Actions and Market Instruments Meeting Minutes

Meeting number 2.07

Date: 15 July 2026

Time: 09:00 – 11:00 ET

Location: "Virtual" via Zoom

Attendees

Technical Working Group Members

1. Takako Aramaki, Panasonic Operational Excellence, Co., Ltd.
2. Ana Isabel Aubad Lopez, Atmosphere Alternative
3. Anastasia Behr, UL Solutions
4. Giulia Camparsi, Science Based Targets initiative
5. Kim Carnahan, Center for Green Market Activation
6. Andres Casallas, World Business Council for Sustainable Development
7. Jonathan Crook, Carbon Market Watch
8. Cynthia Cummis
9. Chris Davis, High Tide Foundation
10. Thomas Day, NewClimate Institute
11. Nermin Eltouny, Integral Consult
12. Autumn Fox, Mars
13. Michael Gillenwater, Greenhouse Gas Management Institute
14. Tim Hamers, ERGaR - European Renewable Gas Registry
15. Sitnour Hassan Mohamed Hassan, Sudanese Standards and Metrology Organization / ISO WG4
16. Hannah Hunt, Google
17. Grant Ivison-Lane, Terra Newt
18. Yaning Jin, SinoCarbon Innovation and Investment Co., Ltd.
19. Injy Johnstone, University of Oxford
20. Timothy Juliani, WWF US
21. Joni Jupesta, IPB University, Indonesia
22. Hiromi Kawamata, The Japan Iron and Steel Federation
23. John Kazer, Carbon Trust
24. Stephen Lamm, BloomEnergy
25. Aditya Mishra, Proforest
26. Hans Näsman, Toyota Material Handling Europe
27. Silvana Paniagua, SustainCERT SA/ Value Change Initiative
28. Thuy Phung, PepsiCo
29. Jason Pierce, Eastman
30. Spencer Powell, Just Climate
31. Kai Nino Streicher
32. William Tyndall, AJW Inc.
33. Emma van de Ven, Rabobank
34. Mikela Waldman, Integrity Council for the Voluntary Carbon Market (ICVCM)

GHG Protocol Secretariat

1. Alejandra Bosch, GHG Protocol
2. Yumzhana Daneeva, GHG Protocol
3. Kevin Kurkul, GHG Protocol
4. Ralf Pfitzner, GHG Protocol
5. David Rich, GHG Protocol

Documents referenced

N/A

Item	Topic and Summary	Outcomes
1	***Welcome & Housekeeping*** The Secretariat presented the agenda and key housekeeping items were highlighted, rules and expectations around the sharing of information, Zoom meeting logistics, guidelines, procedures, and shared values.	No specific outcomes.
2	***Report back from in-person*** The Secretariat shared a summary of the discussions and outcomes from the in-person meeting.	No specific outcomes.
3	***Next steps - subgroups*** A recap of the next steps was provided to conclude the meeting, including the organization of subgroups to further discussions from the in-person meeting.	The Secretariat will organize subgroups to further explore the identified topics.

Summary of discussion and outcomes

1. Welcome & Housekeeping

- The Secretariat presented the agenda and key housekeeping items were highlighted, rules and expectations around the sharing of information, Zoom meeting logistics, guidelines, procedures, and shared values.

Summary of discussion

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

Outcomes (e.g. recommendations, options)

- No specific outcomes.

2. Report back from in-person

- The Secretariat shared a summary of the discussions and outcomes from the in-person meeting.

Summary of discussion

- A member asked whether eligibility criteria was discussed in addition to quality criteria.
  - The Secretariat responded that the breakout session focused on quality criteria, but that eligibility was partially discussed in other sessions.
- A member asked for additional information on the potential for a traceability impact assessment.
  - The Secretariat responded that a specific approach is not yet decided but that conversations would begin with members to facilitate further feedback.
- Members noted that the traceability proposal does not align with the approach outlined in the Land Sector and Removals Standard and asked about the process for reconciliation.
  - The Secretariat noted that the Land Sector and Removals Standard provides interim guidance on traceability and that future revisions of the LSR standard will align with the approach designed by AMI, noting specifically the multi-statement model.
- A member asked for clarity on when non-proportional allocation would be addressed.
  - The Secretariat noted the distinction between non-proportional allocation and non-proportional attribution, suggesting that the latter is addressed in the proposal and that the former would be addressed later in the development process.
- A member asked for further elaboration on the reasoning behind the traceability proposal.

  - A member suggested that it was partly a derivative of the argument that a company should not claim in statement 1 to be using or doing something that it is not actually using or doing.
  - Some members suggested it aligned with structuring statement 1 similar to the location-based method for scope 2.
  - Some members suggested support for the proposal because it represents a 'pure' approach for each statement that could reduce overlap and confusion between statements.
    - A member asked about the implications of this approach relative to the practice of suppliers generating one product carbon footprint (PCF) that may blend physical and market data.
    - A member suggested that suppliers would need to disclose whether a PCF is physical or market-based, acknowledging the increase in reporting burden that will need to be understood and managed by the group.
    - A member suggested a dual reporting of scope 3 should be avoided as possible, suggesting that supplier data should be used for statement 1 unless it is specifically noted as including the use of instruments.
      - Some members suggested a conservative approach that supplier data should be used for statement 2 unless there is certainty that the data does not include instrument use.
      - A member suggested that the implications of site-level mass balance by a supplier should be explored relative to the proposal.
      - A member suggested that the conservative approach may functionally require dual reporting most companies.
      - Some members suggested that the use of industry-average emission factors in statement 1 may reduce the reporting burden for companies.
    - A member suggested that the approach would change their focus to the market-based inventory, as that statement would show more of the effects of a company's actions relative to the physical inventory.
      - Some members agreed and suggested that with this approach the value of the market-based inventory would need to be emphasized to facilitate adoption by other stakeholders.
      - A member suggested a need to apply even emphasis to both statement 1 and statement 2 so as to not discourage physical reductions in statement 1.
        - A member suggested the need to review cases studies and examples to see how actions would appear in each statement.
      - Some members suggested that if the emphasis for evaluating actions is focused on statements 2 and 3, then statement 1 may become more informational.
    - Some members suggested the need to align the approach with the ongoing updates to the product standards.
  - Some members emphasized the need for a planned impact assessment to fully understand the implications of the proposal relative to current practice of some companies.
- A member raised an example of the potential difficulty of comparing performance over time in statement 1 relative to the 'best available average emission factor'.
  - Some members suggested that it is necessary to compare performance in a market-based inventory relative to a market-based inventory base year rather than a physical inventory base year.
  - A member asked whether these comparisons will still be possible if the quantity of instruments used increases over time.
  - Some members suggested that the more instruments are used, the more it becomes necessary to redefine the base year for the market-based inventory.
  - Some members suggested that another consideration is how the use of residual emission factors in statement 2 would impact the choice of a base year.
  - A member suggested that residual emission factors may be impractical for commodities other than electricity.

- Some members suggested that residual emission factors may not be necessary for certain commodities until there is a certain level of market penetration for the low-carbon alternative of the commodity.
- A member asked whether the baselines session focused on methods for just statement 3 or also statement 2.
    - The Secretariat clarified that the session focused on statement 3, but that statement 2 baselines were explored during the workshop partially through examples.
- A member asked whether requirements or guidance is expected to be produced for baselines for each separate reporting element within statement 3.
    - The Secretariat responded that the overall principles must first be developed before the specifics, but that some degree of guidance will be necessary for the subject matter.
- A member asked for clarity about the distinction between statement 2 and statement 3 in practice if additionality is required for statement 2.
    - The Secretariat responded that defining and maintaining clear purposes for each statement while allowing each to characterize similar emissive activities is and has been a key and challenging aspect of the working groups efforts, noting particularly that there is a need to further explore the implications of the decisions made in the workshop through case studies and examples.
    - A member asked whether the workshop discussions included exploration of the risks or requiring additionality in statement 2.
        - A member responded that the risks were explored, particularly highlighting the potential complications with regulatory surplus requirements, but noted that further exploration is needed.
        - Some members noted that it was discussed that additionality as defined by carbon credit protocols may be too strict for the purpose of use in statement 2.
- A member asked whether the double counting breakout session explored the implications of potential double counting between statements 1 and 2.
    - A member responded that the group primarily discussed double counting between statements 2 and 3.
- A member asked whether there was any discussion of the use of spend-based accounting in statement 2.
    - A member responded that the statement 2 design breakout session did not include discussion of this topic.
-

<u>Outcomes (e.g. recommendations, options)</u>

- No specific outcomes.

3. Next steps - subgroups

- A recap of the next steps was provided to conclude the meeting, including the organization of subgroups to further discussions from the in-person meeting.

<u>Summary of discussion</u>

- A member asked for clarity on the implications and practical reality of pausing work on statement 4.
    - The Secretariat responded that the pause does not represent any decision about the ultimate course of action for statement 4 regarding the final standard, but instead a choice to temporarily focus efforts primarily on the development of requirements for statements 2 and 3.
    - A member suggested that it will be helpful to clarify when statement 4 will be addressed as soon as possible.

<u>Outcomes (e.g. recommendations, options)</u>

- The Secretariat will organize subgroups to further explore the identified topics.

Summary of written submissions received prior to meeting

N/A