GREENHOUSE GAS PROTOCOL

Actions and Market Instruments Technical Working Group

Meeting # 1.09

GHG Protocol Secretariat team:
Ralf Pfitzner, David Rich, Kevin Kurkul

October 8, 2025

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World Business Council for Sustainable Development

Agenda

- Housekeeping (5 min)
- White Paper Draft Review (100 min)
  - Overview of survey responses
  - Discussion of key topics
- In-person meeting & next steps (15 mins)

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Record — This meeting is recorded.

Raise Hand — Please use the Raise Hand function to speak during the call.

Chat — You can also use the chat function in the main control.

Recording, slides, and meeting minutes will be shared after the call.

Guidelines and Procedures

TWG members should **not disclose any confidential information** of their employers, related to products, contracts, strategy, financials, compliance, etc.

In TWG meetings, **Chatham House Rule** applies:

- "When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed."

Compliance and integrity are key to maintaining the credibility of the GHG Protocol

- Specifically, all participants need to follow the **conflict-of-interest policy**
- **Anti-trust rules** have to be followed; please avoid any discussion of competitively sensitive topics*

* Such as pricing, discounts, resale, price maintenance or costs; bid strategies including bid rigging; group boycotts; allocation of customers or markets; output decisions; and future capacity additions or reductions

AMI TWG Shared Values

- Always **be respectful**
- Take space, make space
- There are **no bad ideas or questions**
- **Be pragmatic** – balance perfect with actionable
- **Be open** to differing points of view and **curious** about all sides of a discussion
- **Keep integrity** at the heart of decision-making and consider real word impacts
- **Keep focus** on the long-term goal of developing an effective standard

Today's Objectives

1. Discuss and consolidate first high-level feedback on draft AMI Phase 1 White Paper v1.0

2. Define tasks & actions prior to November in-person TWG meeting

Agenda

- Housekeeping (5 min)
- **White Paper Draft Review (100 min)**
  - Overview of survey responses
  - Discussion of key topics
- In-person meeting & next steps (15 mins)

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TWG Meeting Schedule and In-Person TWG Workshop

Meeting	Date	Topic
8	Sep 16, 2025	Workstream process, deliverables, and related initiatives
9	**Oct 8, 2025**	**AMI white paper review and discussion**
10 (In Person Workshop, Washington DC)	Nov 11-13, 2025	Discuss key open questions and aim to arrive at consensus on AMI white paper document, applying decision-making criteria
11	Nov 25, 2025 (TBC)	Finalizing end-of-year content to send to the ISB

- We will focus today on reviewing the initial draft (v1.0) of the AMI white paper
- The intent is to discuss high-level feedback on part 2, such that this feedback can inform an updated draft of the white paper for the in-person workshop
  - Feedback on part 3 will be sought from the TWG after today's meeting

Tentative schedule for Phase 1 White Paper and ISB review

Date	Responsible Party	Activity
Aug - Sep	*Secretariat*	*Draft white paper v1.0 (completed)*
Sep 24 – Oct 5	*TWG*	*Review first draft of white paper (completed)*
Oct 8	TWG, Secretariat	Discuss white paper in Oct 8 TWG meeting
Oct 9 – Nov 7	Secretariat	Integrate TWG feedback to update white paper and plan in-person TWG workshop
Nov 11 – 13	Secretariat, TWG	In-person TWG workshop to discuss key questions
Nov 17 – Dec 1	Secretariat, TWG	Secretariat synthesizes TWG workshop outcomes into revised white paper Poll TWG members on paper and/or key remaining questions, as possible Introduce draft white paper to ISB at November 24 ISB meeting Send white paper to ISB on December 1
Dec 1 - 12	ISB	Review of white paper (for ISB decision on Dec 15 ISB meeting)
Dec 15 - 19	ISB, Secretariat	If positive ISB decision, finalize/publish white paper
Dec 22 - 26	ISB, Secretariat	If positive ISB decision with minor edits, finalize/publish white paper

Schedule in advance of in-person workshop

Date	Responsible Party	Activity
Oct 8	TWG, Secretariat	Discuss white paper in Oct 8 TWG meeting
Oct 10	Secretariat	Circulate feedback form for TWG feedback on Part 3 of the white paper
Oct 13 - 21	TWG	Further reviews white paper (Part 3) and provides feedback via the form
Oct 22 - 31	Secretariat	Secretariat synthesizes TWG feedback into revised white paper and additional workshop pre-read material as necessary
Nov 3 - 10	TWG	Reviews updated white paper and workshop pre-reads
November 11 - 13	TWG, Secretariat	In-person workshop

AMI White Paper Outline

- Part 1: Introduction
  1. Introduction
  2. Precedent in GHG Protocol standards
  3. Need for multi-statement GHG reporting structure
- Part 2: Structure of a GHG Protocol Emissions Report
  4. Purpose, goals, and objectives of the AMI Standard
  5. Key concepts, terms and definitions for Actions and Market Instruments workstream
  6. Principles for GHG accounting and reporting
  7. Target setting and role of programs
- Part 3: Structure of a GHG Report
  8. Possible statements
  9. Accounting and reporting specifications of each possible statement

Thank you for taking time to review the draft and for all your feedback!

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Working raft; Do not cite – This document is not an official GHG Protocol Standard

Actions and Market Instruments Phase 1 White Paper:

Purpose, principles, key concepts and options for multi-statement reporting of impacts of actions and market instruments

WORKING DRAFT VERSION 1.0 FOR TECHNICAL WORKING GROUP REVIEW

NOT FOR CIRCULATION OUTSIDE TWG

Purpose and scope of this document

This document is a draft of a phase 1 public output (in full or in part) for the Actions and Market Instruments (AMI) workstream.

Phase 1 includes terms and definitions, accounting and reporting objectives and principles, defining the purpose, structure, and limitations of individual elements within the corporate GHG emissions report, and determining additional reporting elements and associated quantification method(s) needed to address the impacts of actions and market instruments.

The current version is a draft for AMI Technical Working Group (TWG) review and further development. This document was developed by the GHG Protocol Secretariat based on discussions and inputs in the AMI TWG. It includes several open questions for TWG input that are intended to be resolved in upcoming TWG meetings.

At the end of 2025, we will release outcomes agreed by the TWG and decided by Independent Standards Board (ISB).

The sections that are not agreed will be used to continue TWG discussions in 2026.

Process for TWG and ISB review

This draft will be reviewed by and revised with the AMI TWG and then sent to the ISB for decision (see timeline below). The resulting draft agreed by the ISB will be made publicly available in late December 2025 along with a targeted public consultation in early 2026 to inform further work in phase 2.

Timeline for TWG review and ISB approval

Date	Responsible	Activity
Sep 26	Secretariat	Send white paper draft to TWG
Sep 29 – Oct 6	TWG	Review first draft of white paper
Oct 8	TWG, Secretariat	Discuss white paper in Oct 8 TWG meeting
Oct 9 – Nov 7	Secretariat	Integrate TWG feedback to plan in-person TWG workshop
Nov 11 – 13	Secretariat, TWG	In-person TWG workshop to discuss key questions

1

"Overall, I commend the work of the GHGP team...getting into the substance and grappling with most of the big questions thoughtfully."

"Overall I think the document covers good areas"

"This really is a good start, of course there is more to work on, but I appreciate what is here so far."

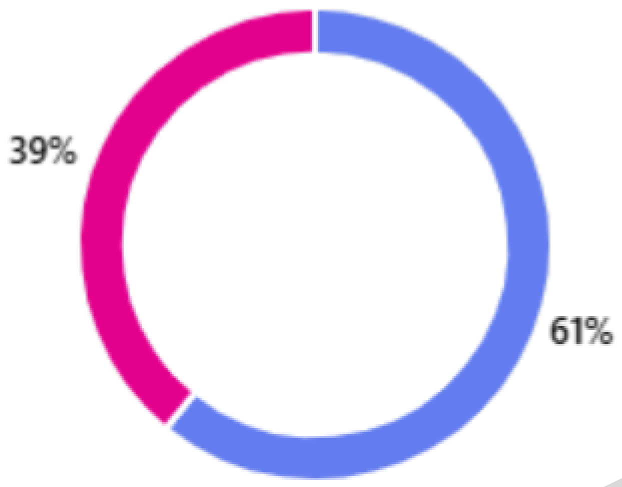
"The structure works well and provides enough detail for each section."

"..Thanks for all the hard work. The white paper provides a comprehensive summary of many of the issues we've discussed in AMI over several months.."

"It is great progress."

"That said, the timeline to produce this paper for the public is very tight"

TWG Feedback – Overall topics and structure of the draft white paper



Generally in the right direction	14
Some changes needed (specify below)	9
Generally not in the right direction	0

Selected TWG comments:

- "Overall this is an excellent summary of all the background, goals, and proposed statements that we have produced as a group, but we still need to come together and align on a few key challenge areas"
- "It is great progress. The fact that the intent, the background standards and the definitions are included at the beginning of the paper is great. References are missing, and also it would be great to include in the annex a table with the references and the concepts included, also noting that some of the references are under development and will evolve independently from this process."
- "Thanks for all the hard work. The white paper provides a comprehensive summary of many of the issues we've discussed in AMI over several months. That said, the timeline to produce this paper for the public is very tight and there are a lot of complex issues to get through"

General comments pointing to some important topics to be resolved

- Ecosystem alignment
  - Acknowledging that other approaches have been developed already
  - Connection/links to other Standard workstreams
  - Clarify relation to target setting organizations (such as SBTi)
- "Policy neutrality" - what does it mean in practice?
- Tension between applicability/pragmatism and complexity
- Referencing/reinforcing sectoral approaches–where to draw the line?

"This guidance is coming much later than needed and many companies have taken proactive steps to try to figure out what to do to support actions in absence of a clear framework. We need to be careful to recognize existing work and avoid punishing leaders."

"A section on this - how to transition into this framework - should be added."

"I think it's necessary for there to be further discussions to clarify how AMI's work interacts with that of other TWGs. For example, it's not clear to me what happens if … the Scope 3 group proposes to integrate market instruments into the GHG physical inventory report – does this proposal go to AMI first...?"

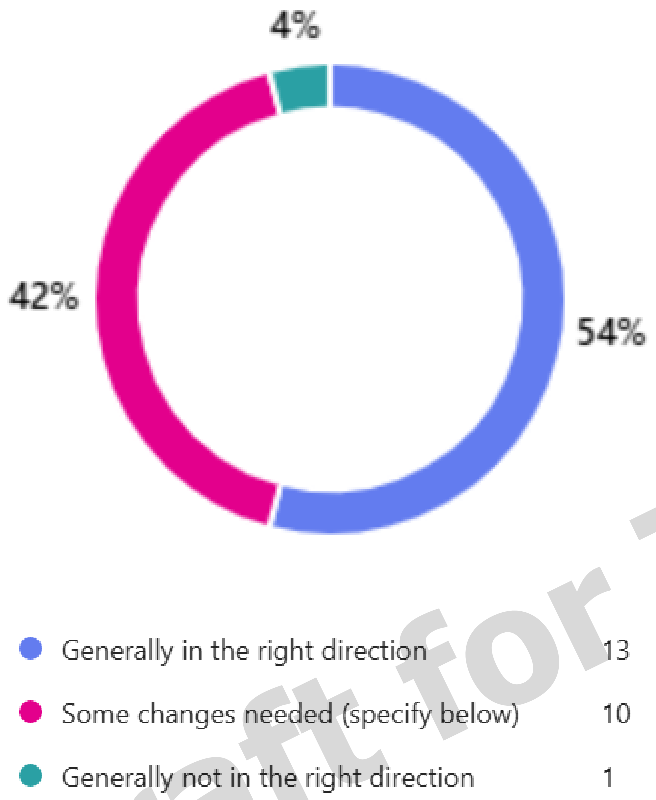
"While it's stated several times that GHG P is policy neutral ..., this doesn't appear entirely appropriate / accurate and it can be argued that GHG P already has taken, and must still take, policy decisions."

"It would be very unfortunate for the GHG Protocol to adopt reporting standards that create new barriers to companies adopting clean solutions."

"AMIs may not reflect in any meaningful way whether companies are meeting their decarbonization targets."

"All recommendations should somehow be applicable to sectoral specifics and be 'matchable'."

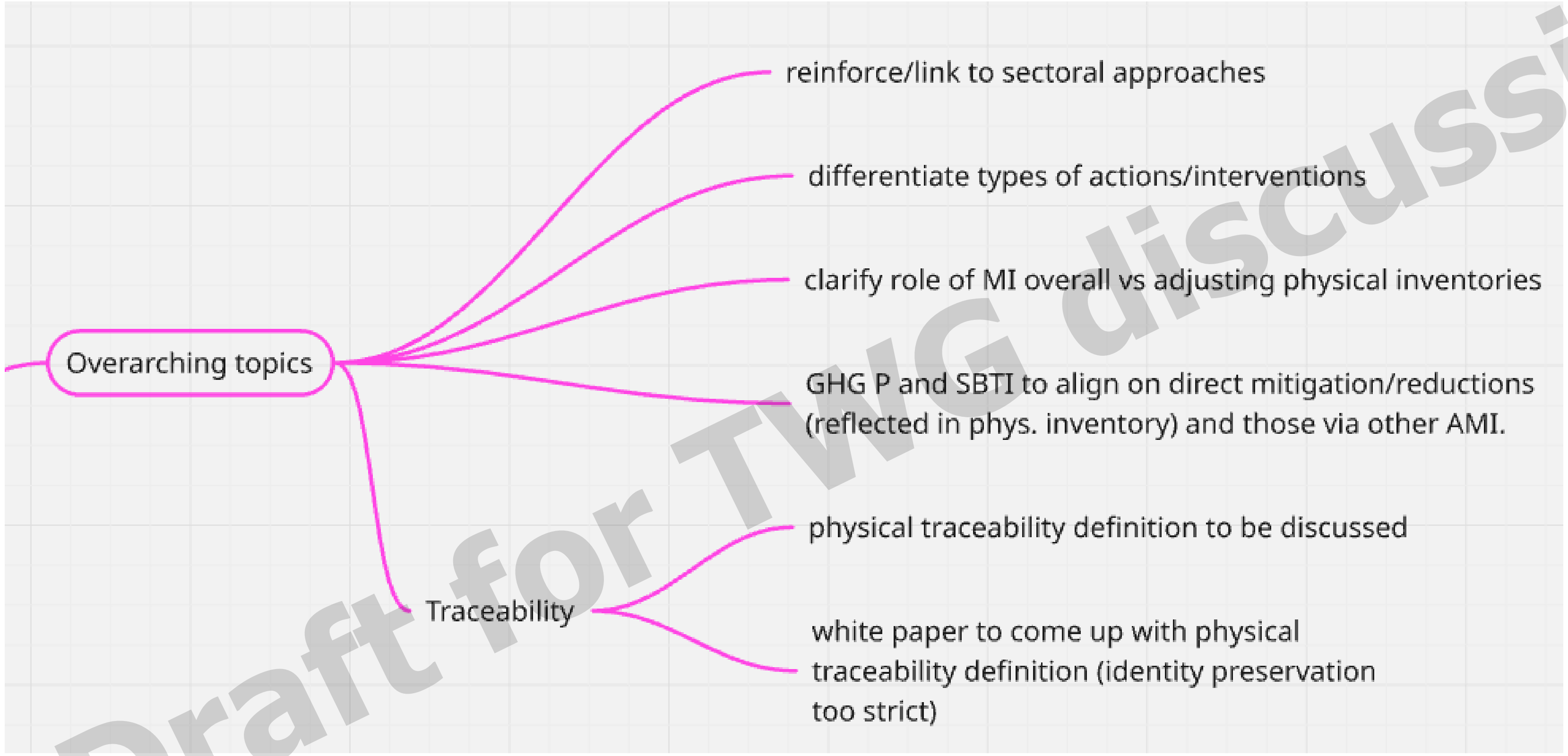
Feedback – Section 4: Purpose, goals, and objectives of the AMI Standard



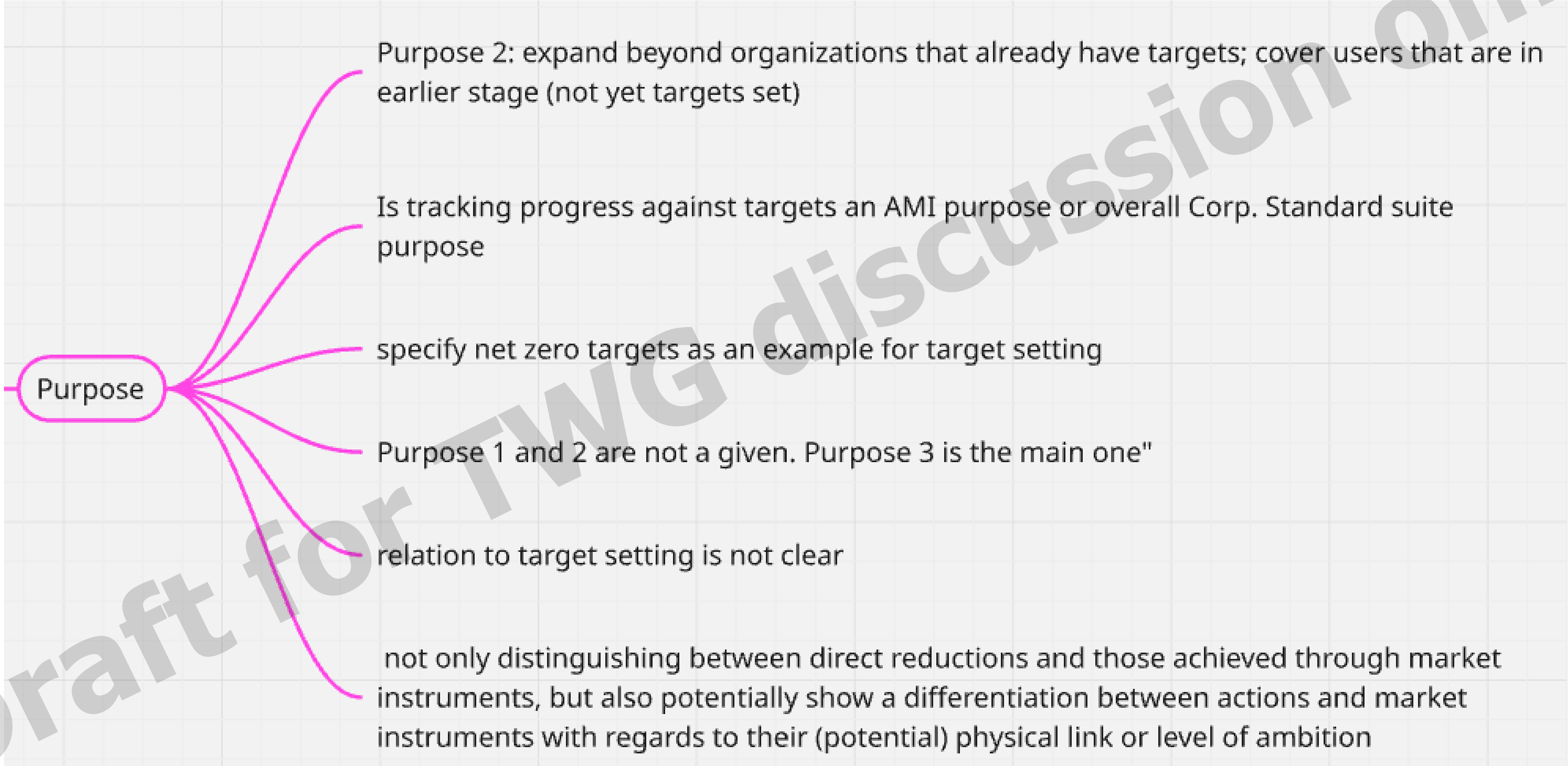
Selected TWG comments:

- "I think the **section is clear and in line with what has come up as part of the TWG discussions so far**"
- "From a practitioner POV, it's very important that SBTi and GHGP align on **what's direct mitigation and the physical traceability** requirement for the physical inventory."
- "Purpose is ok. The goals are wide, and perhaps aspects like **comparability** should not be a priority at this point "
- "While the objective is to be policy neutral, given the goal to **enable target setting organizations** (and other programs), consideration needs to be given to **how they might use the information included in multi-statement reporting** during the development of the AMI standard to strike the right balance."
- "Several of the points under purpose and objectives assume the starting point that **interventions need to be accounted for using an equivalent metric to the physical inventory (i.e. tCO_2e)**. I would suggest that there is **not necessarily agreement** on this starting point"

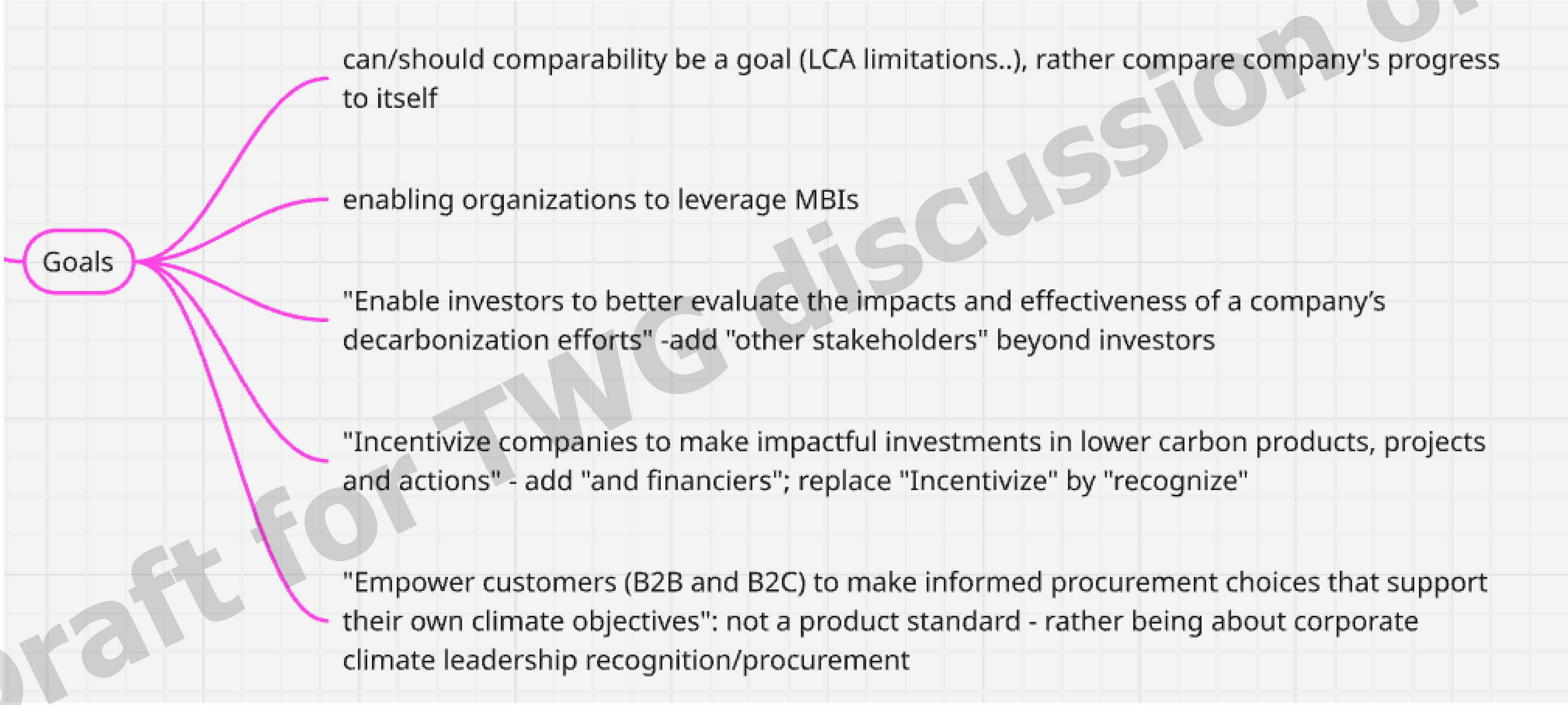
Overarching topics: Reinforcing sectoral approaches, overall role of MI vs role of MI in adjusting physical inventories, traceability



Feedback on Purpose: largely around target setting



Feedback on Goals: largely on comparability and stakeholder groups to be included



Feedback on Objectives: multi-statement structure as such plus largely wording suggestions

- Objectives
  - “defining programatic rules” needs to be explained
  - I would suggest “Provide a comprehensive and transparent multi-statement corporate GHG accounting and reporting structure, with disaggregated reporting b/w statements.....
  - It could be useful to communicate it will be a multi-statement structure as part of the objectives.
  - Address the appropriate role of actions and market instruments within corporate GHG accounting and reporting as well as how they can help meet emission reduction targets", replace last part by"can be recognized under corporate mitigation targets".

Section 4: Discussion and take-aways

- Way forward: Secretariat will provide updated section, reflecting main comment areas that are supported by a majority of respondents.
- Some questions to be covered mainly in other parts of white paper:
  - Comparability: Section 6
  - Role of MI within physical inventory adjustments vs other statements of multi-statement reporting: section 8, 9
  - Question if AMI at all contribute to decarbonization: part of our "Why" / theory of change – and needs to be secured by the appropriate safeguards when further detailing requirements

- Any other comments from your side?

TWG Feedback – Section 5: Key concepts, terms and definitions for Actions and Market Instruments workstream

- Generally in the right direction 3
- Some changes needed (specify below) 21
- Generally not in the right direction 0

Selected TWG comments:

- "It could be worth reviewing key terminology from the methodologies and initiatives presented recently, as well as other relevant ones in the ecosystem, to check for other terms that are relevant"
- "Rather than simply listing the definitions from different standards, the white paper should come up with an interim harmonized definition."
- "Key definitions are missing: what is considered as shared or activity pools, value chain intervention, EACs and physical connectivity. Furthermore traceability is so important to define the physical inventory that definition should be expanded (e.g. system boundaries)"
- "In several cases using the land sector and removals standard terms and definitions seem too sector specific, and more generalized definitions should be developed"
- "adding concrete examples would improve clarity—especially for intervention and for attributional vs. consequential"

Section 5 (Key concepts, terms and definitions): Discussion

Sub-section	Term/ Concept	Core Definition Issue	Nature of Disagreement or Ambiguity	Examples of Divergent Views	Opportunity for Elaboration	# Mentions
5.1	**Action / Mitigation Action / Project / Intervention**	Overlap and blurred boundaries between "action," "mitigation action," "project," "intervention"	Confusion over whether terms are synonymous, nested, or distinct	"Project just means a specific mitigation action" vs. "Differentiate between action / mitigation action and project / intervention"; "Intervention = value chain only?"	Simplify distinctions; clarify which definitions are needed and why	**13**
5.1	**Market Instrument**	Unclear scope; term covers very different mechanisms (certificates, credits, contracts)	What exactly constitutes a market instrument; conflation with actions and attributional tools	"MB certificate is a product attribute, not a market instrument"	Map precise types (credits, contracts, certificates) and clarify connections	**4**
5.2	**Attributional vs Consequential Accounting**	Application and boundary confusion; relationship to intervention/project accounting	Differences in how boundaries are drawn and impacts assigned; varying definitions by scope	"Consequential = intervention only" vs. "System-wide approach needed"	Provide clear boundary-setting criteria and case examples	**6**
5.3, 5.5	**GHG Report / Statement / Inventory**	Overlapping and unclear reporting structure terms	Whether these are fundamentally different or overlapping categories	"Two reports needed?" "Physical inventory" vs. "action report"	Streamline and align definitions; clarify mandatory vs. optional elements	**8**

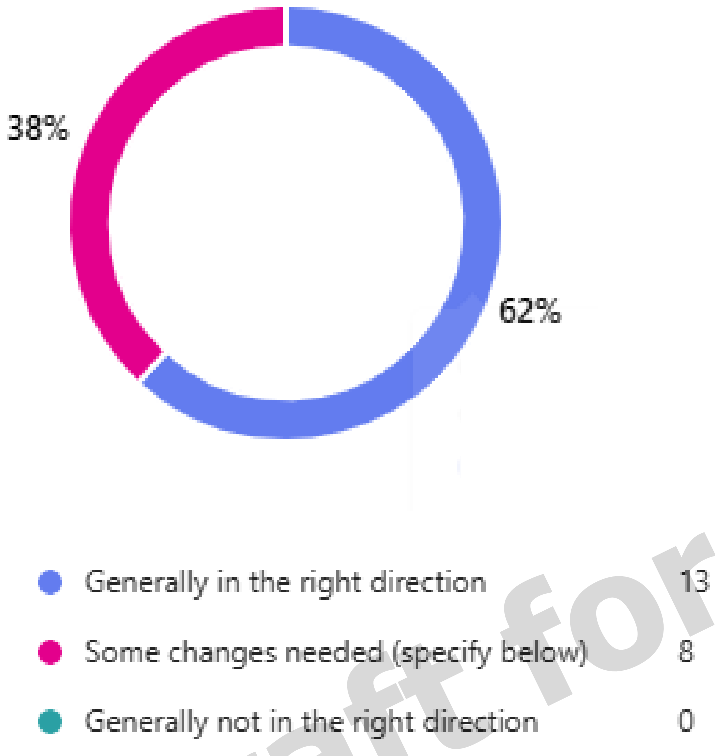
Section 5 (Key concepts, terms and definitions): Discussion

Sub-section	Term/ Concept	Core Definition Issue	Nature of Disagree-ment or Ambiguity	Examples of Divergent Views	Opportunity for Elaboration	# Men-tions
5.6	**GHG Impact Terms (Reduction, Removals, Avoided, Leakage)**	Broad/overlapping terms; unclear distinction between avoided emissions and real reductions	Challenge in 'proving' causality (e.g., avoided emissions); leakage application unclear	"Avoided emissions difficult to prove; should be strictly defined"	Anchor on main intent, provide clear/sectoral examples, reference best practice	**12**
5.6, 5.7	**Additionality**	Vague; tied to boundary and causality, but language inconsistent	Is additionality required only outside boundary? Adoption of SBTi/ICVCM phrasing debated	"Only needed for outside boundary claims" vs. "Should be universal"	Align to statement context; clarify with test/application scenarios	**9**
5.7	**GHG Credit / Carbon Credit Types**	Too many definitional axes (type, origin/use, emissions benefit)	What constitutes offset/inset vs other credits; registry role in definition	"Registry rules should not define credit type; that is programmatic"	Trim down to essential categories	**7**
5.7	**Inset / Offset Credits**	Lack of consensus on relevance, with 'inset' seen as informal/buzzword	Whether "insetting" adds value or confusion; if offset/inset distinction is still relevant	"Inset shouldn't be used" vs. "Needed for context"	Clarify if the distinction is needed or could be dropped	**9**

Section 5 (Key concepts, terms and definitions): Discussion

Sub-section	Term/ Concept	Core Definition Issue	Nature of Disagreement or Ambiguity	Examples of Divergent Views	Opportunity for Elaboration	# Men-tions
5.8	**Mass Balance**	Definition too detailed and technical or lacking sufficient clarity	Is more definition needed? Should it be aligned? Is it an instrument or an action?	"Multi-site MB can be as rigorous as single-site"; "Should match ISO terminology"	Clarify terminology, assess what detail is needed for the initial white paper	**5**
5.8	**Book and Claim Model**	Ambiguous term; covers variety of practices	Is "certificate trading" the same as Book & Claim?	"Book & Claim can be certificates or other forms"	Use ISO-aligned definitions; set boundary conditions for use	**7**
5.9	**External Compensation / Compensation Target / Contribution Target**	Basis for defining compensation disputed; Current wording confusing; unclear distinction on what targets mean	Should purchase of credits = compensation per GHG Protocol, or left to target programs?; Targets and compensation definitions not clearly separated	"Compensation is a policy decision, not accounting"; "Need to state units (tCO2e, USD)"	Clarify accounting vs. policy boundary; make unit of measure explicit in definitions; align with SBTi categories	**2**

TWG Feedback – Section 6: Principles for GHG accounting and reporting



Selected TWG comments:

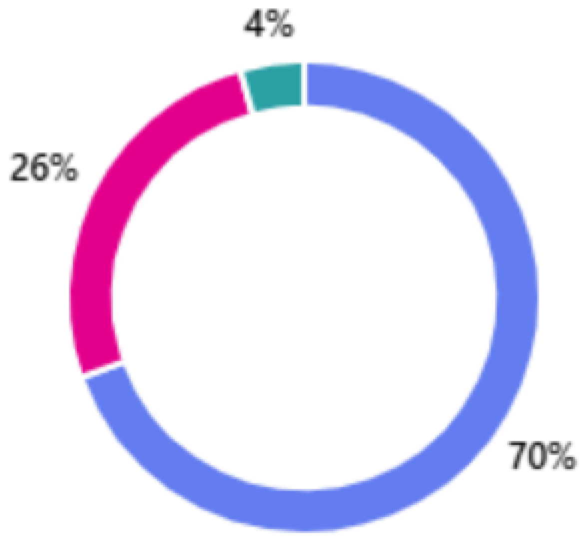
- "The interpretation of standard GHG accounting principles for the AMI is well done."
- "Agree with all principles…"
- (Additional comments on next slide)

Number of comments received (including multiple comments per member)	**Principle itself**	**Definition of principle**	**How to operationalize principle**	**Total comments on each principle** (out of 24 TWG reviewers)
6.1 Transparency		1	2	**3**
6.2 Completeness		1	3	**4**
6.3 Accuracy		2		**2**
6.4 Conservativeness		2	2	**4**
6.5 Consistency (including comparability)	1	2	2	**5**
6.6 Relevance		2		**2**
6.7 Permanence	1	3		**4**
6.8 Principles or quality criteria for (credited) emission reductions or enhanced removals	1	3	1	**5**

Section 6 (Principles): Discussion

- Relationship of principles to methods
  - A few commenters raised questions about how the principles relate to the various methods and statements under consideration
    - "Need to distinguish inventory vs intervention principles"
    - "Accuracy - need to update to recognize differences between consequential and inventory accounting. There's a lot of assumption we are talking consequential accounting in this section and since we are discussing a contractual inventory it is not helping our clarity"
    - "How do we reconcile the bullets "GHG reductions reported in a corporate GHG report should correspond to reductions in atmospheric GHG emissions; GHG reductions or removals reported in a corporate GHG report should reflect additional emissions reduction, avoidance, or removal that would not have occurred absent the reporting company's intervention (specific methods for operationalizing additionality are to be determined)" with the notes in the market-based inventory approaches section:…"Market based approaches do not result in the expected effect of additional mitigation action" (GHGMI)."
    - "On the quality criteria perhaps should be a different section or framed different. [Additionality], for example, is one that is important with credits, but not all MBIs would require it. Also credible guidelines or independent verification are requirements, not principles. MBIs, should have different principles, such as functional equivalence… Attributable impact or causality… Representativeness… Consistency (temporal, geographical, technological, etc)"
  - We propose to focus on basic principles to guide development of statements and methods, then revisit principles to make any adjustments needed once statements and methods are decided

TWG Feedback – Section 7: Target setting and role of programs

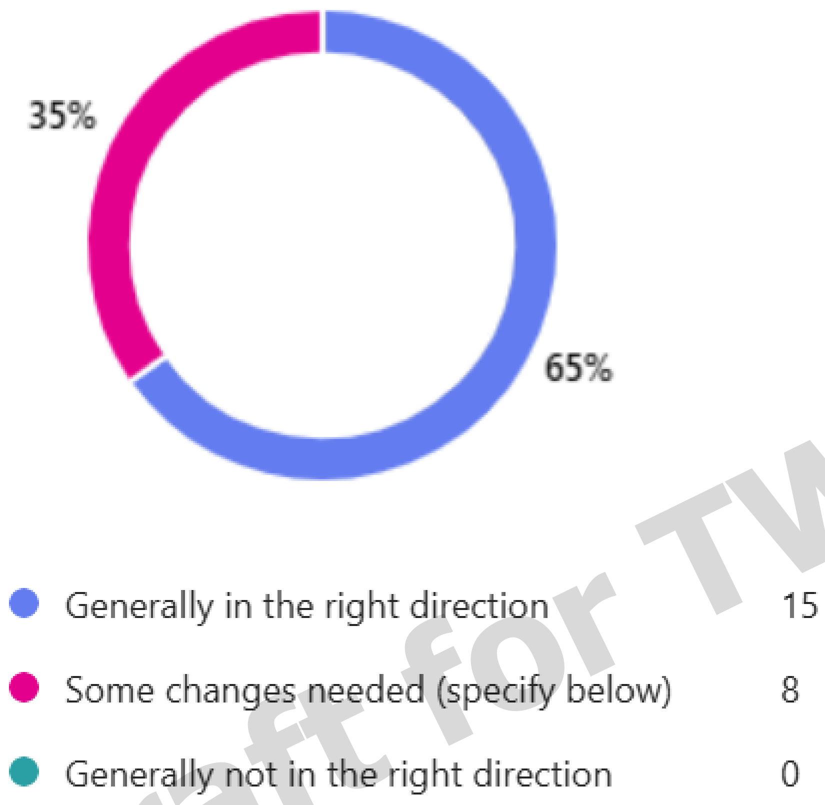


- Generally in the right direction 16
- Some changes needed (specify below) 6
- Generally not in the right direction 1

Selected TWG comments:

- "To support target setting programs, consideration needs to be given as to how completeness and aggregation/ disaggregation of multi-statement reporting will lend itself to potential target setting programs, even as GHGP will not be making those decisions"
- "I think the policy has to define the accounting and information needs, rather than vice versa"
- "We can discuss the need for targets specific to each statement rather than one over-arching target that is the result of netting-between the statements"
- "I think there needs to be further discussion and clarity within AMI on role of AMI TWG relative to other TWGs and to what extent this work is actually truly policy neutral or not."
- "I fear that if we do not make decisions about what can reasonably be counted as inside or outside a target setting boundary that no-one else will be able to decide either"

TWG Feedback – Section 8: Possible statements



Selected TWG comments:

- “Aligned with what the working group discussed through the course of the year.”
- “I think this generally well captures the state of our discussions but there’s still a lot to unpack here, especially including the possible options in Figure 5.”
- “Need to elaborate on the options for combinations, as in fact each of these combinations could have an intent or an objective.”
- “I would propose that the most accurate and transparent option is to use two statements: The physical GHG inventory and the non-GHG metric transition indicators.”
- “I am not a fan of the ‘Non-GHG metric transition indicator’ ... Do we need to create further confusion by also including these in GHGP report?”

TWG Feedback – Section 9: Accounting and reporting specifications for each possible statement

- Generally in the right direction 9
- Some changes needed (specify below) 13
- Generally not in the right direction 0

Selected TWG comments:

- "the list of key questions for TWG members is very good. I look forward to discussing these in the upcoming call & in-person workshop"
- "I like what is here so far, but agree with the questions more work to do before we make this an official working draft."
- "In general our task is to more clearly define exactly where each statement starts and ends."
- "In general, and to clarify the divide between (1) Physical inventory and (2) MB inventory, there needs to be further and better clarification on what physical connectivity would make the difference"

Agenda

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  - Discussion of key topics
- **In-person meeting & next steps (15 mins)**

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We are very much looking to our in-person workshop Nov 11-13 at WRI premises (10 G Street NE, Washington DC)

Day 1

Creating common ground/ Part2

11 am – 6 pm ET
Followed by Evening Dinner

Goals:
- Get to know each other better–"we are in this together".
- Create common understanding on key issues and refine Part 2 of White Paper.

Topics to cover:
- Landscape, Align on Part 2 of White Paper (Purpose, concepts, def.)

Methods/setting:
- Mainly plenary sessions, potentially we'll start with first breakouts
- Hybrid participation enabled

Day 2

Let's go deep – content Part 3

9 am – 6 pm ET
Followed by Evening Drinks

Goals:
- Focus on content discussion, development and agreement

Topics to cover:
- Part 3 of WP: Structure of GHG Report - Multi statement reporting structure; learning from others (AIM, TCAT)

Methods/setting:
- Mainly breakout sessions (pre-assigned participants) report back, further refinement in breakouts
- Hybrid participation enabled

Day 3

Consolidation and next steps

9 am – 4 pm ET

Goals:
- Consolidating results of Day two breakouts, roadmap until year end and outlook 2026

Topics to cover:
- Day 2 content topics (Part 3 WP)
- Assignment of follow up tasks for finalization of White Paper
- Journey until year-end and outlook 2026

Methods/setting:
- Mainly plenary sessions
- Hybrid participation enabled

Together, we can make it a highly successful workshop!

Success factors

- Good preparation of agenda, content discussions, flow of meeting (Secretariat Team)
- Pre-reads and individual preparation – responses to survey (TWG members)
- Engagement on site in person (if possible) and with full focus; activate everyone (all)
- Integration of virtual participants (Secretariat / all)
- Clarity on next steps and process towards White Paper publication

Next Steps

Asks for TWG Members

- Secretariat will circulate a form for TWG feedback on Part 3 of the white paper
  - Feedback due October 21st
- Secretariat will circulate workshop pre-read material on October 31st

Next Meeting Dates

- **TWG in-person workshop**
  - November 11th - 13th

Thank you!

Contact information

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