

GHG Protocol Should Fully Recognise Robust Market Instruments in End-Users' Scope 1 Emissions Inventories

A global call to support decarbonisation of corporates and industries

10/02/2025

To the attention of the members of the Greenhouse Gas Protocol governance bodies,

We, the undersigned, represent economic operators globally responsible for the production, trading and consumption of renewable gaseous fuels and their derivatives. We value the Greenhouse Gas Protocol (GHG Protocol) Corporate Standard as an important tool for companies all over the world to structure their decarbonization efforts. The GHG Protocol withdrew guidance that previously provided a necessary investment certainty on the renewable gas market.

We urgently call on the GHG Protocol to:

- 1) Adopt a market-based approach for renewable gases in Scope 1 inventory, for both fuel and feedstock applications. This approach could be part of the dual-reporting structure which includes both the location-based and market-based approach.**
- 2) Issue an interim statement¹ in the first half of 2025 confirming that robust market instruments will be recognized in GHG inventories, offering clarity and confidence for stakeholders as final standards are being developed.**

Renewable gases and their derivatives² are necessary to decarbonise the industry, transport and building sectors. Many of the decarbonisation strategies across the globe rely on their urgent deployment. A prerequisite for this deployment is the use of a market-based approach as it uniquely overcomes economic, technical and environmental barriers and inefficiencies that arise from the requirement for a physical (local) connection. Robust market instruments enable the supply of decarbonised products to a much wider pool of consumers that cannot have local access to such products.

We understand and appreciate that the GHG Protocol is in the process of revising its standards with a view to clarifying the use of a market-based approach. While this revision is ongoing, certainty must be provided and rules established: an interim statement, based on the previous guidance, should make clear that market-based instruments will be recognized at the end of the revision process. Since the withdrawal of the former Scope 2 Guidance Annex, market actors are lacking a framework giving them certainty to invest, and the August 2023 'Interim Update on Accounting for Biomethane Certificates' has not provided clear steering.

The industry and the decarbonization of society cannot afford further delay.

We look forward to continued engagement in the GHG Protocol's standards development process to provide more clarity and guidance on the use of renewable gas certificates.

¹ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>

² These include but are not limited to biomethane, hydrogen, and CO₂. They are used as fuels and feedstocks for applications such as sustainable aviation and maritime fuels and carbon-based chemicals and materials.

144 Signatories:



