

## **VCMI's Beta Scope 3 Claim Public Consultation**

### **Frequently Asked Questions**

#### **1. Why is a Public Consultation needed?**

Over 150 organizations have already contributed to the development of the Claim through an earlier consultation process. In the forthcoming updated version of the Claim, methodological changes are included, and, as with all science-based frameworks, best practice involves an iterative process to ensure that the final publication is robust and reflects a wide range of stakeholder perspectives. Inviting feedback on the updated version of the beta Scope 3 Claim will help to build on and strengthen existing requirements and guardrails, ensuring that the claim maintains high standards of integrity while also being practical for corporate adoption.

Businesses want to move rapidly with their climate transition plans, and a thriving, well-constructed voluntary carbon market is vital to supporting their goals. The consultation and strengthening of the Claim are key components of this work.

#### **2. How are you ensuring the process is transparent and robust?**

VCMI is committed to transparency and robust stakeholder engagement—this is a core value of VCMI and a foundational criterion for any VCMI Claim. We actively engage organizations through social media, newsletters, and outreach within our networks to encourage participation. Finalizing the Claim will also involve active input from VCMI's Expert Advisory Group, in addition to formal approval and oversight by its Steering Committee.

VCMI is proud to collaborate with BSI to manage the public consultation of the beta Scope 3 Claim. BSI, a key part of the ISO system on standards, brings expertise in standards development processes and consensus building, which will help us gather valuable feedback from a wide range of stakeholders, ensuring that the final Scope 3 Claim reflects diverse perspectives and maintains robust guardrails.

All responses received from the consultation will be published on VCMI's website as part of a synthesis report, along with an explanation of how we've responded to comments in drafting the final version of the Claim.

#### **3. What topics are being covered as part of the consultation?**

The public consultation will ensure that the requirements and recommendations of the beta Scope 3 Claim are clear, effective, and further strengthen transparency. Specific topics addressed include the core methodology for the Claim, proposed guardrails, and incentives to make progress toward Scope 3 emissions reduction targets. This will enable VCMI to further strengthen the updated Scope 3 Claim.

## 4. Can companies already use the Claim?

The Scope 3 Claim cannot be adopted by companies until it is finalized and published following the completion of the beta development phase. VCMI, along with other partners, is taking steps to ensure that the Claim is fully tested by companies before it is finalized.

## 5. When will the Claim be finalized? And why is it delayed?

VCMI is working to finalize the Scope 3 Claim in early 2025. Since publishing the original beta roadmap, significant progress has been made in improving the methodology for the Claim. In some cases, these improvements have led to significant changes from the initial methodology, requiring a new public consultation. This necessary step has extended the timeline.

## 6. How can I learn more about the consultation and contribute?

The consultation is live as of September 2, 2024. Access the consultation [here](#). VCMI will provide further communications throughout September to help organizations better understand the process and contribute effectively. Find out more about the claim and consultation process through VCMI's [Public Consultation Open Webinar](#).

To support participation, VCMI held two webinars on September 17th and 19th. These sessions offered an overview of the consultation process, detailed explanations of the proposed updates, and an opportunity to ask questions. Find the recordings under past events, [here](#).

## 7. How will my feedback be used?

Any feedback you post on the consultation platform will be visible only to you. You will not be able to see other participants on the platform or their input during the consultation process.

All feedback will be shared with VCMI to demonstrate the breadth of stakeholders who have participated and to assist with comment resolution. We will publish respondent details alongside the comments, either by organization name (if responding on behalf of an organization) or by individual name (if responding as an individual).

During registration, you will have the option to remain anonymous, ensuring that your name or organization is not publicly associated with the consultation. If you prefer to avoid sharing any personal information in your comments that could identify you based on the content alone, please take that into consideration when posting.

If you did not opt for anonymity when registering but would like to, please contact us at [vcmiscope3claim@bsigroup.com](mailto:vcmiscope3claim@bsigroup.com).

## **8. How do I comment on the beta Scope 3 Claim?**

The consultation platform is designed to enable you to read through each section of the beta Scope 3 Claim document and share your views on specific sections.

You can navigate through each section of the document using the buttons on each page or the dropdown beta Scope 3 Claim menu in the main site toolbar. You are welcome to navigate through the document in any order you wish, though we recommend reading through each section in sequence.

You have the option to provide feedback in two ways: by responding to survey questions and by providing more general feedback comments. We ask that you limit yourself to one type of comment per feedback form submission, as this helps us more quickly analyze feedback.

If you wish to submit multiple types of comments, please submit the form multiple times, with a different type of feedback per submission. There is no limit on the number of feedback items you can post per section.

Please be aware that, once submitted, you cannot edit or change the comments submitted.

## **9. Was the consultation planned or a response to challenges faced by SBTi?**

There is no direct connection between SBTi and VCMI's work on this topic.

The public consultation was initiated to strengthen and expand stakeholder engagement and feedback, ensuring that the final Scope 3 Claim is robust and practical for businesses to adopt. This includes proposed methodological changes, such as adding indicators from climate transition plans to monitor progress over time in overcoming Scope 3 barriers and increasing Scope 3 emission reductions. This consultation represents a natural progression from the initial beta Scope 3 Claim published last year.

## **10. How does the Claim fit within the overall landscape of accounting and accountability in voluntary carbon markets, alongside the work developed by other standard-setter organizations?**

The Claim is designed to ensure accountability for corporate climate action, complementing existing guidelines and frameworks.

## **11. What has changed as the Claim continues to develop?**

Climate science is a rapidly evolving field, and VCMI is ensuring the Claim remains as robust as possible. Any updates to the Scope 3 Claim will be presented as part of the public consultation process.

## **12. Doesn't critical attention on Scope 3 risk undermining VCMI's wider activity?**

Tackling Scope 3 emissions is one of the biggest challenges facing businesses today. Voluntary carbon markets (VCMs) play a key role in the broader suite of tools companies can use to accelerate their climate ambition and action, complementing essential decarbonization efforts. We don't have the time to debate either/or options for unabated emissions when we urgently need complementary tools to speed progress toward net zero and meet the goals of the Paris Agreement.

## **13. Have you received feedback from companies about why they would want to make a Scope 3 Claim?**

The beta Scope 3 Claim, launched in November 2023, has already undergone an extensive consultation process involving a wide range of stakeholders, including representatives from business, government, NGOs, and civil society. Nearly 150 participants from VCMI's Expert Advisory Group, Stakeholder Forum, and Early Adopters Program have contributed to this process.

Research shows that addressing Scope 3 emissions remains one of the biggest challenges for companies today. To meet their climate transition goals, businesses need the tools to move further and faster. A thriving, well-structured voluntary carbon market is crucial to supporting these efforts. The ongoing consultation and strengthening of the Scope 3 Claim are essential parts of this work.

## **14. Wouldn't this risk being perceived as greenwashing?**

The Claim offers a science-based approach for companies to take action on Scope 3 greenhouse gas emissions that remain unabated. To make a Scope 3 Claim, companies will need to be transparent about progress made on decarbonization, the challenges they face, and the remedies being implemented, as well as purchasing and retiring high-quality carbon credits.

## **15. What is the rationale behind setting 24% as the maximum acceptable emissions gap?**

The gap limit for making a Scope 3 Claim was determined based on an analysis of the Mission Possible Partnership (MPP) mitigation pathways data (Accenture, 2024: [VCMI: Scope 3 Claim Assessment Final Report](#)) for seven hard-to-abate sectors: aluminium, concrete & cement, chemicals, steel, aviation, shipping and trucking. An MPP average sectoral decarbonization pathway for these sectors was compared to the SBTI's well-below 2°C emissions reduction commitment, which reflects a 2.5% decarbonization rate per year, for the period of 2020 until 2040. That average curve from MPP data was no higher than 124% of the SBTI's curve on any year and reaches its peak in 2030. The gap between these two curves is the highest at 24% in 2030 and tends to decrease until 2038, when it reaches zero, where the two curves intersect.

This suggests that an emissions gap limit of 24% sets a pathway for scope 3 decarbonization for companies that are making efforts to reduce their emissions and that scope 3 emission reduction barriers can be overcome by 2038. These parameters were also assessed by examining company-level data from the SBTi 2022 Monitoring Report ([SBTi Monitoring Report 2022 - Science Based Targets Initiative](#)) which covers companies' progress in reaching their absolute reduction targets for scope 1, scope 2, and scope 3 emissions.

The analysis showed that about 55% of companies making progress in reducing scope 1 and scope 2 emissions were also making progress in reducing scope 3 emissions, while approximately 45% of companies had scope 3 emissions gaps and would need to take further action. Among companies progressing on scope 1 and scope 2 targets but falling behind on scope 3 targets, 75% had emissions gaps of 24% or less, and 50% had gaps of 11.6% or less. A 24% maximum acceptable emissions gap considers scope 3 decarbonization challenges and intends to ensure that companies with the largest emissions gaps prioritize decarbonization first.

## 16. What are science-aligned targets?

As with Carbon Integrity Claims, the Beta Scope 3 Claim requires companies making VCMI Claims to set a science-aligned target, follow widely accepted measurement and reporting protocols, and use high-quality carbon credits, all independently validated. VCMI adopts the term “science-aligned” as defined in the VCMI’s Claims Code of Practice glossary. Within the Foundational Criteria, as established in that same document, companies are required to set a near-term emission reduction target according to SBTi’s requirements or equivalent criteria.

## 17. How are emissions calculations done with respect to the target boundary?

Companies should determine a Scope 3 emissions trajectory consistent with their science-aligned target. If companies do not provide their own science-aligned emissions trajectory for the claim year, a linear trajectory between their base year (a reference point in the past with which current or target year emissions can be compared) and target year can be assumed by the company and provided by them. If companies choose to use a non-linear Scope 3 emissions trajectory, the cumulative emissions from this trajectory shall not exceed the cumulative emissions that would result from a linear trajectory, ensuring alignment with IPCC mitigation pathways.

According to the IPCC (2023), the trajectory for mitigating global net emissions as projected between 2020 and 2040, which corresponds to near-term target periods, is nearly linear. VCMI recognizes that many companies' emissions may not follow a linear trajectory and, in some cases, may increase in a given year due to factors such as changing practices, product lines, suppliers, or acquisitions.

To obtain the linear Scope 3 trajectory emissions included in the target boundary for the claim year, companies with an SBTi target can use the “calculations” sheet in their SBTi target-setting tool, or apply the following:

### Equation 1:

Scope 3 trajectory emissions included in the target boundary (t) = Base year emissions \* (1 - (target reduction \* (t / T)))

Where:

- **t** is time in years,
- **t = 0** is the base year,
- **t = T** is the target year,
- **T** is the number of years since the base year,
- **Target reduction** is the difference between base year and target year emissions in percentage terms.

The Scope 3 emissions gap is defined as the difference between the most recently reported Scope 3 emissions included in the target boundary and the Scope 3 trajectory emissions for that year. Use the following formula:

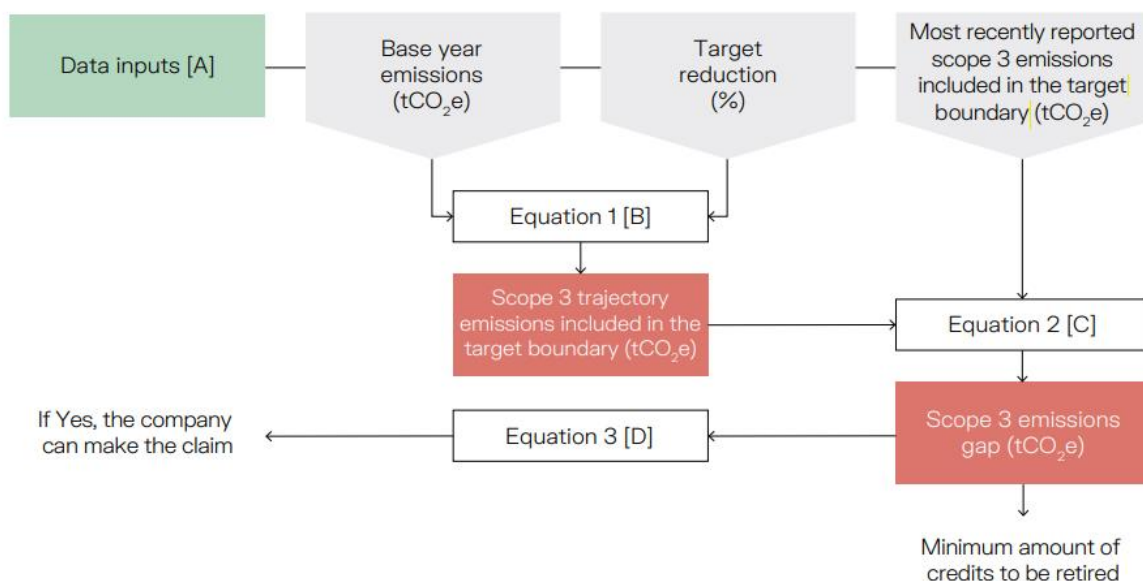
**Equation 2:**

Scope 3 emissions gap (t) = Most recently reported Scope 3 emissions included in the target boundary (t) - Scope 3 trajectory emissions included in the target boundary (t)

To apply the guardrail that the Scope 3 emissions gap must not exceed 24% of a company’s Scope 3 trajectory emissions for the year it is making the claim, companies should apply the following formula:

**Equation 3:**

Scope 3 emissions gap (t) ≤ Scope 3 trajectory emissions included in the target boundary (t) x 24%



## 18. Which high-quality carbon credits can be used to make a Beta Scope 3 Claim?

Only Core Carbon Principles (CCP)-approved credits are eligible. VCMI offers companies two approaches, which can be implemented until January 1, 2026, to demonstrate the procurement of high-integrity credits during the transition phase, until the Integrity Council for the Voluntary Carbon Markets (ICVCM) CCP-approved credits become widely available. These options are:

- **CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation)** eligible credits, or
- **Alignment of the company's due diligence process** with ICVCM's CCPs.

For more details and reporting requirements, please refer to [VCMI Claims Code of Practice](#).