

# Actions and Market Instruments Meeting Minutes

Meeting number 1.07

Date: 21 May 2025

Time: 9:00 – 11:00 ET

Location: "Virtual" via Zoom

## Attendees

### Technical Working Group Members

1. Ana Isabel Aubad Lopez, Atmosphere Alternative
2. István Bart, Environmental Defense Fund
3. Anastasia Behr, UL Solutions
4. Kim Carnahan, Center for Green Market Activation
5. Jonathan Crook, Carbon Market Watch
6. Cynthia Cummis, Deloitte & Touche
7. Thomas Day, NewClimate Institute
8. Nermin Eltoumy, Integral Consult
9. Autumn Fox, Mars
10. Michael Gillenwater, Greenhouse Gas Management Institute
11. Tim Hamers, ERGaR - European Renewable Gas Registry
12. Grant Ivison-lane, CIBO Technologies
13. Injy Johnstone, University of Oxford
14. Timothy Juliani, WWF US
15. Hiromi Kawamata, The Japan Iron and Steel Federation
16. John Kazer, Carbon Trust
17. Kristin Komives, ISEAL
18. Hans Näsman, CDP
19. Inken Ohlsen, AP Moller Maersk
20. Silvana Paniagua, SustainCERT SA/ Value Change Initiative
21. Patric Puetz, Smart Freight Centre
22. Steven Rosenzweig, General Mills
23. Kai Nino Streicher
24. William Tyndall, AJW Inc.
25. Emma van de Ven, Rabobank

### Guests

1. None

### GHG Protocol Secretariat

1. Lauren Barretto
2. Nisalyna Bontiff
3. Kevin Kurkul
4. Michaela Wagar

## Documents referenced

1. N/A

Item	Topic and Summary	Outcomes
1	<b><i>Housekeeping</i></b> <p>The Secretariat presented the agenda and key housekeeping items were highlighted, including rules and expectations around the sharing of information, Zoom meeting logistics, guidelines, procedures, and shared values. Additionally, the Secretariat provided an update on the scope 2 consequential subgroup proposals.</p>	No specific outcomes.
2	<b><i>Calculation examples</i></b> <p>Members provided an overview of the application of the calculation examples to their framework proposals and time was made available for other members to ask clarifying questions.</p>	No specific outcomes.
3	<b><i>Next steps</i></b> <p>Time was made available at the end of the meeting to field remaining questions from TWG members. A recap of the next steps was provided to conclude the meeting.</p>	<ul style="list-style-type: none"> <li>• The Secretariat will share a feedback form for working group members.</li> <li>• The Secretariat will share additional materials in advance of the next working group call.</li> </ul>

## Summary of discussion and outcomes

### 1. Housekeeping

- The Secretariat presented the agenda and key housekeeping items were highlighted, including rules and expectations around the sharing of information, Zoom meeting logistics, guidelines, procedures, and shared values. Additionally, the Secretariat provided an update on the scope 2 consequential subgroup proposals.

#### Summary of discussion

- The Secretariat presented an update on the developments within the scope 2 consequential subgroup proposals.
  - A member requested clarity on whether the specifics of the proposal submitted to the ISB will be accessible to AMI TWG members as the contents can be relevant to the AMI scope of work.
    - The Secretariat responded that TWG members can access the proposals on the AMI SharePoint.
  - Some members requested clarity on the standard operating procedure when addressing decisions made in the scope 2 revision process and the AMI workstream's scope of work.
    - The Secretariat responded that there is focus on achieving alignment across the standards revision process and trying to maintain clarity as best as possible about the purview of each workstream.
  - Some members suggested that they believe proposal one is not sector specific.
  - A member suggested that cross workstream thinking on how to address the changing guidance after companies have made investments is needed.
  - Some members suggested that the AMI TWG should review the scope 2 consequential proposal 2 and identify the disagreement between the existing AMI proposals.
  - A member suggested that AMI should meet the market demand for clarity by publishing broad guidelines instead of sector-specific recommendations.

### Outcomes (e.g. recommendations, options)

- No specific outcomes.

## **2. Calculation Examples**

- Members provided an overview of the application of the calculation examples to their framework proposals and time was made available for other members to ask clarifying questions.

### Summary of discussion

- The members who prepared proposal A provided an overview of the key assumptions made and overall results when applying calculation example #1 to their proposed framework.
  - A member asked for clarity on what baseline was used in the framework and suggested that the group should determine the rules for what is allowable to calculate the baseline.
  - A member suggested that guidance on how to include interventions in the impact statement is needed.
  - A member suggested that it is important to keep in mind that the current scope of these exercises focuses primarily on reporting, but when talking about claims, different rules may be required.
  - A member requested clarity on the emission factor used, suggesting that it should be referred to as an impact factor per unit tonne.
  - A member suggested that an emissions intensity factor on its own has limited value and therefore it needs to be compared to the average emissions factor or a supplier specific intensity factor to demonstrate emissions reduction.
  - A member suggested that based on the results, the emission factor used would only be applicable if the 3<sup>rd</sup>-party registry used the same baseline as the reporting company.
  - A member responded that although in this example the assumption made was that the baseline for the project was the same as the reporting company's baseline, this may not always be the case in practical implementation.
- The members who prepared proposal B provided an overview of the key assumptions made and overall results when applying calculation example #1 to their proposed framework.
  - A member asked for clarity on whether the approach used was in alignment with current scope 3 accounting.
    - The proposal submitters confirmed that this was the intention, citing that if the information is available, the reporting organization can report it.
  - A member requested further clarity on how it was determined that the intervention would be included in the physical inventory.
    - The proposal submitters responded that the main assumptions used were connected to concepts from the upcoming Land Sector and Removal Standard, specifically that of a sourcing region.
    - The Secretariat responded that AMI will need to focus on cases like this to determine what is allowable when addressing similar scenarios within other sectors.
    - The proposal submitters responded that determining what is included in the physical inventory is also determined by the type of intervention.
    - Some members suggested that the group should assume that the group can decide and require what information has to come from a supplier to qualify for accounting in statements outside of the physical inventory.
    - A member suggested that the working group outline the criteria of what qualifies reporting in the physical inventory and the other proposed statements.
  - A member requested clarity on whether more beyond value chain reductions should be reflected given that consequential accounting methods were employed.
  - A member suggested that the main difference between this proposal B and the proposal A is that anything that cannot be put into the physical inventory would still be in the value chain and, therefore, in the 'impact mitigation' category.
    - The proposal submitters suggested that there is value in creating a separate scope within the impact statement to differentiate actions that reflect within and beyond value chain.

- A member requested clarity on the difference between 'outside value chain' and 'neutralization' categories and whether they refer to the same reduced emissions that are not within the value chain.
  - The proposal submitters responded that the interpretation of value chain is not universal, therefore a key assumption is that impact related to actions that are not related to the products or services provided by a company falls outside value chain whereas neutralization claims would be a statement where impact is then claimed to be fungible to inventoried emissions.
- The Secretariat asked whether the concept of percent matching would be considered and whether this concept would be useful to communicate information relative to the physical inventory boundaries.
  - The proposal submitters suggested that since the example provided a consequential impact factor as opposed to an emission factor, a decision needs to be made on how and what interventions are included across the different statements as decrease in supplier activity is not always representative and consequential methods are the only way to determine the impacts of actions.
- The members who prepared proposal C provided an overview of the key assumptions made and overall results when applying calculation example #1 to their proposed framework.
  - A member requested clarity on the difference between the value chain analysis statement and the scope 3 inventory, how an intervention would be reported if the data is unavailable.
    - The proposal submitters responded that this would be reported under the value chain analysis statement.
  - A member requested clarity on why the intervention was categorized under the value chain analysis.
  - A member requested clarity on the baseline used for the avoided emissions calculations.
    - The proposal submitters responded that the calculation is based on emission factor data and production data, which should be provided by the supplier.
  - A member requested clarity on how the proposal distinguishes between 'within value chain' and 'beyond value chain'.
    - The proposal submitters responded that the proposal will also include a preliminary disclosure from companies highlighting whether they have categorized an intervention as within or beyond value chain.
    - A member suggested that this may be unfavorable as companies are primarily interested in their interventions being reflected relative to their physical inventory.
- The members who prepared proposal A provided an overview of the key assumptions made and overall results when applying calculation example #2 to their proposed framework.
  - A member suggested that more details are needed as the assumptions made are not representative of real scenarios.
  - A member requested clarity on whether the registry will only include information on the emissions intensity of the sustainable aviation fuel (SAF).
  - A member requested clarity on where avoided emissions are accounted for in this proposal, for example, in the impact statement.
    - Some members suggested more discussion is needed on where avoided emissions can be reported as there is value in reporting across multiple statements.
- The members who prepared proposal B provided an overview of the key assumptions made and overall results when applying calculation example #2 to their proposed framework.
- The members who prepared proposal C provided an overview of the key assumptions made and overall results when applying calculation example #2 to their proposed framework.
- The member who prepared proposal A provided an overview of the key assumptions made and overall results when applying calculation example #3 to their proposed framework.
- The members who prepared proposal B provided an overview of the key assumptions made and overall results when applying calculation example #3 to their proposed framework.
- The members who prepared proposal C provided an overview of the key assumptions made and overall results when applying calculation example #3 to their proposed framework.
  - The Secretariat requested clarity on the perception of how non-GHG transition indicators would be addressed using these calculation examples.

- A member suggested that the idea for a statement that is entirely separate from GHG metrics allows companies to convey more information on the direct indicators that provide insight into the interventions they are implementing in a simplified manner.

#### Outcomes (e.g. recommendations, options)

- No Specific outcomes.

### **3. Next steps**

- The Secretariat highlighted the May 26<sup>th</sup> deadline for topic submissions from TWG members for the open discussion meeting.
- The next open discussion meeting was scheduled for May 28<sup>th</sup> at 4 pm ET.
- The next TWG meeting was scheduled for Wednesday, June 25<sup>th</sup> at 9 am ET.

#### Summary of discussion

- No points of discussion were raised by working group members.

#### Outcomes (e.g. recommendations, options)

- The Secretariat will share a topic submission form with working group members.
- The Secretariat will share a pulse check survey for working group members.
- The Secretariat will share an agenda for the open discussion call on May 27<sup>th</sup>.
- The Secretariat will share additional materials in advance of the next working group call.

## **Summary of written submissions received prior to meeting**

### **1. N/A**