

Actions and Market Instruments Technical Working Group

Meeting # 2.09

GHG Protocol Secretariat team:

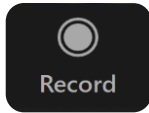
Ralf Pfitzner, Alejandra Bosch, Yumzhana Daneeva, Kevin Kurkul

October 7, 2026

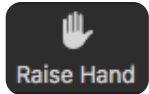
Agenda

- Welcome & Housekeeping (5 min)
- ISO 14064 WD2 Feedback related to AMI – statement 3 (30 min)
- Workplan – Drafting, decisions, and ways of working (15 min)
- Polling during the call
 - Optionality of statements (20 min)
 - Mutual exclusivity (30 min)
 - Traceability (10 min)
 - Verification and assurance (10 min)
- Polling offline
 - Impact / additionality terminology (pre-read)
 - Statement 4 way forward (pre-read)
- Next steps

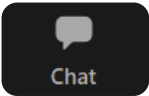




This meeting is recorded.



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



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

Plan for our TWG meetings in 2026

Meeting	Date	Topic
2.01	Jan 28, 2026	Workplan, white paper, public consultation
...		
2.08	Sep 09, 2026	RFI, ISO feedback and subgroup status
2.09	Oct 07, 2026	Plan for standard drafting, ISO Feedback II, mutual exclusivity, select polling
2.10	Nov 04, 2026	Standard draft walkthrough
	Nov 11, 2026	Discuss outstanding standard draft topics
2.11	Dec 02, 2026	Review TWG survey feedback, discuss outstanding Standard draft topics
	Dec 09, 2026	Discuss outstanding standard draft topics
	Dec 16, 2026	Discuss outstanding standard draft topics

Today's Objectives

1. ISO 14064 WD2 Feedback related to AMI
 - ISO to share their feedback on Statement 3 and rationale
2. Workplan and working together resolving open issues
3. Polling:
 - Required vs optional statements
 - Mutual exclusivity
 - Traceability
 - Verification/assurance
 - Impact/additionality terminology
 - Statement 4 way forward

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GHG Quantification for Statement #3 based on consequential accounting

GHGP draft text

- Please provide detailed proposal on how to use consequential accounting with clear requirements.

Statement #3 provides a separate, dedicated, structured statement for reporting on impacts (e.g. emissions avoided, reduced or removed) of the organization's GHG reduction initiatives inside and outside its value chain. It applies to actions, such as projects, interventions, investments, production/sale of products, purchase/consumption of products, or other activities implemented by the reporting organization. This statement informs mitigation actions by identifying emission reduction opportunities based on quantified GHG impact.

The Statement #3 **shall** use consequential accounting methods which aim to quantify the global change in GHGs in the atmosphere resulting from a given action. The organization **may** use a Statement #3 to set targets and track progress against consequential or impact-based targets (if eligible under target setting program rules). Thus, this statement incentivizes investment, financing and mitigation actions where a reporting organization cannot reduce emissions in the Statement #1 and provides a path to recognize the organization's contributions to GHG mitigation within value chains, sectors, and globally.

Proposed ISO text

From clause 7.2 after categorization text noted in previous slide (p.12 here)

The categories for statement #3 listed above are mutually exclusive, thus the organization **shall** not report each of its mitigation actions in more than one category. Mitigation actions in statement #3 **can** be quantified using ex-post assessment or ex-ante assessment

Where Statement #3 includes ex-ante assessment of GHG impacts from mitigation actions not yet fully implemented or operational, the organization **shall**:

- identify all ex-ante assessments distinguishing them from ex-post assessments.
- disclose the key assumptions, reference scenarios, and methodologies underlying ex-ante assessment, including the time horizon over which GHG impacts are projected;

Where applicable, the organization **may** also provide subsequent ex-post assessment reporting of the GHG impacts for the same mitigation actions, presented in a manner that enables comparison with previously reported ex-ante assessment.

If the organization reports GHG impacts of one or more of GHG projects in statement #3, GHG impact of GHG projects **shall** be quantified according to ISO 14064-2 or other standards that can demonstrate equivalence to ISO 14064-2. There are two types of GHG projects, those related to *GHG emission reductions* and those related to *GHG removal enhancements*. When reporting about GHG projects in statement #3, the organization **shall** report GHG impacts of *GHG emission reduction* and *GHG removal enhancement* projects separately. The organization **should** also report if GHG projects are within or outside its value chain.

When quantifying the GHG impacts of one or more of its sold products, the organization **shall** consider the relevant life cycle stages of its sold products.

Quality criteria for Statement 3

GHGP draft text

The Statement #3 **shall** include quality criteria [such as :

- Additionality
- Credible baselines
- Permanence
- Mitigate leakage
- Unique issuance and claiming
- Monitoring
- Independent validation and verification
- GHG program governance
- Sustainable development benefits and safeguards]

Proposed ISO text

Text from Clause 7.1

The organization **shall** report if its mitigation actions meet quality criteria in statement #3.

NOTE 1 Quality criteria can include additionality, credible baseline scenarios, permanence, mitigation of leakage, unique issuance and claiming, monitoring, independent validation and verification, GHG programme governance, do no harm and effective safeguards.

NOTE 2 Quality criteria are typically set by GHG programmes. While reporting in statement #3, the organization **shall** disclose the data and information relevant to GHG quantification in statement #3, such as baseline scenario description, system boundaries, time horizon, methodological approach, validation or verification status, claim limitations and treatment of double claiming, or assumptions, as applicable.

Statement 3 categories: Naming and Number of categories / Structure

GHGP draft text

- Please provide your preference for the names of the categories within Statement 3

Statement #3 categories

- **Within organizational boundary impacts**
- **Value chain associated (outside organizational boundary) impacts**
- **Sector associated (outside of value chain) impacts**
- **Beyond value chain and sector (global) impacts**
- **GHG impacts of sold products**

Proposed ISO text

If the organization quantifies its mitigation actions, the organization **shall** report them in following categories in statement #3, if applicable:

- GHG impacts from GHG projects
- GHG impact from products sold and consumed
- GHG impacts from other actions

Discussion – Feedback by TWG on ISO's category proposal

- What is AMI TWG view on the proposed ISO structure and content for statement 3?
- Pulse check on ISO proposal

Deduction of “sold impacts” and co-claiming

GHGP draft text

- How should the standard approach a situation where the GHG benefit of an intervention/project is sold via a credit or certificate – should the reporter disclose the sale and deduct (through transparent and disaggregated line of purchases and sales) the sold portion from Statement 3?
- Should the co-claiming be allowed where each party's claim is clearly scoped and disclosed.?

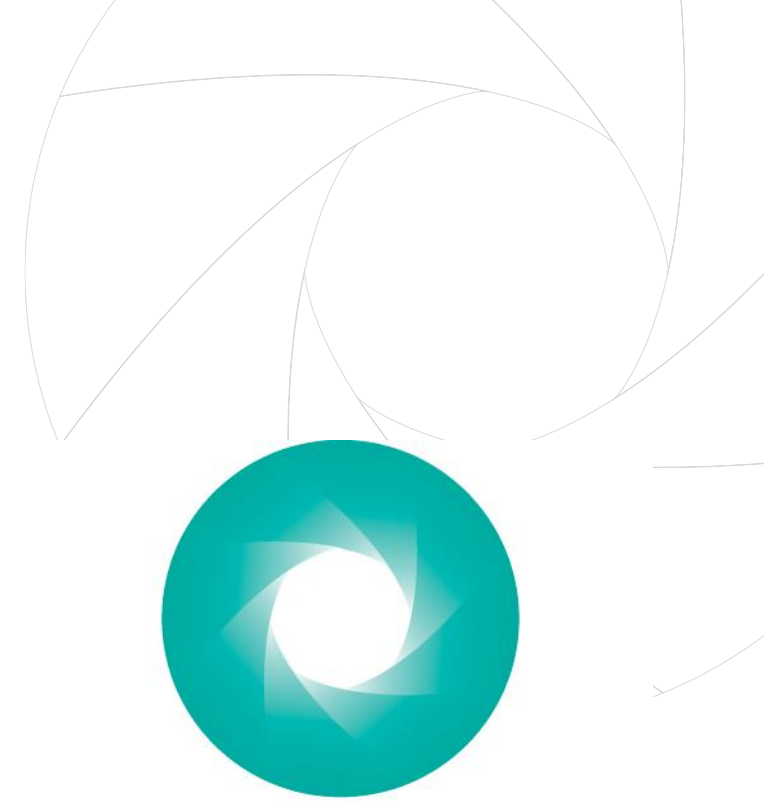
Proposed ISO text

- WG4 did not discuss this topic for statement #3

Work in progress

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We still have a number of open topics to be resolved - will be brought to TWG largely in October, some with draft standard for TWG review early November

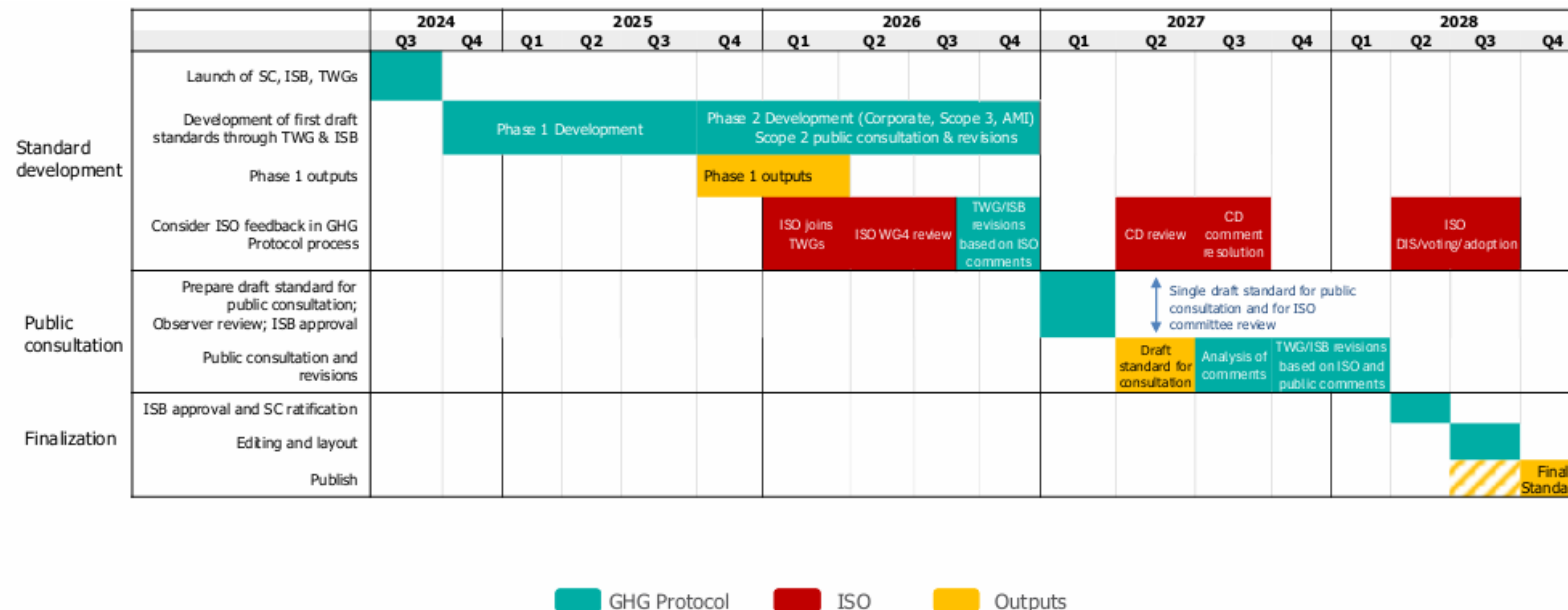
Topic	TWG feedback/decision taken via
Should Statements 2,3,4 be required or optional	Oct 7 TWG meeting poll and online poll afterwards
Mutual exclusivity between Statement 2 and 3	Oct 7 TWG meeting poll and online poll afterwards
Finalizing traceability: role of proportional mass balance - Statement 1	Oct 7 TWG meeting poll and online poll afterwards
Specifying impact / additionality terminology	Oct 7 TWG meeting poll and online poll afterwards
Verification and assurance requirements	Oct 7 TWG meeting poll and online poll afterwards
Approach to statement 4	Oct 7 TWG meeting poll and online poll afterwards
Specifying impact / additionality content (required tests)	Poll later in October
Residual emission factors and completeness in statement 2	Poll later in October
Statement 2 eligibility criteria, including deliverability	Poll later in October
Statement 2 calculation methods	Poll later in October
Statement 2 allocation approach	Poll later in October

Note: List is not final/exhaustive

Timeline: moving towards a first draft

- Two key milestones:
 - The consolidated Corporate Standard (including AMI) will be sent out for public consultation in **Q2 2027**
 - To facilitate a final review and approval for this timeline, a complete draft of the AMI Standard will be sent to the ISB for final review at the **end of January 2027**

Figure 2. Workplan and timeline



Our challenge: with ~3 months acceleration due to consolidated standard, we want to keep process inclusive while we also need to maximize efficiency

- We have heard concerns regarding having enough time and TWG participation to resolve open technical topics - and received “support offers”
- For drafting/reviewing parts of chapters, we will approach TWG members directly
- The draft standard will be shared with TWG on Nov 4, the document will be on the SharePoint, allowing TWG members to comment
- We already scheduled a few “save the date” slots in November and December to discuss open topics with the TWG/a subgroup respectively
- Decisions are taken by full TWG

Recap: Key dates through publication

Date	Topic
Sep 09	TWG meeting 2.08 - RFI, ISO feedback and subgroup status
Sep - Oct	Secretariat drafts Standard, polling TWG members and convening subgroups as necessary
Sept 22	Secretariat presents key AMI topics to ISB for preliminary feedback
Oct 07	TWG meeting 2.09 - Plan for Standard drafting, ISO Feedback II
Nov 02	Secretariat shares draft of Standard with TWG
Nov 04	TWG meeting 2.10 – Discussing draft Standard
Nov 18	Secretariat presents key AMI topics to ISB for preliminary feedback
Nov 20	TWG provides formal feedback on draft Standard
Dec 02	TWG meeting 2.11 – Discussing draft Standard
Dec - Jan	Secretariat integrates TWG feedback into draft standard, convening task forces to explore topics as necessary
Jan TBD	Draft Standard shared with TWG for red flag review and finalization

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Statement 2/3: Optionality vs. Required Reporting – views from subgroups, RFI and other sources

The organization [**may/should/shall**] include a [market-based inventory/GHG impact statement] in its GHG report to report on actions and market instruments and their impacts.

	Statement 2	Statement 3
In support of optionality ("may")	+ Keeps Statement 1 as the sole required anchor + Avoids reporting burden, especially for SME, where no/only few market instruments are used + keeps standard inclusive of SME + Matches ISO WG4 Feedback (Clause 5.1) + Allows a voluntary phase in of new reporting while keeping the option to make it mandatory in the future after experience is gained by the market	+ Keeps Statement 1 as the sole required anchor; + Avoids reporting burden where no/only few market instruments are used / small projects are implemented + Matches ISO WG4 (Clause 5.1) + Allows a voluntary phase in of new reporting while keeping the option to make it mandatory in the future after experience is gained by the market + Allows for Methods (Baselines, uncertainty quantification,..) to mature (RFI) + Cross-project selective reporting already accepted as inherent to a voluntary statement (TWG, 1 Jul)
In support of required ("shall")	+ Many respondents want "equal, parallel" standing to Statement 1, mandatory could support that (RFI) + Too much optionality undermines comparability and the demand signal (RFI) + Optionality risks selection bias if only favorable data is reported (RFI)	+ Optionality risks perceived selection bias if only favorable projects are reported (RFI) [safeguards might prevent that] + Too much optionality might undermine comparability (RFI) + Scope 2 subgroup proponents required MIM being mandatory to have full picture on electricity procurement impacts (Scope 2 TWG subgroup)

Decision #1: Should Statements be optional or required?

Secretariat proposal, based on TWG discussions and RFI Feedback: both statement 2 and 3 [and 4] should be optional.

- The organization **may** include a market-based inventory¹⁾ [final name tbd] in its GHG report to report on actions and market instruments and their impacts.
- The organization **may** include a GHG impact statement [final name tbd] in its GHG report to report on actions and market instruments and their impacts.
- Programs **may** set out different requirements making inclusion of a market-based inventory [final name tbd] and/or a GHG impact statement [final name tbd] required.



Pulse check/vote: quick pulse check during meeting, formal poll afterwards.

1) To be decided within Scope 2 TWG/ISB if Scope 2 MB method is mandatory or not

Decision #2: When to claim conformity with AMI?

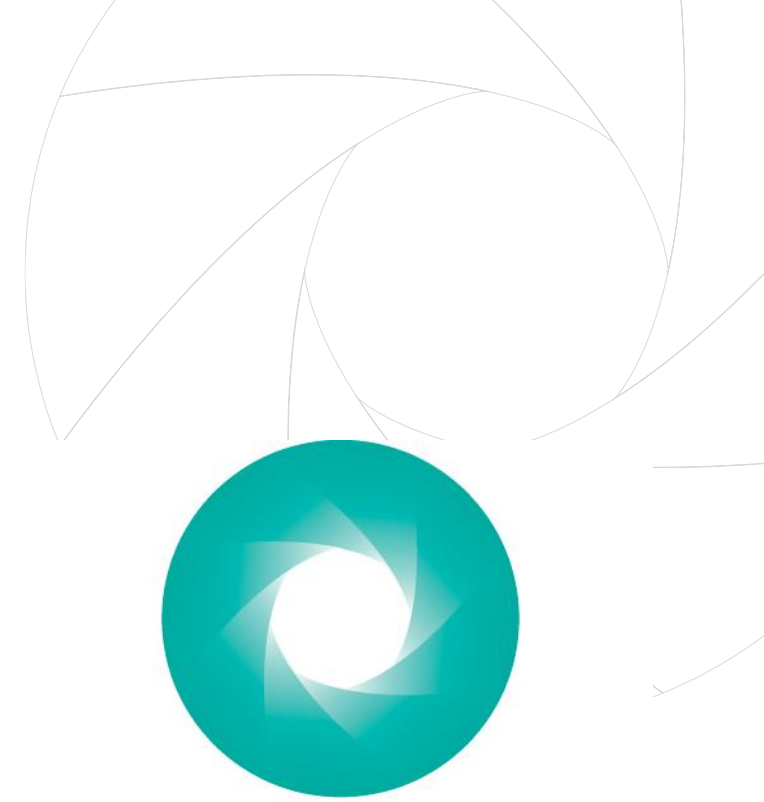
- If the organization reports on actions and market instruments in a market-based inventory, it **shall** follow [for all market instruments reported] the requirements in chapter xxx [for statement 2] to be able to claim conformance with the [GHG Protocol consolidated Corporate Standard; name TBC].
- If the organization reports on actions and market instruments in a GHG impact statement, it **shall** follow the requirements in chapter xxx [for statement 3] to be able to claim conformance with the [GHG Protocol consolidated Corporate Standard; name TBC].
- If the organization reports on actions and market instruments in different ways than required by this standard, it **shall not** claim conformance with this standard.



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Recall: Mutual Exclusivity between Statements 2 and 3 — Options discussed in subgroup

	Option 1 Mutually exclusive: No Where to report intervention: Reporter's choice, can be both	Option 2a Mutually exclusive: Yes Where to report intervention: Reporter's choice	Option 2b Mutually exclusive: Yes Where to report intervention: Based on action/instrument type, and/or eligibility/quality criteria, and/or data form	Option 3 Mutually exclusive: No Where to report intervention: Both statements
Description	An organization may report an intervention's impacts in both Statement 2 and Statement 3, assuming the intervention meets both statement's quality criteria and data is available.	An organization must pick a single statement (2 or 3) per instrument/intervention and disclose that choice but are free to decide which, assuming the intervention meets the respective statement's quality criteria and data is available.	The reporting statement is determined by the type of action/market instrument and/or, the eligibility/quality criteria, and/or the form the intervention outcome takes, not organization's preference: an outcome expressed as — or convertible to — an emissions intensity is reported in Statement 2 (Product Matching, AIM; Emissions Profile TCAT); an outcome only available as an annual change in emissions vs. baseline is reported in Statement 3 (Emissions Matching, AIM; Emission reduction/removal unit TCAT).	An organization would be required to report a given activity's outcomes through <i>both</i> Statement 2 and Statement 3, assuming the intervention meets both statement's quality criteria and data is available.

Recall: Mutual Exclusivity between Statements 2 and 3 — Pros and cons of options discussed

	Option 1	Option 2a	Option 2b	Option 3
Pros	+ Reflects that S2/S3 answer different questions based on different accounting methods + Aligned with ISO WG 4: <i>may</i> report in both if quantified impacts differ and there is no double counting within each statement + Not double counting — dual reporting using different metrics/methodologies; statements kept independent + Safeguards proposed: mandatory overlap/ transparency flag/disclosure plus an explicit no-netting rule	+ Simple, unambiguous rule + Removes appearance of double counting + If used, participants wanted a consistency rule — commit to the same statement for an intervention over time	+ Objective, e.g. data-form-based routing (AIM product matching/emissions matching, TCAT-aligned) + Removes cherry-picking risk + improves comparability across companies + RFI stakeholders' feedback call for clear rules	+ Guarantees full disclosure of both lenses
Cons	– Risk of perceived double counting – Risk flagged: choosing whichever statement looks more favorable ("gaming the system")	– No principled basis for the choice – Risk of cherry-picking the more favorable statement – very limited subgroup support – No criteria discussed for which statement to pick	– Not addressing that some actions can be calculated and reported in both ways (with different impacts) – Mixed cases (e.g. in St.3 intervention impacts are partially sold as commodity certificates) unresolved – Data-availability-based routing questioned	– Not viable; conflicts with voluntary design option per statement

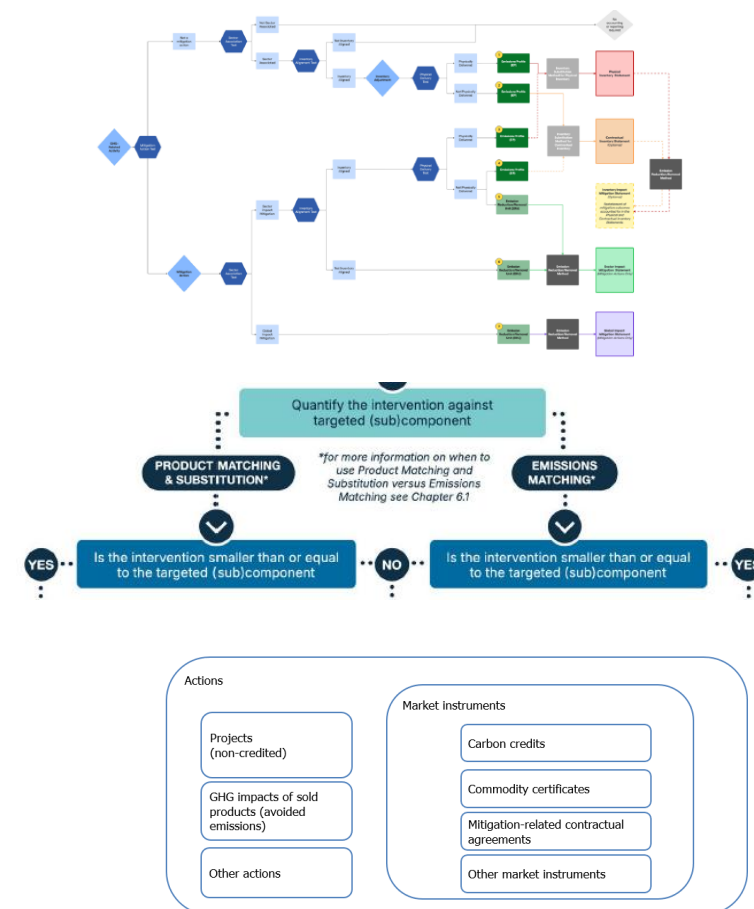
Take-aways from subgroup meeting

- Current TWG/subgroup discussions see "two archetypes":
 - "an intervention is either in statement 2 or statement 3 — you have to be mutually exclusive," AIM/TCAT approach as a best-practice direction;
 - "attributional accounting statement 2 and consequential accounting statement 3 say completely different things about an intervention for different purposes, with different messages, different decision-making implications — there can't be mutual exclusivity required."
- In practice, it is likely most actions/market instruments will have a "natural home" in either Statement 2 or 3 (if for example data is missing for full accounting under one statement). Therefore, two independent decisions need to be taken:
 1. How to design clear routing guidance for actions and market instruments (likely similar to AIM, TCAT)
 2. Should mutual exclusivity be required such that actions/market instruments that meet the requirements of both statements 2 and 3 may only be reported under one statement, or should reporting under both be allowed (potentially subject to additional disclosure requirements)?

1. Options for guiding actions and market instruments to statements

We propose to come up with a “routing proposal” for actions and market instruments, combining the following aspects:

- I. Decision tree, checking quality and eligibility criteria/tests (TCAT style)
- II. Data formats / quantification (emissions profile/emissions intensity vs. emission reduction/removal unit/change in emissions¹⁾)
- III. Type of actions and market instruments (per white paper structure)



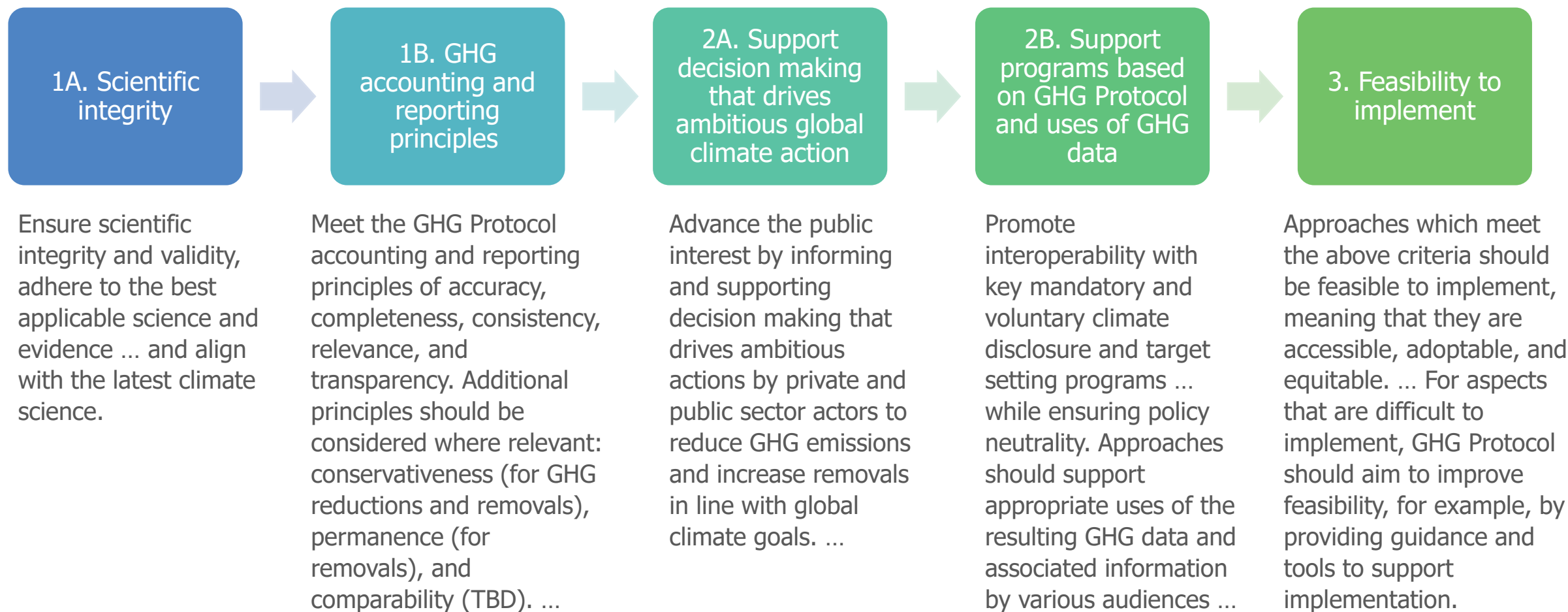
1) AIM “product method” approach with emissions intensity, TCAT calls it Emissions Profile, both are EF style intensities = market-based inventory.
 AIM “emissions matching method” approach, TCAT calls it Emission Reduction/Removal Unit ERU, both cover an absolute number in tons of CO₂e. = GHG impact statement

2. Mutual exclusivity

- This applies only for those actions/market instruments that fulfill criteria for both statement 2 and 3. In case e.g. of a commodity certificate, consequential impacts are also calculated and the company has the right to report. In case of a project/intervention, the impact is also converted into a market instrument that is purchased by the reporting organization¹⁾.
- Possible requirement:
 - The **organization may** quantify and report changes in GHG emissions and GHG removals resulting from a single activity **through Statement #2 and Statement #3 as long as**
 - [option A – ISO proposal] the quantified impacts of the activity are different and there is no double counting of GHG impacts within each GHG statement.
 - [option B – disclosure requirement] the organization transparently discloses that it is reporting the impact in both statements.

1) For these edge cases, AIM requires choosing one statement only by the company (forced mutual exclusivity)

GHG Protocol Decision-Making Criteria



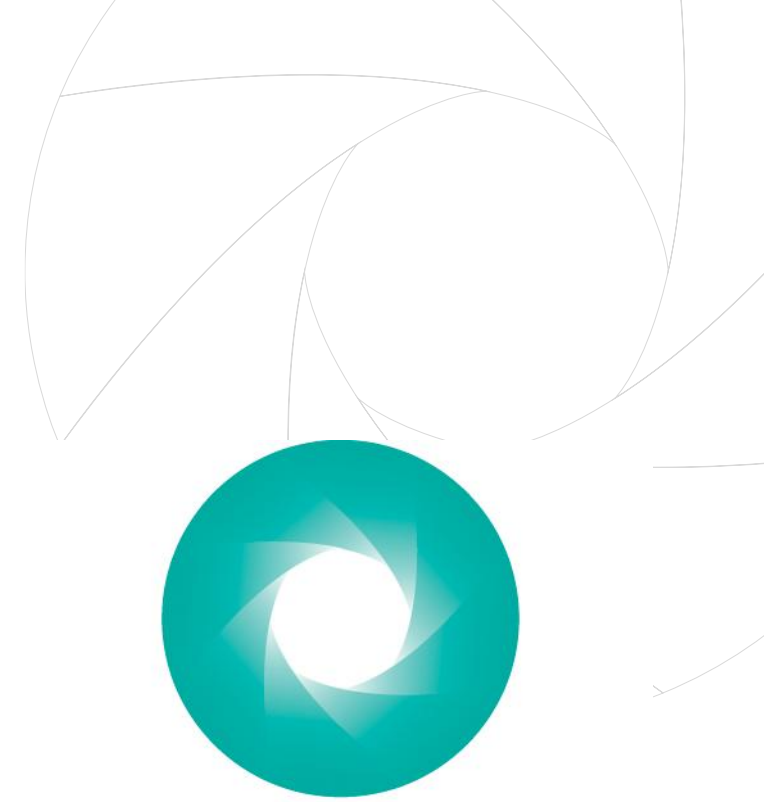
Note: This is a summary version. For further details, refer to the full decision-making criteria included in the annex to the Governance Overview, available at <https://ghgprotocol.org/our-governance>.

Poll/pulse check –please consider decision making criteria

1. Do you support full mutual exclusivity: The organization **shall** quantify and report changes in GHG emissions and GHG removals resulting from a single activity **in one statement only**
 2. Do you support actions reported in more than one statement: The **organization may** quantify and report changes in GHG emissions and GHG removals resulting from a single activity **through Statement #2 and Statement #3** (applicable only for those actions and market instruments that fulfil all criteria for statement 2 and 3)
- In case you support 2, do you support the following conditionality
 - A. as long as the quantified impacts of the activity are different** and there is no double counting of GHG impacts within each GHG statement. [option A – ISO proposal]
 - B. as long as the organization transparently discloses that it is reporting the impact in both statements.** [option B – disclosure requirement]

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Physical GHG Inventory (Statement 1) Traceability proposal – Does it include proportional attribution mass balance (e.g. rolling average)?

Traceability requirement for the Physical GHG inventory (latest proposal)

Companies **shall** calculate emissions using the average emission factor of the activity pool corresponding to the level of physical traceability they have (e.g. supply shed/sourcing region, jurisdiction or other).

- Companies **may** have any level of physical traceability and **may** use any traceability system, including chain of custody models.

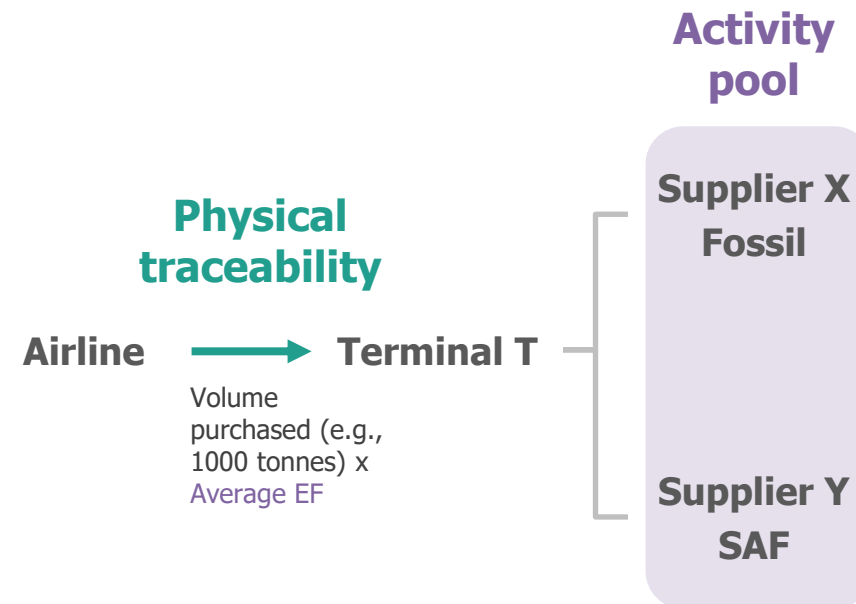
Proposed edits to clarify the “may” statement above

Option A: Companies **may** have any level of physical traceability and **may** use any traceability system, including chain of custody models such as identity preserved, segregation and controlled blending approaches.

Option B: Companies **may** have any level of physical traceability and **may** use any traceability system, including chain of custody models such as identity preserved, segregation and controlled blending approaches. Companies **may** use mass balance approaches to establish physical traceability, provided that the system applies proportional attribution within a sufficiently restricted boundary, such as batch or site level, and maintains the integrity and representativeness of the physical inventory. This may include rolling average mass balance CoC approaches, where these conditions are met.

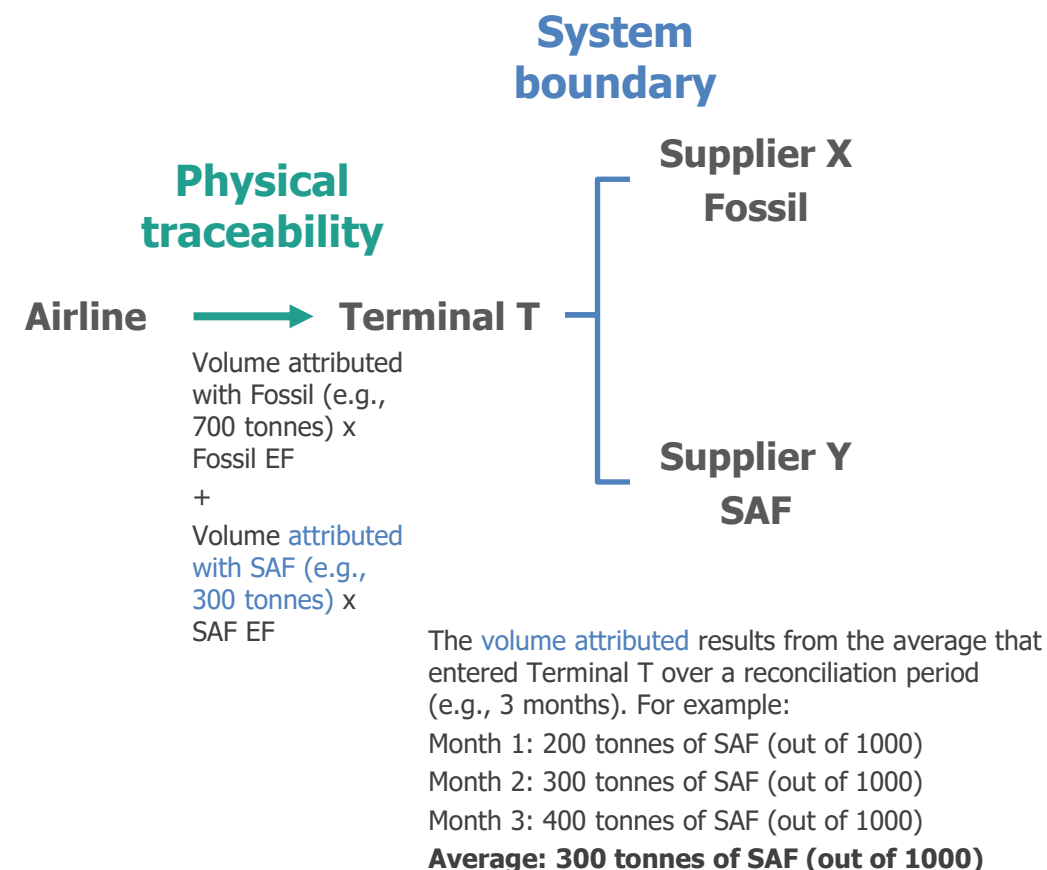
Physical GHG Inventory (Statement 1) Example 1: Physical traceability to an activity pool

- An airline purchases fuel from Terminal T and can physically trace its fuel to that terminal.
- The airline cannot trace fuel back to individual suppliers, but it can trace it to Terminal T.
- **The airline calculates an average emission factor of the activity pool, and multiplies it by the volume of fuel purchased from terminal T**
 - A volume-weighted average emission factor may be estimated using the volumes supplied from Suppliers X and Y, if such data is available.



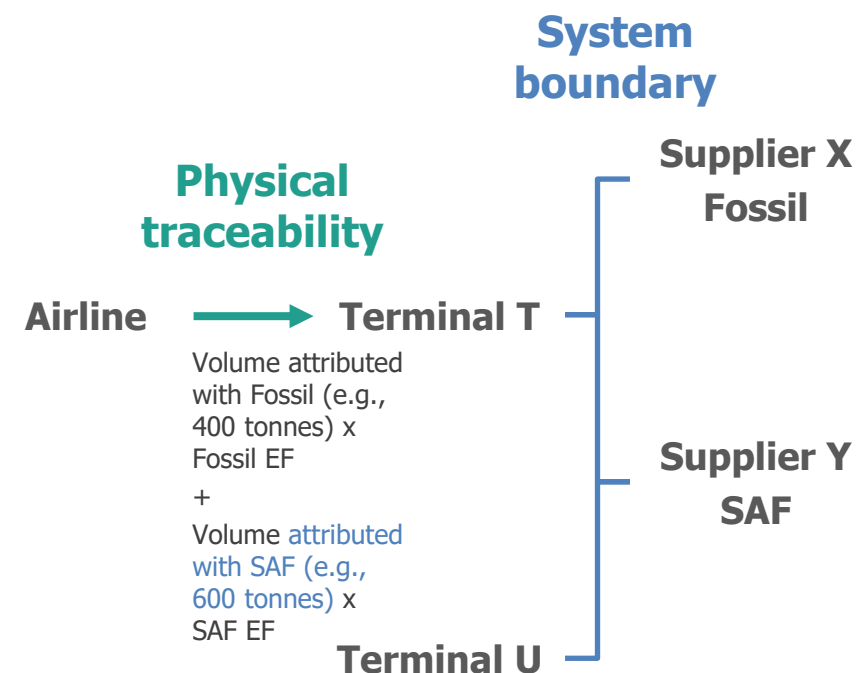
Physical GHG Inventory (Statement 1) Example 2: Rolling average mass balance with a restricted boundary

- An airline purchases fuel from **Terminal T** and can physically trace its fuel to that terminal.
- Terminal T operates a **rolling average mass balance system** over a three-month reconciliation period, where fuel volumes entering Terminal T vary month to month, but Terminal T tracks the cumulative volumes SAF and fossil fuel supplied from Suppliers X and Y over the balancing period.
- The proportion of SAF attributed to the fuel purchased by the airline is based on the rolling average of all fuel entering Terminal T during the three months.
- The airline calculates a SAF emission factor and a Fossil emission factor, and multiplies it by each corresponding proportion of fuel purchased.



Market-based inventory (Statement 2) Example 3: Rolling average mass balance with no restricted boundary

- An airline purchases fuel from **Terminal T** and can physically trace its fuel to that terminal.
- Terminal T is part of a **multi-site rolling average mass balance system** covering both **Terminal T** and **Terminal U**.
- Fuel supplied to both terminals is combined into a single accounting pool for the purposes of calculating average characteristics.
- The proportion of SAF attributed to the fuel purchased by the airline is based on the rolling average of all fuel entering Terminal T and Terminal U.
- The connection between the airline and Terminal U is established through mass-balance accounting rather than physical traceability.
- Unlike Examples 1 and 2, the system boundary no longer corresponds directly to the company's level of physical traceability.



The **volume attributed** results from the average that entered Terminal T and U over a reconciliation period (e.g., 3 months). For example:

- Month 1: 400 tonnes of SAF (out of 1000)
- Month 2: 600 tonnes of SAF (out of 1000)
- Month 3: 800 tonnes of SAF (out of 1000)

Average: 600 tonnes of SAF (out of 1000)

Physical GHG Inventory (Statement 1) Traceability proposal – Does it include proportional attribution mass balance (e.g. rolling average)?

Traceability requirement for the Physical GHG inventory (latest proposal)

Companies **shall** calculate emissions using the average emission factor of the activity pool corresponding to the level of physical traceability they have (e.g. supply shed/sourcing region, jurisdiction or other).

- Companies **may** have any level of physical traceability and **may** use any traceability system, including chain of custody models.

Proposed edits to clarify the “may” statement above

Option A: Companies **may** have any level of physical traceability and **may** use any traceability system, including chain of custody models such as identity preserved, segregation and controlled blending approaches.

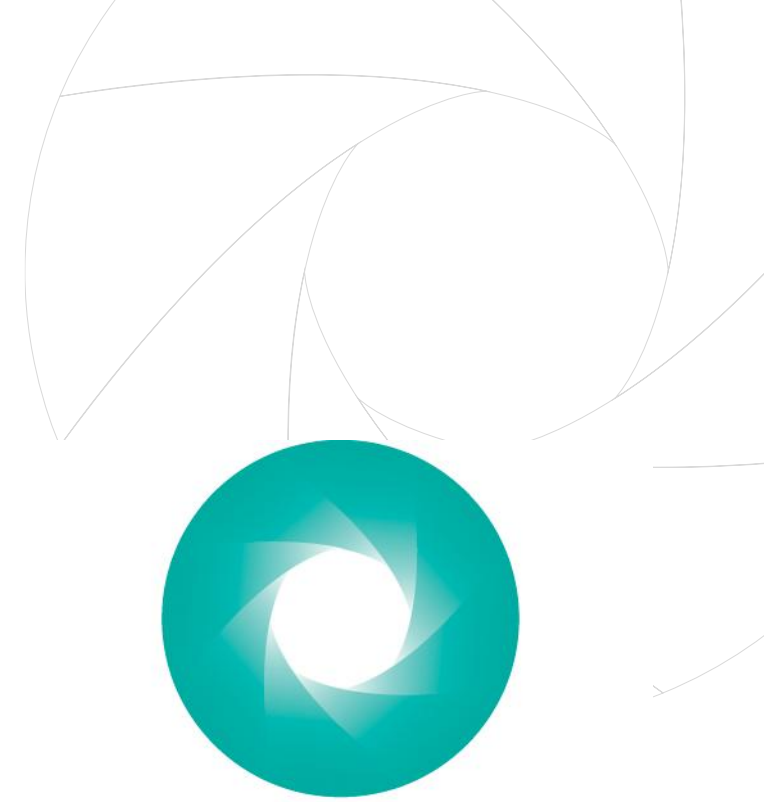
Option B: Companies **may** have any level of physical traceability and **may** use any traceability system, including chain of custody models such as identity preserved, segregation and controlled blending approaches. Companies **may** use mass balance approaches to establish physical traceability, provided that the system applies proportional attribution within a sufficiently restricted boundary, such as batch or site level, and maintains the integrity and representativeness of the physical inventory. This may include rolling average mass balance CoC approaches, where these conditions are met.



Pulse check/vote: quick pulse check during meeting, formal poll afterwards.

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Role of assurance and verification

- Requirements for assurance and verification can be operationalized at three levels:
 - At the level of the GHG report
 - At the level of statements
 - Statement 1
 - Statement 2
 - Statement 3
 - Statement 4
 - At the level of instruments
- Corporate Standard TWG**
- Actions and Market Instruments TWG**

CS TWG – Phase 2
Verification and assurance

Obtaining independent verification/assurance

Preliminary outcome

Split opinions on whether to **include a provision** (shall/should/may) or **be silent** on obtaining independent verification/assurance

Example provision: Organizations [shall/should/may] obtain independent verification or assurance.

Level of support

Subgroup 2

How to address obtaining verification/assurance

Meeting 13

- Require: 0 of 20
- **Recommend: 6 of 20**
- **Optional: 5 of 20**
- **Be silent: 9 of 20**
- Abstain: 0 of 20

Split opinions

Meeting 14

- Provide as guidance [should or may]: 7 of 19
- **Be silent: 12 of 19**
- Abstain: 0 of 19

Majority support

Full TWG

Be silent on obtaining verification and assurance

- 48% support
- 44% oppose
- 8% abstain

Split opinions

Arguments for being silent

- Topic extends **beyond GHG accounting and reporting**.
- Verification and assurance provisions **should be determined by regulators** and other programs, **not by GHG Protocol**.
- It could be provided as **separate guidance outside** the Corporate Suite of Standards.

Arguments for including a provision

- **Promotes** provision of **more credible data**
- **Support** reporters by promoting verification and assurance as best practice or as option especially **less-experienced, voluntary or first-time reporters**
- **Consistent** with GHG Protocol's **longstanding treatment** of the topic
- Helps **address stakeholder requests** for further clarity and guidance on the topic
- **ISO WG4 position:** change from "may" to "**should**"

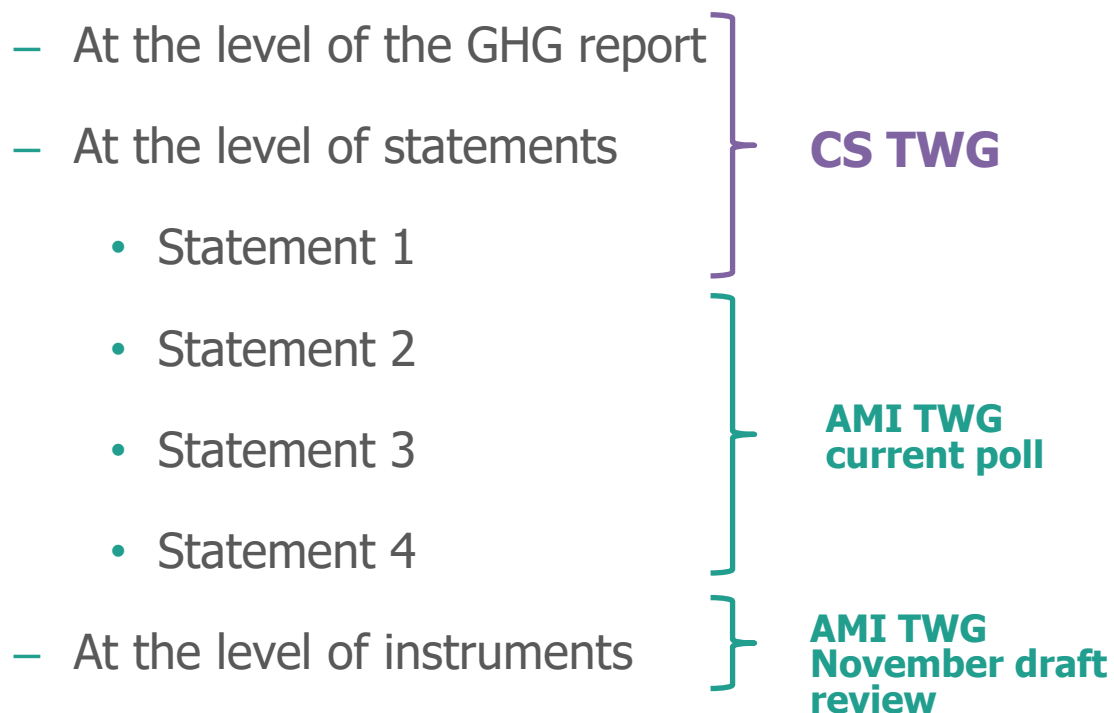
Interim results from the September ISB meeting on Corporate Standard TWG progress

- 9 of 10 ISB members (with 1 abstention) voted in support of the view that including a provision on obtaining independent verification or assurance is within GHGP's role.
 - In a follow up pulse check on the framing of such a provision, there was unanimous support for framing the provision as a "should" statement and recommending reporters obtain verification or assurance.
- Next step for Corporate Standard TWG:
 - Corporate Standard Secretariat will bring the ISB Meeting 24 outputs to be an input for Corporate Standard TWG's final discussion on the topic on Oct 27th

Pre-read: Verification at the instrument level

- Verification is included as one of the 14 quality criteria for instruments that resulted from the subgroup process. The current draft text is included below, which will be updated and included for feedback in the November TWG draft of the Standard:
 - *Statement 2: GHG outcomes of actions conveyed through market instruments **shall** be verified according to internationally or nationally accepted third-party verification procedures and/or assured by an independent third-party verifier through the relevant GHG program/standard.*
 - *Statement 3:*
 - *Credits: GHG outcomes of actions conveyed through market instruments **shall** be verified according to internationally or nationally accepted third-party verification procedures and/or assured by an independent third-party verifier through the relevant GHG program/standard.*
 - *Other actions: GHG outcomes of actions not involving market instruments **should** be verified according to internationally or nationally accepted third-party verification procedures or assured by an independent third-party verifier through the relevant GHG program/standard.*

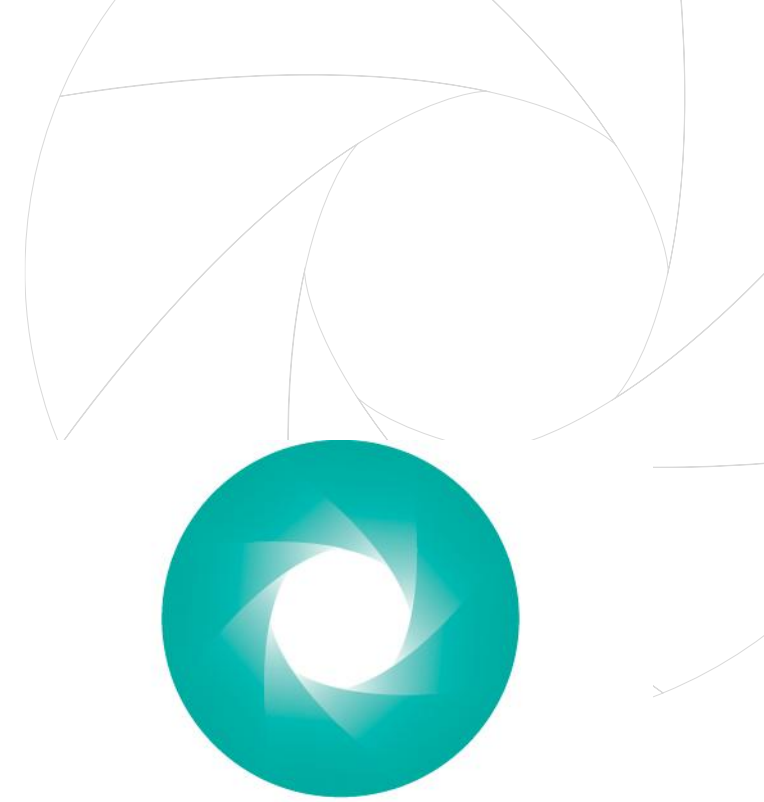
Poll on statement-level assurance and verification



- **Poll 1: Statement 2**
 - **Option A** – Organizations **shall** obtain independent verification or assurance.
 - **Option B** – Organizations **should** obtain independent verification or assurance.
 - **Option C** – Organizations **may** obtain independent verification or assurance.
- **Poll 2: Statement 3**
 - **Option A** – Organizations **shall** obtain independent verification or assurance.
 - **Option B** – Organizations **should** obtain independent verification or assurance.
 - **Option C** – Organizations **may** obtain independent verification or assurance.

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Impact/additionality – Terminology

Draft quality criteria text:

Actions and market instruments shall demonstrate [], i.e. reflect emissions reduction, avoidance, or removal that would not have occurred in the absence of the reporting organization's intervention

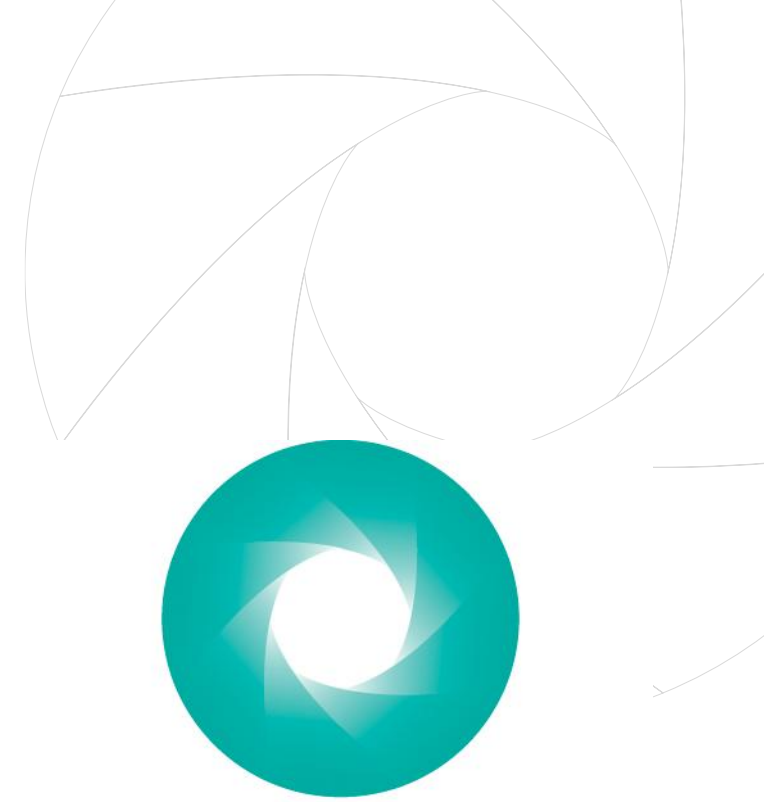
Polling on terminology

- Option A: additionality
- Option B: impact
- Option C: causality

Please note: This poll is just about naming/terminology for use in the first draft of the Standard. No final decision has yet been made (if and) how impact /additionality will be operationalized across statements. Alignment with Scope 2 for electricity-related market instruments in Scope 3 Statement 2 is planned.
If causality is chosen, the name of the respective other QC will be changed.

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Statement 4 – way forward

RFI gave mixed feedback (33% support, 44% neutral, 22% oppose), some ecosystem partners reluctant, others in favor. Secretariat proposal: continue with lean approach - to be confirmed by TWG.

Poll:

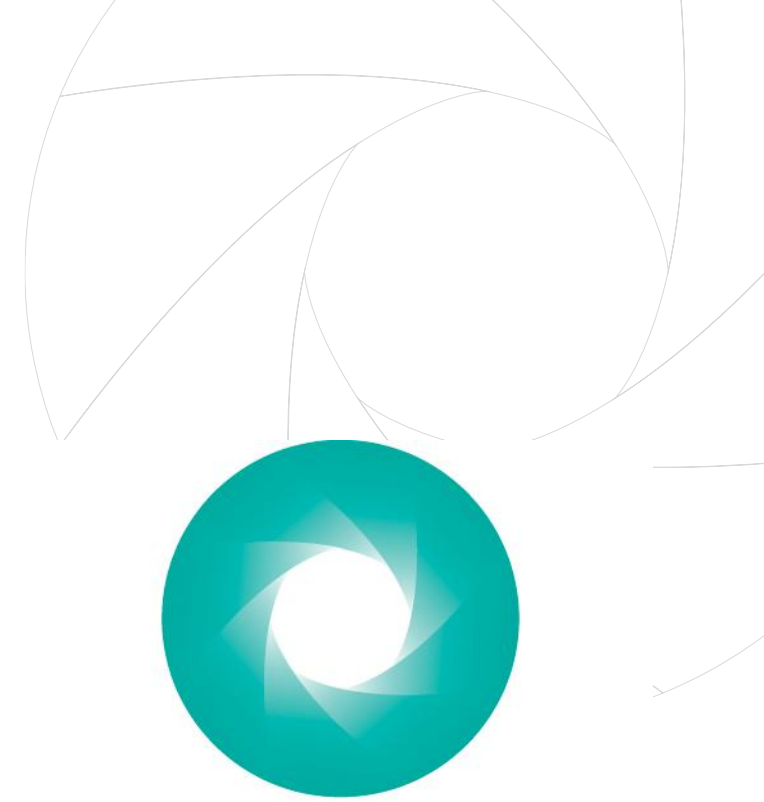
1. Should the work on Non GHG Indicators (however it will be finally called) be stopped entirely (and exclude any guidance or references from AMI Standard/framework)?
2. Should it be included, but no longer framed as a separate “Statement 4”?
3. If it is no longer framed as a statement, what should it be called:
 - Non-GHG indicators
 - Non-emissions indicators
 - Key indicators
4. Should those indicators be reported in a separate section from all statements (as originally intended for statement 4) or should they be reported in a parallel section (according to each statement)?

Proposal (pending above decisions)

- Companies [**should/may**] report [key indicators / non-GHG metrics] separately, disaggregated by scope [and statement], if applicable. Companies **shall** disclose data and methods used.
- Refer to external programs (e.g. ISSB, SBTi) for guidance.

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Next steps

Drafting text for the Standard

- Secretariat will take the lead based on TWG outcomes and may reach out to specific members for input
- Secretariat will include options where relevant, for TWG members to weigh in
- Draft standard to be sent for TWG review on November 4

Next TWG meeting

- Wednesday, Nov 4th

Thank you!

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