**Basic chemicals sector – Public Consultation on criteria**

This document sets out the consultation questions we would like you to consider and provides space for your feed-back and comments. Thank you for your participation.

All feedback, along with the responses and clarifications from the TWG, will be made transparent on the final documentation. Names and organisations that provide feedback are kept anonymous.

**Name**:

**Organisation**:

**Email:**

Please return this form **by close of business 06th June 2022** to public.consultation@climatebonds.net

| **Question**  | **Response**  |
| --- | --- |
| 1. Do you consider it necessary to set additional criteria for new assets? |  |
| Is the distinction and criteria proposed for new plants appropriate? |  |
| Refer to section 3.1 of the criteria document and 3.2.4 of the background document. |  |
| 2. Projects using coal for energy or feedstock purposes are not eligible. Please comment on this exclusion. |  |
| 3. Is the use of fossil gas with CCS as a feedstock or fuel an acceptable measure?  |  |
| See section 3.1.3 in the Criteria document |  |
| 4. Eligibility for biomass as an energy source is restricted to secondary organic streams, (i.e. materials usually discarded or classified as wastes from another primary use, e.g. residues from agriculture, organic matter from agroindustrial processing). Primary biomass such as wood and dedicated crops are eligible only for feedstock purposes if they meet specific sustainable sourcing criteria requirements. Please comment on this restriction and refer to section 3.3 in the background document and section 3.1.3 in the criteria document. |  |
| 5. For recycled feedstock content, what might be an appropriate threshold that is suitably ambitious yet realistic for best-practice measures in the sector? |  |
| For example, would 30% be a suitable threshold? |  |
| See section 3.1.3 in the Criteria document |  |
| 6. Are the qualitative strategies proposed to address scope 3 emissions appropriate for the basic chemicals chemical sector? Please refer to section 3.1.2 in the criteria document. |  |
| 7. Are renewable-based captive power generation, and renewable-based power purchase agreement appropriate to address scope two emissions of basic chemicals? |  |
| 8 – Is the SBTi cross-sectoral pathway the best to reference to decrease emissions over time? If not, what else should be considered for the chemical sector? |  |
| Refer to section 3.11 in the Criteria document, and section 4.1.4 in the Background document. |  |
| 9. Products need to meet specific carbon or energy intensity thresholds over the term of the bond. These thresholds are captured in Table 2. Two options are proposed. Please provide input on which of these options is more appropriate, particularly from a standpoint of being able to verify that an issuer continuously meets the thresholds, or level of ambition. Please refer to section 4.1 of the criteria document. |  |
| 10– Do you agree with the assumptions that underpin the adaptation and resilience requirements? Is there anything else that needs to be considered? |  |
| Consider the additional requirements for Chemical Hazard Assessment and other assessments required in the checklist – are there any other significant environmental risks that the checklist does not already cover? |  |
| Refer to section 3.2 and Appendix 2 in the Criteria document and sections 5.2 and 5.3 in the Background Paper. |  |

**Additional comments and feedback**

Please provide all other comments on feedback using the format below.

Consider if there are good practices that you are aware of that are not referred to, additional data sources that would be helpful or further suggestions that could be included. Comments below may answer the following example questions:

1. Do the criteria fulfill low carbon aspirations for the Basic Chemicals sector? If not, please provide reasons and examples
2. Are the assumptions and science underpinning this work robust, and reflect the most appropriate and up-to-date criteria? Please provide examples of how to improve and specific examples if anything is missing.
3. Do you agree with the assumptions that underpin the mitigation requirements? Is there anything else that needs to be considered? Please, provide as much detail or reference relevant scientific studies or other evidence to substantiate your response.

| Point number | Page number and section description | Comments and action proposed |
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