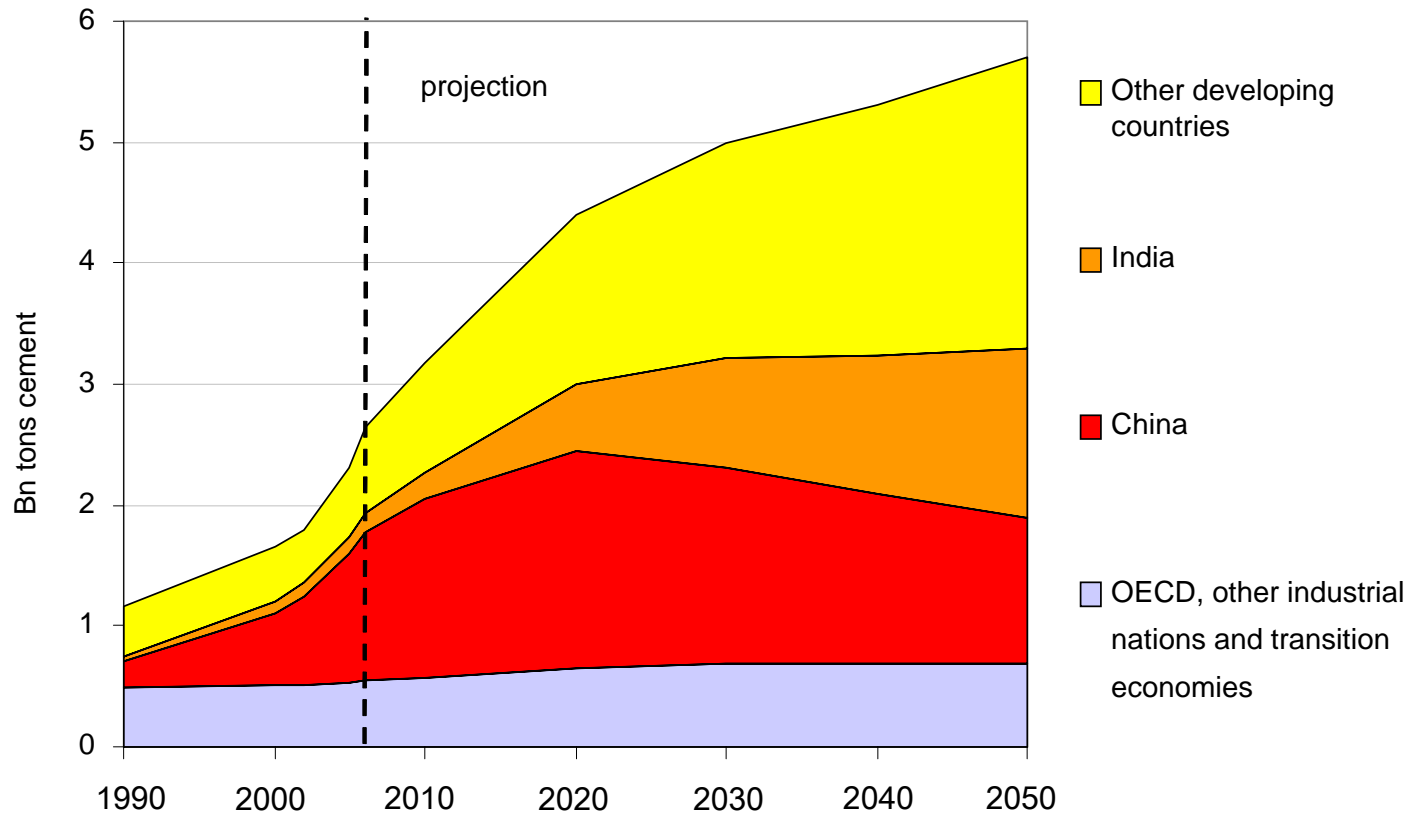
## [Additional slides](#)



# The cement playing field industry today ...



# Cement demand, linked to economic development, is growing



The European Cement Association. (May 2006). *Activity report 2006*, retrieved from the Cembureau website

<http://www.cembureau.be/Documents/Publications/Activity%20Report%202006.pdf>

US Geological Survey. (January 2007). *Mineral Commodity Summaries*, retrieved from the USGS website

<http://minerals.usgs.gov/minerals/pubs/commodity/cement/cemenmcs07.pdf>

US Geological Survey. (April 11, 2006). *Historical Statistics for Mineral and Material Commodities in the United States*, retrieved from the USGS website <http://minerals.usgs.gov/ds/2005/140/cement.pdf>

Michael Taylor, International Energy Agency. (4-5 September 2006). *Energy Efficiency and CO2 Reduction Opportunities in the Global Cement Industry*, retrieved from the IEA website <http://www.iea.org/Textbase/work/2006/cement/taylor.pdf>

