

Digitization and sustainability measurement

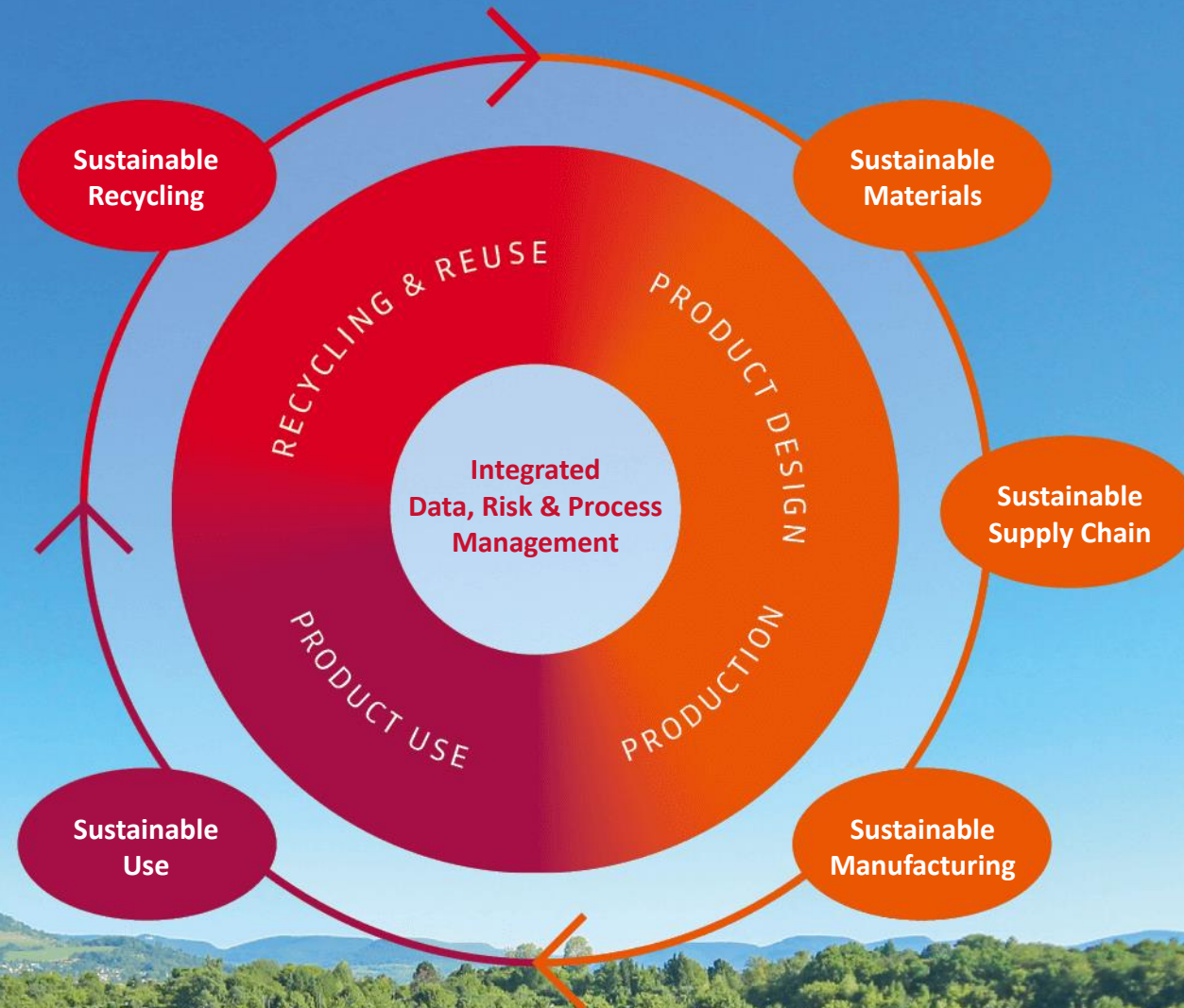
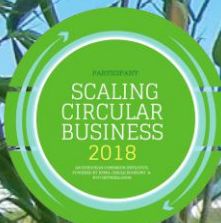
25.11.2020 | Christian Hasenstab | ASPA Seminar 2020

APAC CIO Outlook TOP 10
COMPLIANCE
SOLUTION PROVIDERS - 2019

Information Security
Management
ISO/IEC 27001
www.dekra-seal.com



Quality Management
ISO 9001
www.dekra-seal.com



Digitization and sustainability measurement

1. Introduction
 - Digitization/Digitalization
 - Sustainability measurement
2. Sustainability measurement in a digitized world
3. Sustainability of digitization
4. Conclusions



Fuente: Umweltministerium Baden-Württemberg

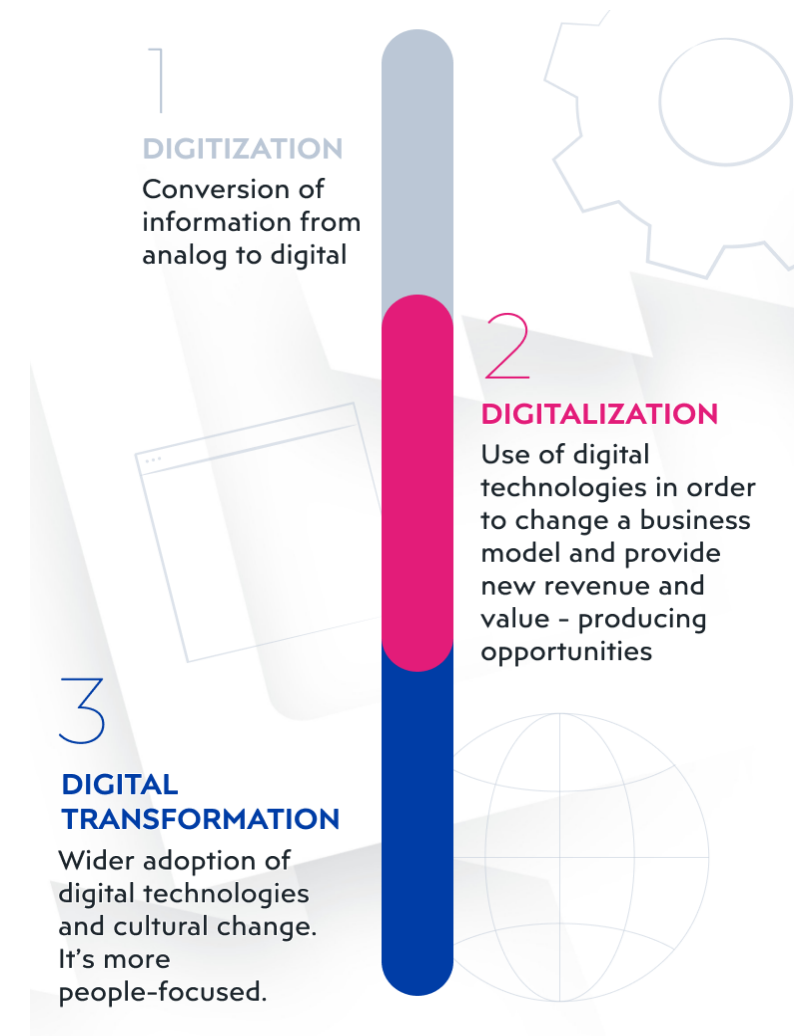
- Transmitting/storing/processing of information on
 - processes/transformations
 - (intermediate) products
 - wastes
- Internet of Things (IoT)
- Machine learning, AI
- Automation
- De-materialization

“Exponential growth of technology will disrupt every business sector that has significant, and growing, information content.”

Mike Mastroiannis

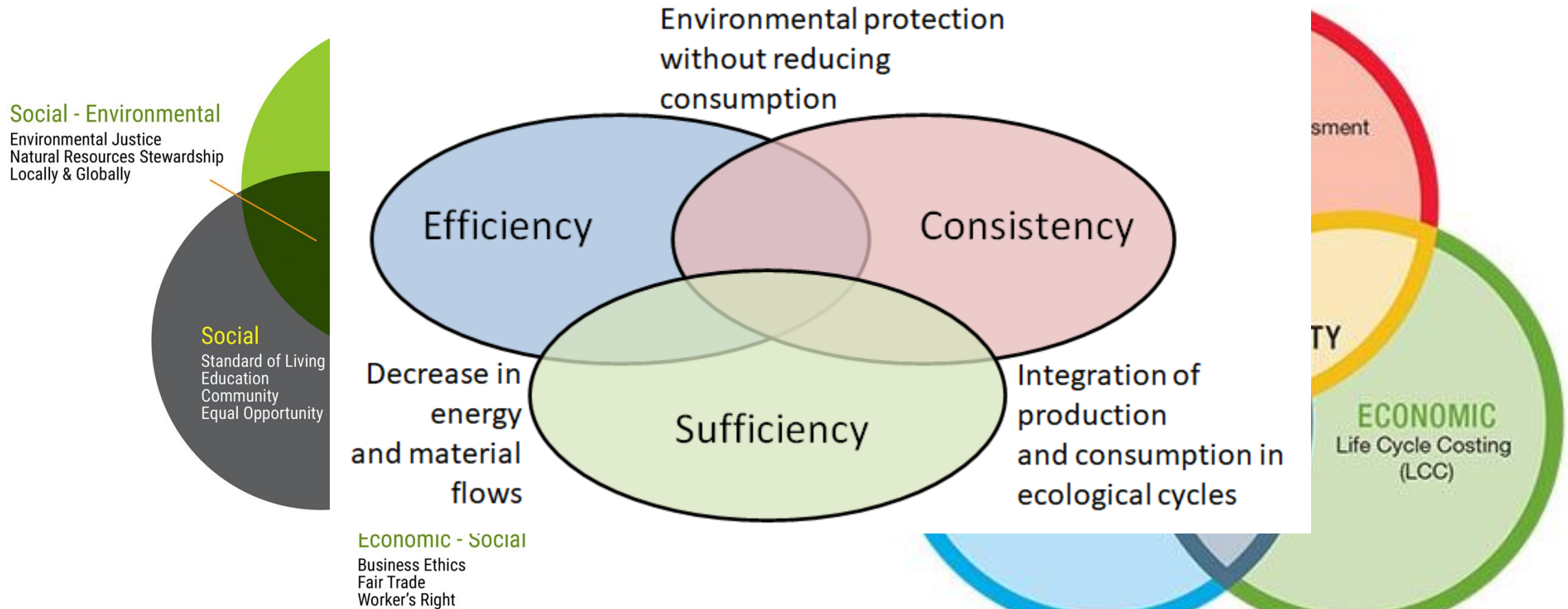
“Nothing is sustainable about digitization”

(J.Sommer, Gerente Deutsche Umweltstiftung)



Source: Filip Bubalo (tweakyourbiz.com)

THE THREE SPHERES OF SUSTAINABILITY

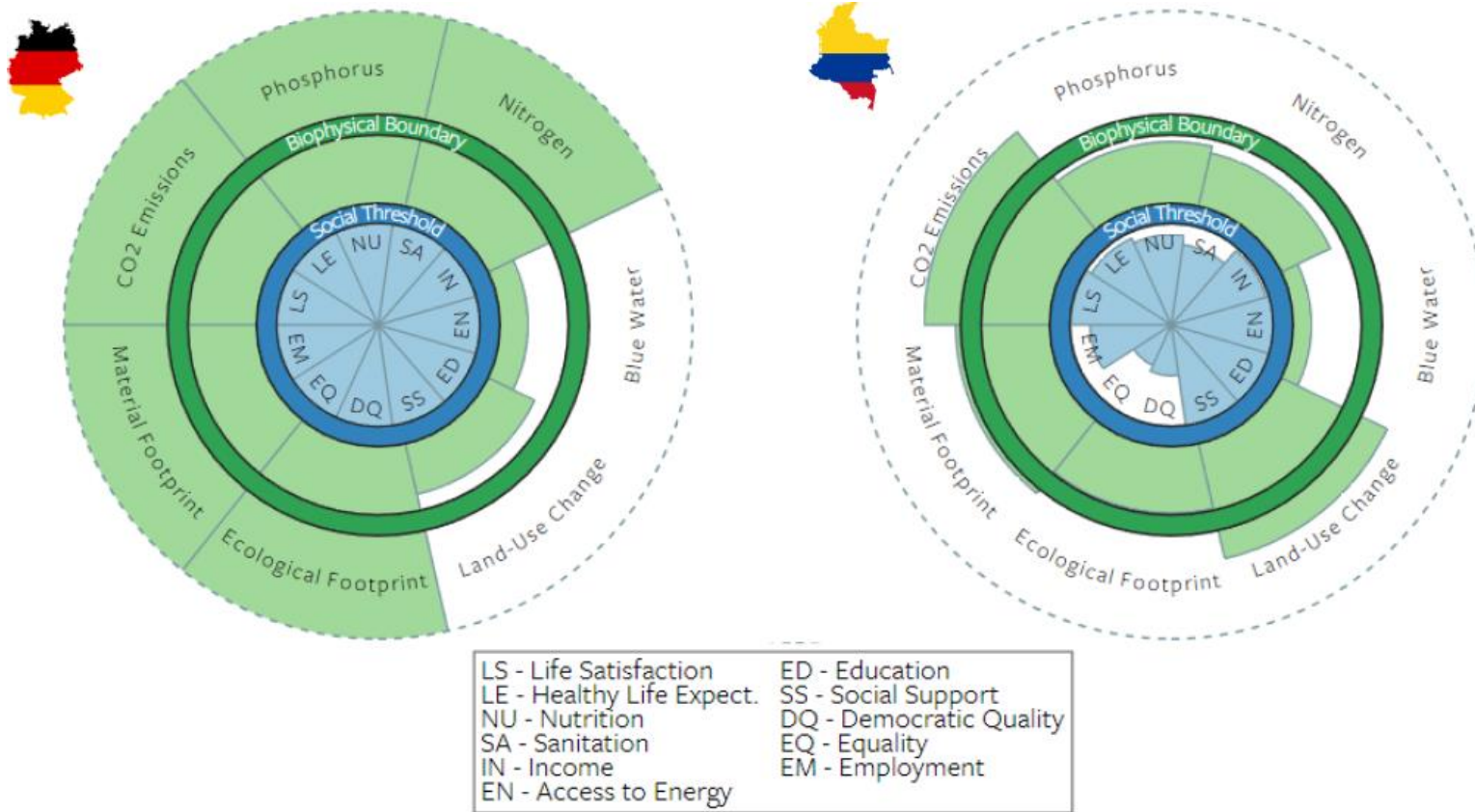


Source: fathopesenergy.com

Source: worldsteel.org

Introduction - Sustainability measurement

Planetary limits and science based targets

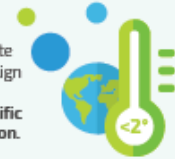


2018 O'Neill et al. - A good life for all within planetary boundaries / <https://goodlife.leeds.ac.uk/countries>

What are science-based targets?



Science-based targets recognise the level of climate action needed globally to align with the Paris Agreement – and translate this into specific targets for your organisation.



Targets are considered 'science-based' if they are in line with the emissions reduction levels required to keep global temperature increase well-below 2 degrees.

Why set a science-based target?



- ✓ **Demonstrate leadership** in environmental sustainability and emissions reductions
- ✓ **Reduce costs** through improving resource efficiency
- ✓ **Strengthen reputation** through setting credible and robust targets
- ✓ **Drive innovation** across your organisation and value chain
- ✓ **Contribute fairly** to efforts to move towards a global low-carbon economy
- ✓ **Create opportunities** for business growth and development
- ✓ **Stay ahead** of public policy and be ready for anticipated legislation

Who's setting science-based targets?

500+

companies from all sectors have committed to setting science-based targets, and the number is **growing every week**.

175+

companies have had **targets officially approved** by the Science Based Targets initiative (SBTi).

"Science-based targets have helped us, for the first time, to align our efforts to act on climate change with those of the global community."
Tesco

Introduction - Sustainability measurement

- Organizational and Life cycle analysis
- Ideally based on Material Flow Analysis (MFA)
- Life cycle inventory (LCI) data providers
- Life cycle impact assessment (LCIA) models

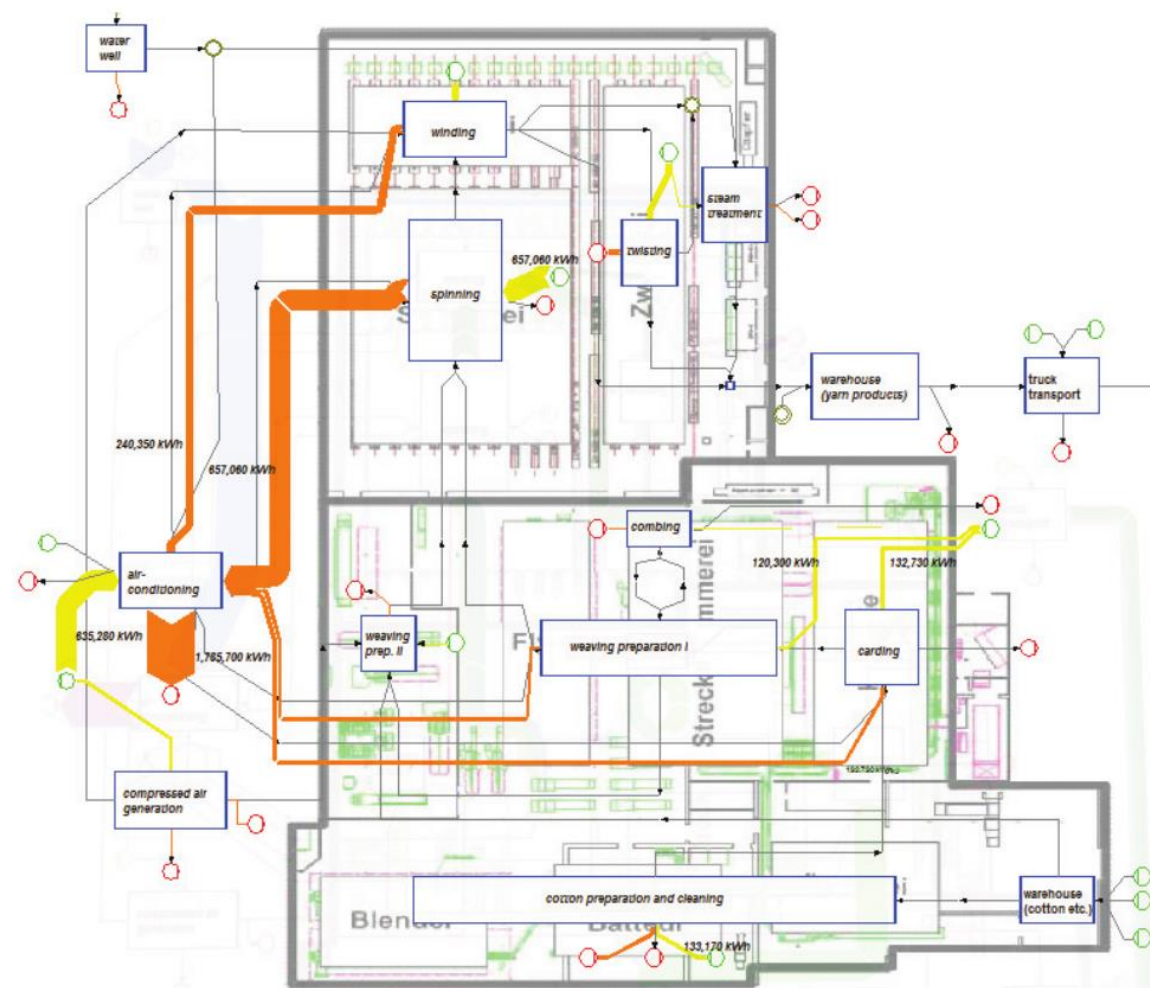
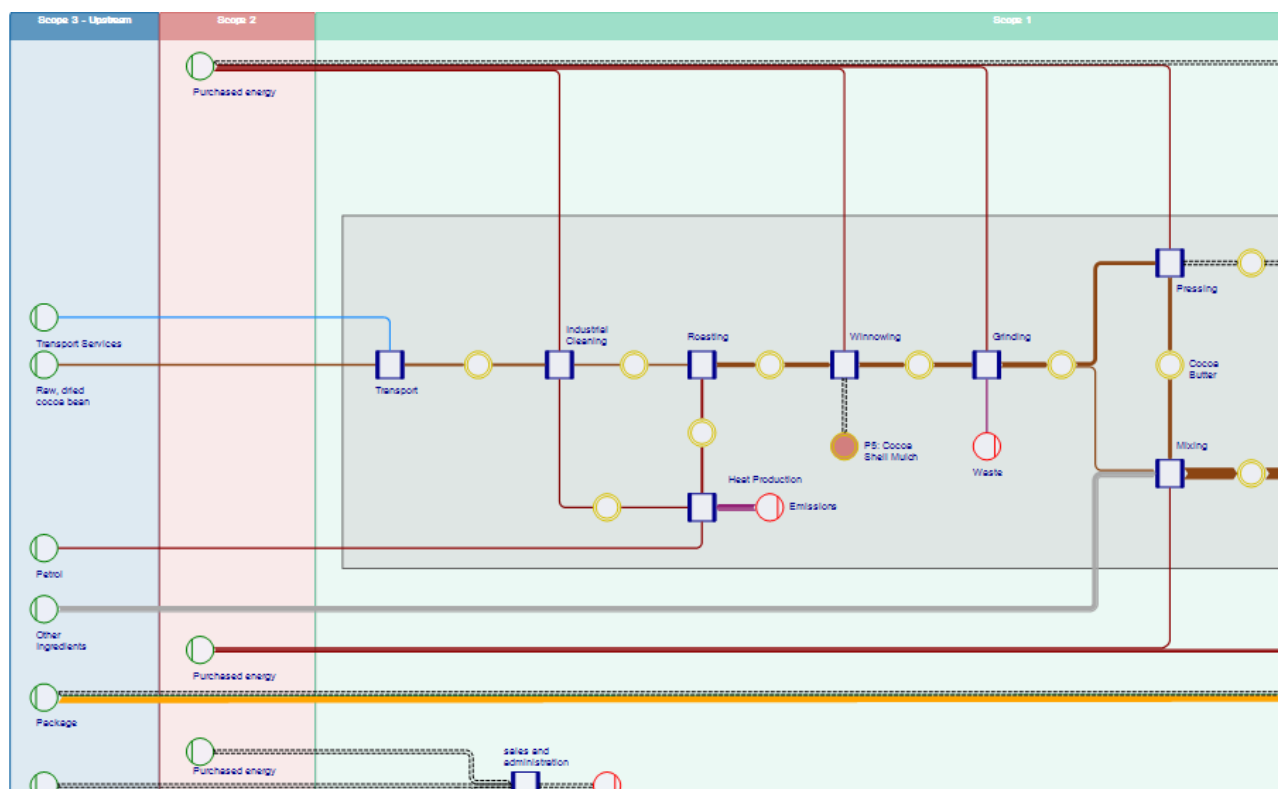


Figure 6: Energy-based Sankey diagram of SWU's production site in Waldkirch

From Viere, T.; Stock, M.; Genest, A.; How to achieve energy and resource efficiency: Material and energy flow modeling and costing for a small and medium-sized company; ifu Institut für Umweltinformatik Hamburg GmbH; EnHiPro; 2013. Seen on www.knowtheflow.com

Introduction - Sustainability measurement

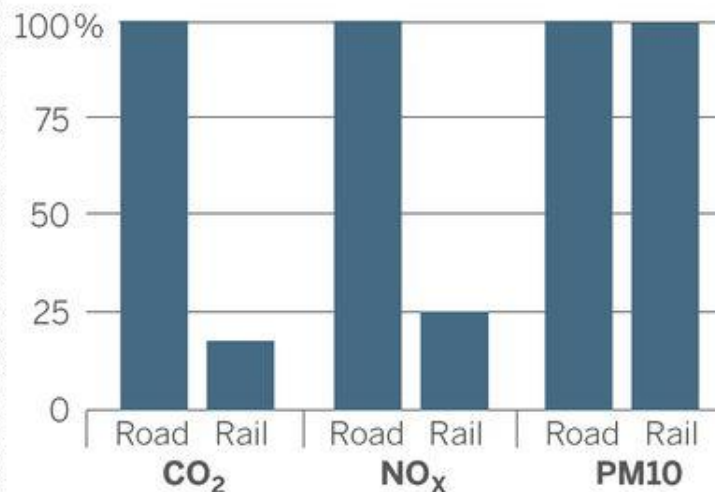
From inventory to indicators

1. Goal and scope definition



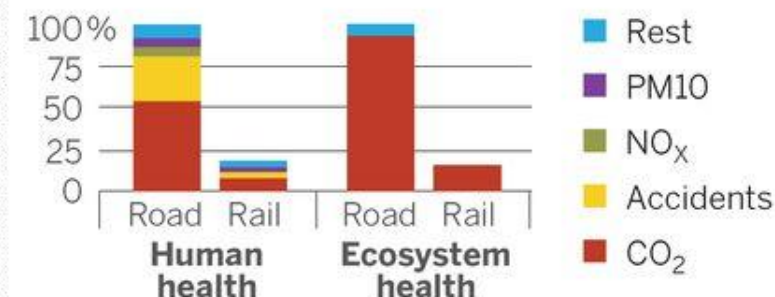
2. Inventory analysis

- Technical inputs and outputs of all processes
- Emissions (to air, water, and soil)
- Resource use (land, water, fossiles, metals)



3. Life-cycle impact assessment

- Climate change
 - Ozone depletion
 - Photochemical ozone creation
 - Human toxicity
 - Ecotoxicity
 - Eutrophication
 - Acidification
 - Land stress
 - Water stress
 - Resource depletion
- Impacts are mapped to: Human health, Biodiversity/ecosystem services, and Natural resources.



4. Interpretation

Sustainability measurement in a digitized world

- Higher availability of specific data throughout the life cycle
- Application of Blockchain
 - Gathering LCA data
 - Agricultural and food products verification of origin and certifications and tracking food born illness
 - Product material and chemical constituents transparency
 - Prevent waste by tracking materials
 - Trace non-conflict materials (e.g. “Oro verde”)
- Analysis of Big Data
- Automation of life cycle analysis
 - Support mass customization
 - Usage of existing ERP data (BOMs)
 - Example: Product sustainability

Fourth Industrial Revolution for the
Earth Series

Building block(chain)s for a better planet

September 2018



pwc

Project: Live LCA

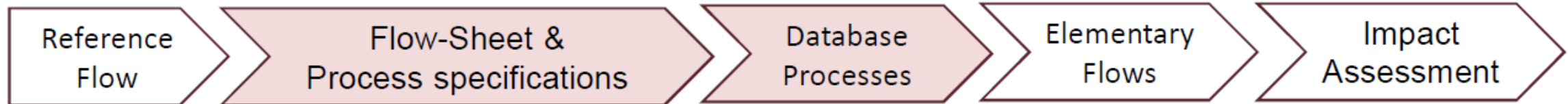


Climate: 5.8 tCO₂eq
Energy: 27,573 kWh
Saving potential: 241 €

Climate: 9.2 tCO₂eq
Energy: 46,461 kWh
Saving potential: 488 €

Climate: 8.7 tCO₂eq
Energy: 39,765 kWh
Saving potential: 312 €

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Energy: 39,765 kWh
Saving potential: 312 €



Modeling as Handicraft:
habitualized action, but
not industrialized

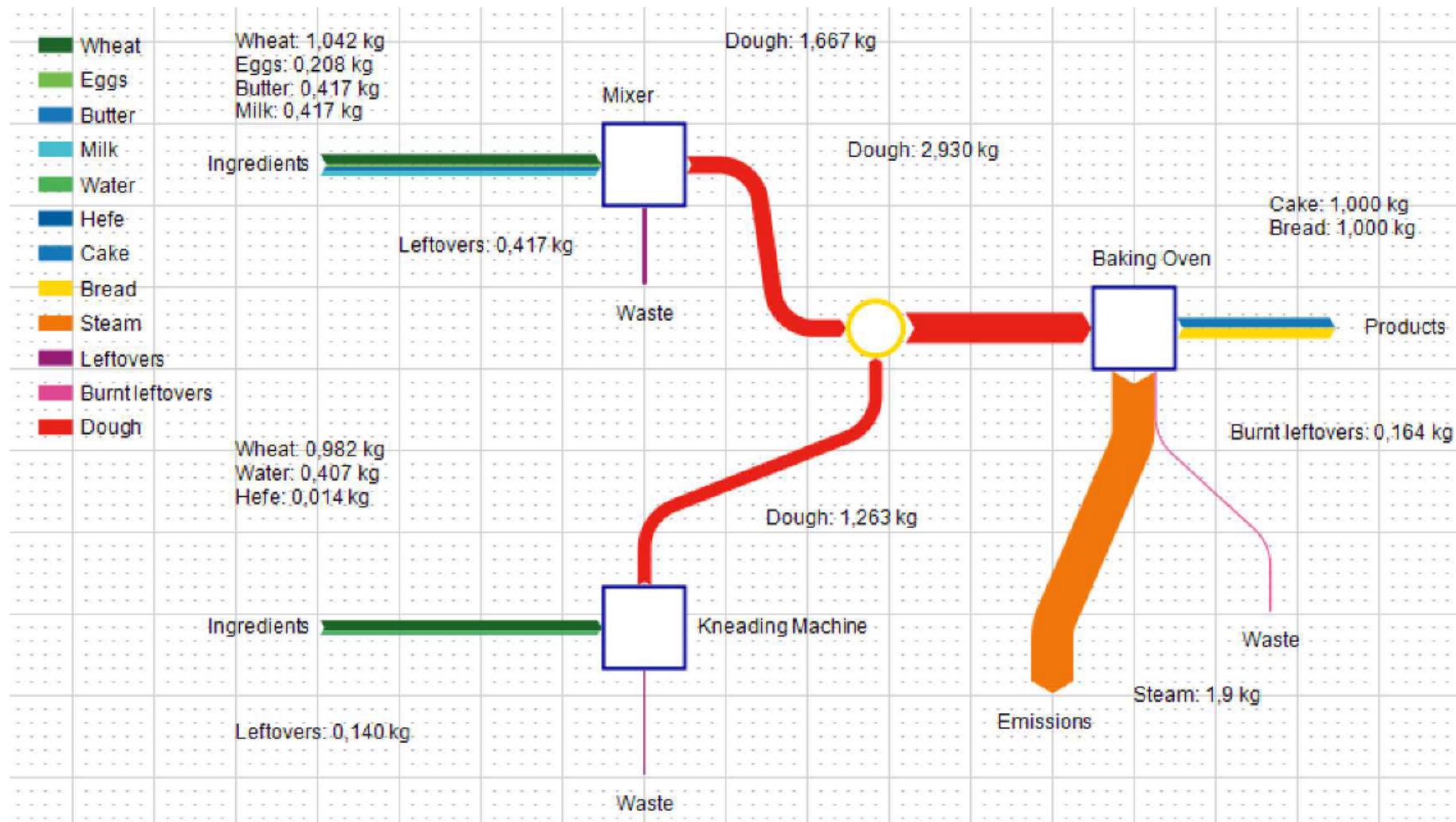
- Hard-coded process specifications (materials, coefficients,...)
- Single reference flow, product system
- Application of “tools” (!)
- Tailor-made LCAs for every reference flow



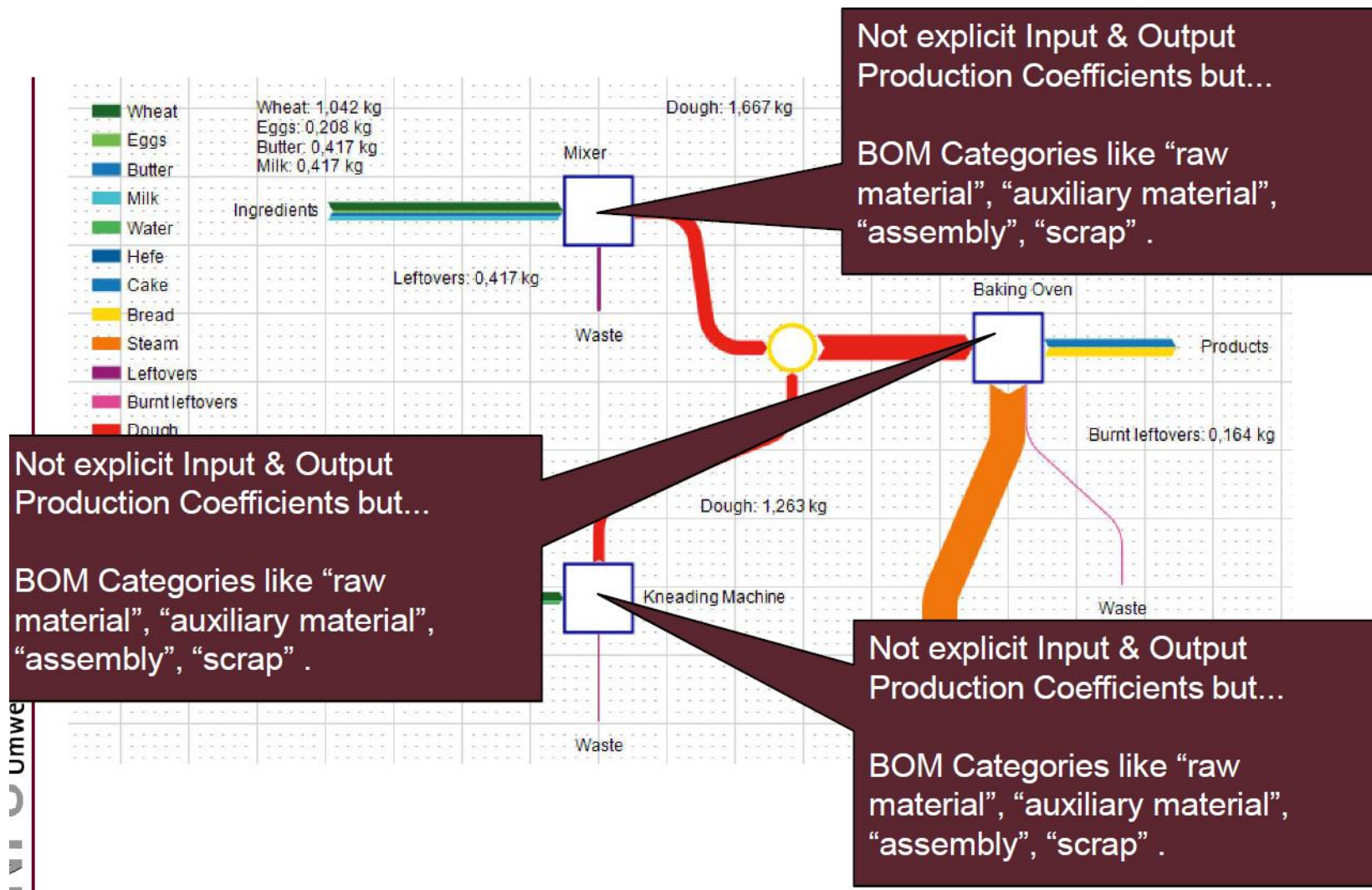
1. **Bill of Materials (BOM)** and “BOM explosion”: ERP system components for material logistics, e.g. Material Requirement Planning (MRP), in combination of parameterized service processes (LCA result processes, e.g. machines, maintenance, energy consumption, transport,...)
2. **Parameterized Datasets** for „raw materials“ or intermediate goods, e.g. screws, housings or packaging, with parameters, e.g. size, length, form, alloy
3. **Mapping** of required materials to datasets and parameters

Fuente: Andreas Möller

Automation of Life Cycle Analysis

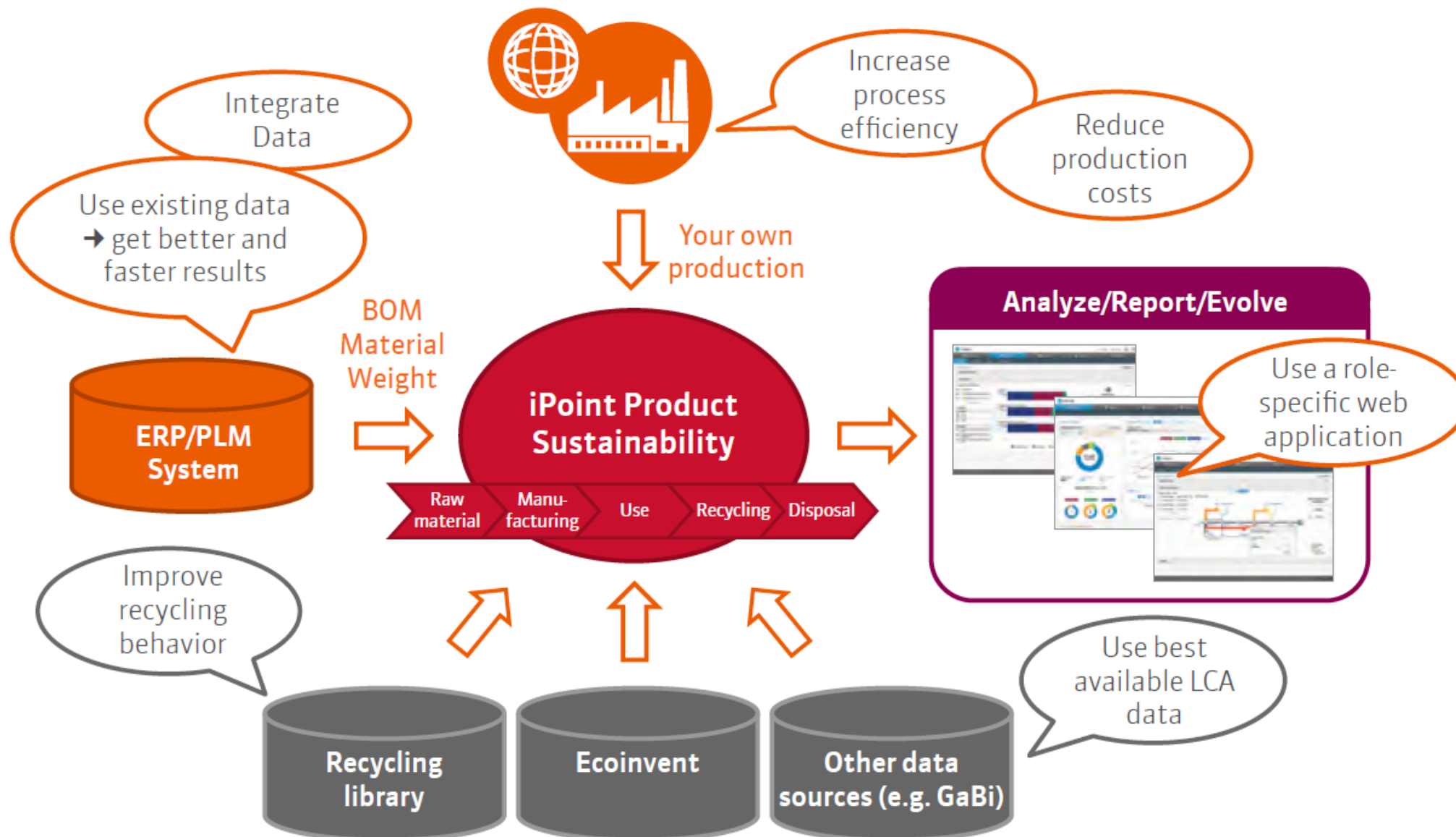


Fuente: Andreas Möller



Fuente: Andreas Möller

Automation of Life Cycle Analysis



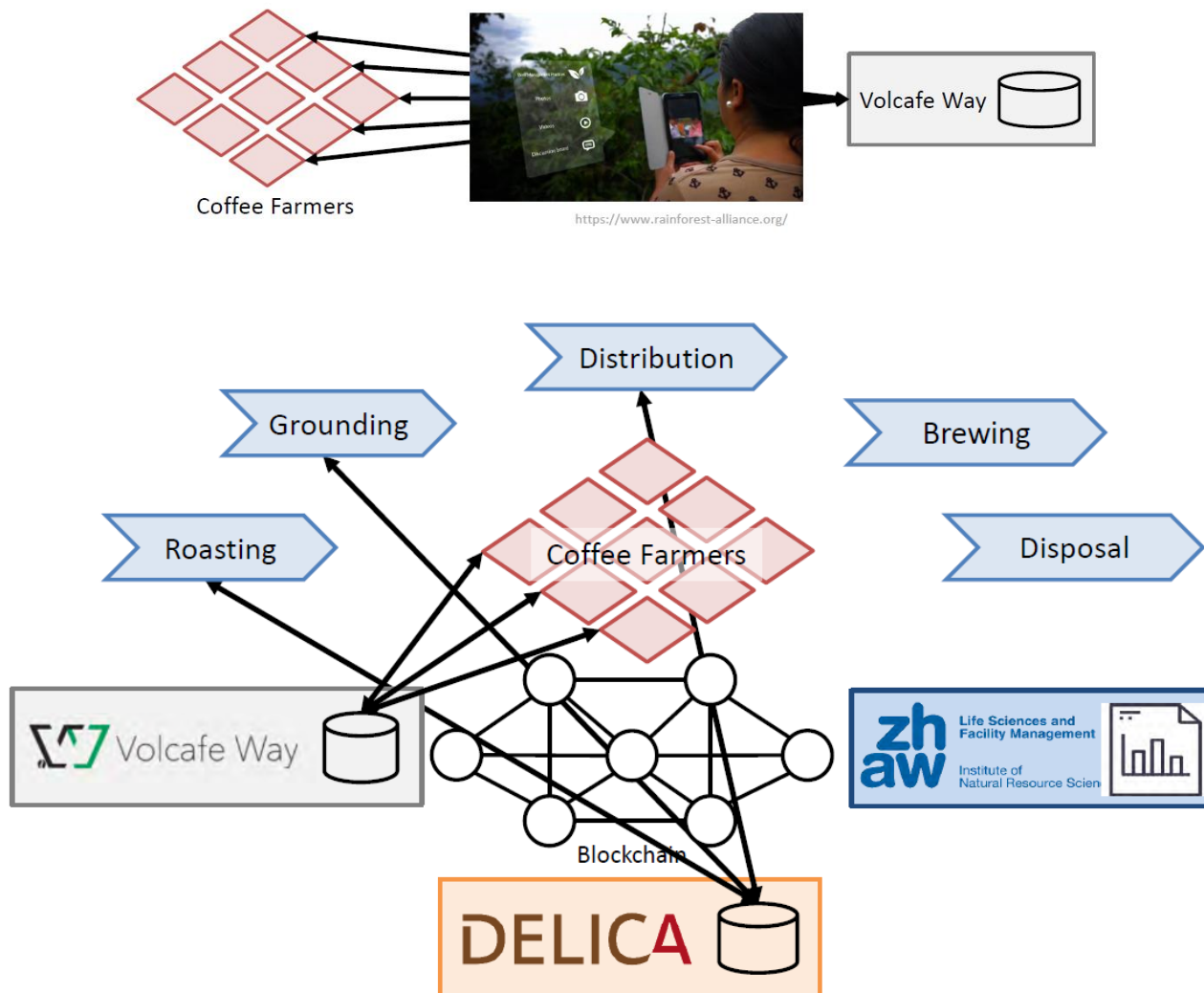
Application of Blockchain

Digitization of coffee life cycle analysis (René Itten & Matthias Stucki)

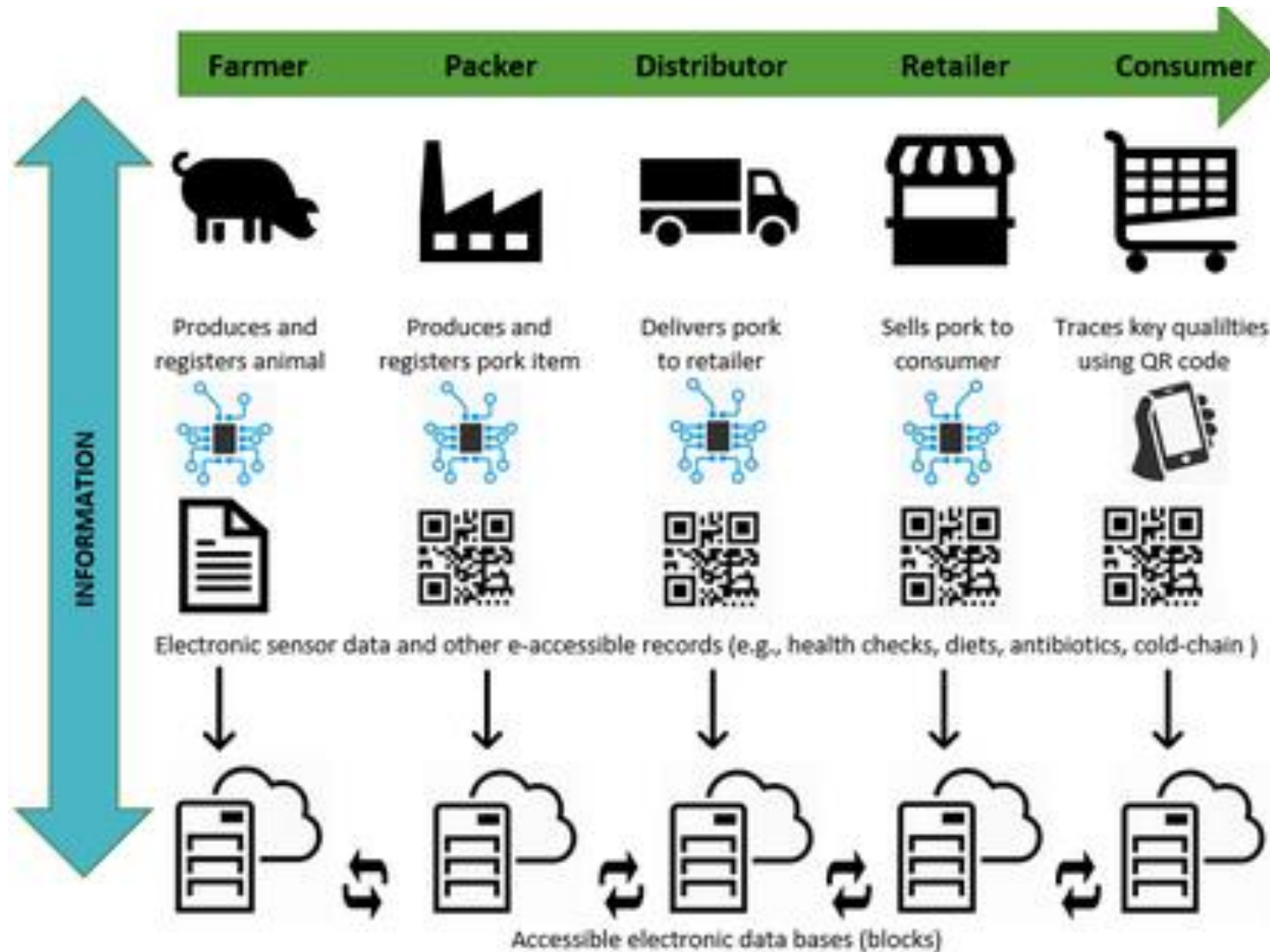


<https://www.reddit.com/r/interestingasfuck>

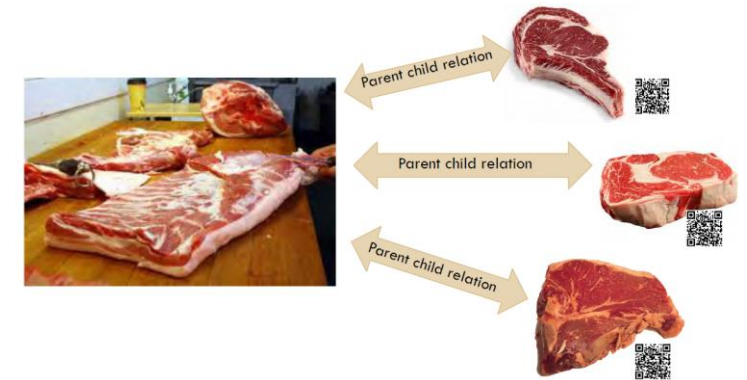
- Continuous reporting of yield, location, fertilisers, pesticides and other expenditures
- Collect trustworthy and transparent information for Life Cycle Inventory models
- Challenge for blockchain : internet access at farms
- The digitised value chain will bring the involved actors closer together



Example: Digital twin pork



Source: swineweb.com

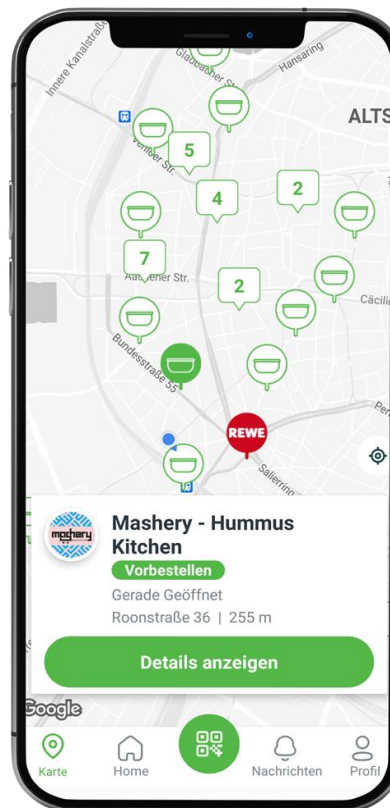
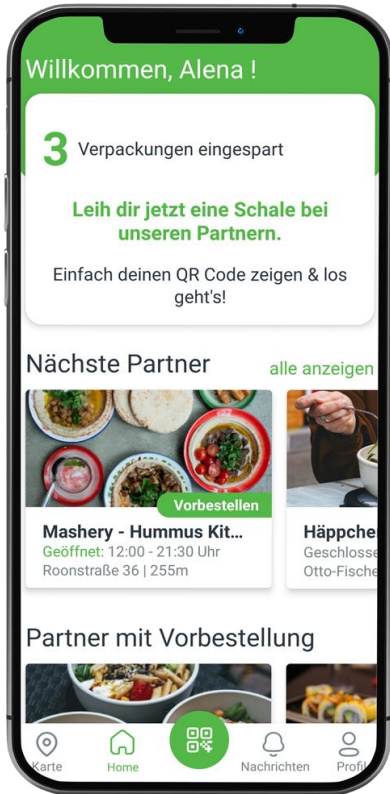


- ▣ Aggregation of information from the traceability chain
- ▣ Cutting information
- ▣ Best before date
- ▣ Data available by app



Source: fraunhofer, M.Eisenhauer

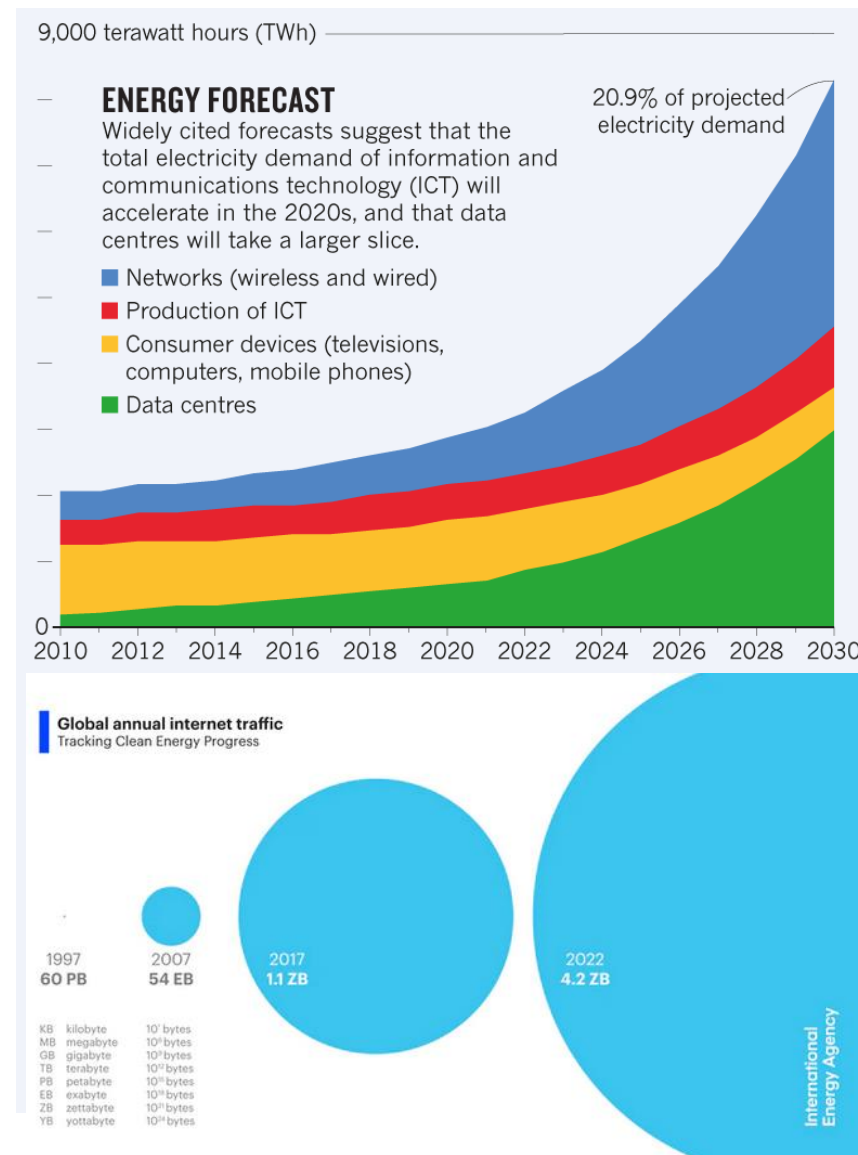
Example: Reusable take-away dish Vytal (or Rebowl)



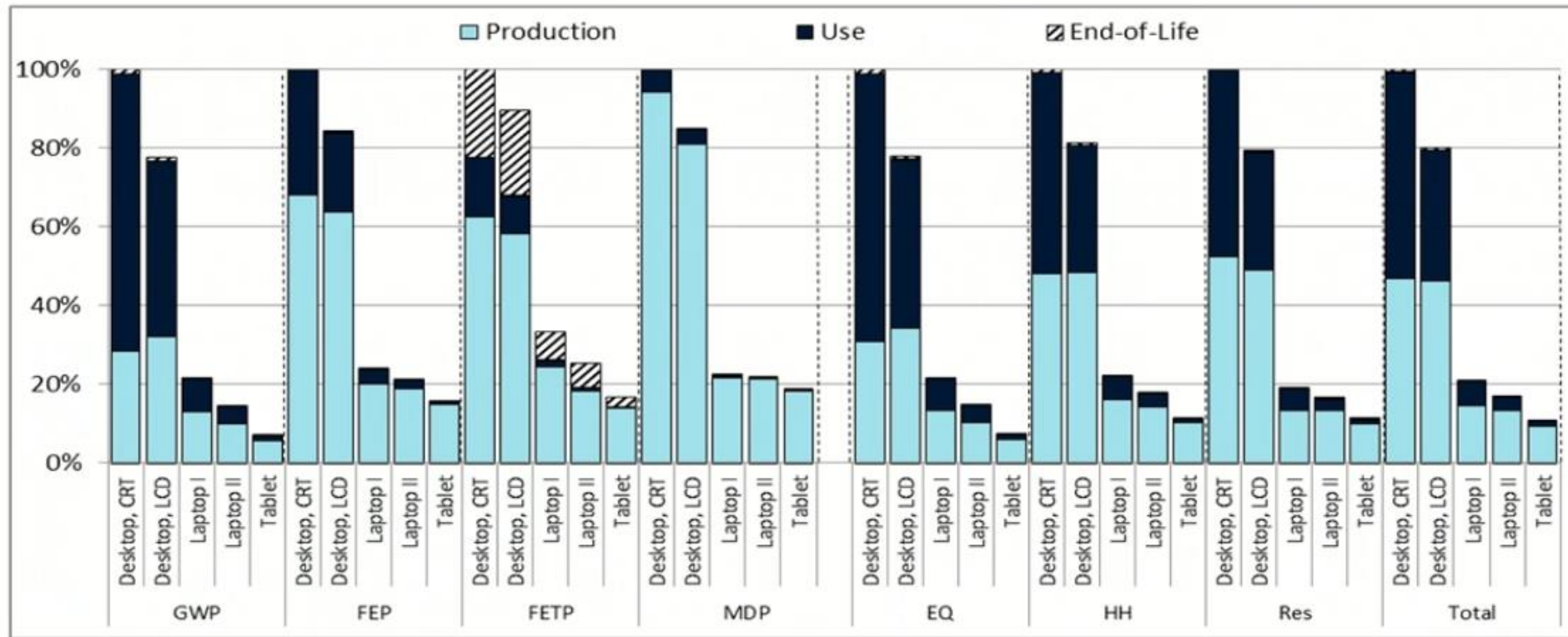
Source: vytal.org

Sustainability of digitization

- Some ecological aspects
 - ⊕ De-Materialization (cameras, GPS, car sharing, less waste, miniaturization e.g. iPad Air)
 - ⊕ Videoconferences vs. travel
 - ⊕ Supporting circular economy, efficiency
 - ⊖ Energy and infrastructure resources demand (in spite of Koomey's law!)
- Some social aspects
 - ⊕ Empowerment, participation
 - ⊕ Accessibility of education and knowledge
 - ⊖ Digital divide, Unemployment for low-skilled
- Some economical aspects
 - ⊕ Increasing innovation, New business models
 - ⊖ Even faster and more unstable?



LCA of ICT end-user devices: desktop PCs, laptops, tablets (1 h of use)



Environmental impacts of 1 hour of use of ICT devices (relative to a PC with CRT Screen, which is set at 100%). Midpoint impact categories: **Global Warming Potential (GWP)**, **Freshwater Eutrophication Potential (FEP)**, **Freshwater Ecotoxicity Potential (FETP)**, **Metal Resource Depletion (MDP)**, endpoint damage categories: **Ecosystem Diversity (EQ)**, **Human Health (HH)**, and **Resource availability (Res)**, weighted total.

Source: Hirschier, R., Wäger, P.A. (2015): The Transition from Desktop Computers to Tablets: A Model for Increasing Resource Efficiency? In: ICT Innovations for Sustainability. Springer, 243-256

Software in theory is the ideal sustainable product, but:

- Programmed obsolescence
 - Counting printed pages or battery cycles to reduce quality of or stop service
 - Recognition of replacement parts by competitors to stop service
- Software-induced obsolescence
 - Increasing hardware requirements, devices have to be replaced by more powerful ones
 - Older versions no longer supported



Conclusions and situation in Colombia

- Digitalization can help to improve sustainability measurement
- Sustainability should be at the heart of digitalization to make it a tool to mitigate climate change and other environmental problems
- Increased need to move to a post-growth society

Colombia

OECD Review / IDB Report 2019:

- Sustainable growth not sustainable development
- Lowest fixed and mobile penetration rates in the OECD
- Digital divide reduced
- Certification of artisan/manual work (agriculture/artwork)
- Smart farming projects for banana (LCA applicable?)
- Transparency portal (<http://www.pte.gov.co/>)



Gracias – Thank you - Danke

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