UNFCCC Net-zero Recognition Framework - Governance Structure

The UNFCCC Net-zero Recognition Framework (NZRF) is a mechanism to recognize and showcase credible voluntary net zero climate action commitments and their progress by non-State entities including businesses, financial institutions, cities, states, and regions. NZRF aims to accelerate global climate action by promoting transparency and peer learning, leveraging the Non-State Actor Zone for Climate Action (NAZCA) portal for public recognition and progress tracking of climate action towards net zero emissions. NZRF is in response to invitations from Parties to the UNFCCC secretariat to ensure greater transparency of voluntary initiatives through the NAZCA portal. This governance document covers the following elements of NZRF: 1) Principles and objectives, 2) Organizational arrangements, 3) Recognition and reporting, and 4) Reviews.

1. Principles and objectives

1. NZRF (herein "the framework") is a voluntary recognition programme for non-Party stakeholders based on receipt of notice that an entity wishes to opt-in and meets the entrance criteria outlined in this document. The framework serves as a mechanism for recognizing non-State entities (non-Party stakeholders) who are taking robust and credible steps towards reducing their greenhouse gas (GHG) emissions to net zero and encourages transparent and regular reporting of progress information through the NAZCA portal.

2. Organizational arrangements

Recognition through Eligible Net-zero Initiatives

2. Cooperative Climate Initiative (CCI) defined by the UNFCCC secretariat with a net zero common goal are welcome to apply to become an Eligible Net-zero Initiative (ENZI). These CCIs must set robust net zero criteria for their signatory entities aligned with the goals of the Paris Agreement, while recognizing the uniqueness of sectors and regions.
3. Acknowledging their expertise, UNFCCC secretariat will pursue the objectives of NZRF through ENZIs.

Requirements for Eligible Net-zero Initiatives

4. The framework will commence implementation with eight ENZIs that participated in the pilot phase of NZRF (2026), recognizing that their net zero criteria for its signatory entities were certified by the Expert Peer Review Group of the former Race to Zero Campaign, convened by the Climate High-Level Champions between 2020 and 2026. The list of the initial eight ENZIs is provided in Annex I.
5. Active NAZCA CCIs that convene non-State entities with robust net zero criteria are invited to apply for recognition as ENZIs by preparing and submitting the following information to the UNFCCC secretariat to be publicly showcased on the NAZCA portal:

I. Net zero criteria applied to their signatory entities, which is aligned with the Paris Agreement and having the criteria certified by an independent party;

II. A statement demonstrating alignment with the principles and objectives of the framework; and

III. A statement on the degree of alignment with the High-level Expert Group (HLEG) recommendations published in the report "Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions" as well as challenges and opportunities for further alignment.[1]

6. Applications will be reviewed by incumbent ENZIs, excluding those that have conflict of interest. Incumbent ENZIs will review the applicant based on the following perspectives:
   I. Robustness of the net zero criteria set by the applicant and applied to its signatory entities, with respect to the Paris Agreement, while recognizing the uniqueness of sectors and regions;
   II. Validity of the review provided by an independent party to the net zero criteria of the applicant;
   III. Alignment of the applicant with the substantive objective and approaches of the framework; and
   IV. Rationality of the stated degree of alignment with the HLEG recommendations.
7. Based on the above review, the incumbent ENZIs will provide a consensus-based recommendation to the UNFCCC secretariat for a final decision on the applicant.

Role of Eligible Net-zero Initiatives

8. ENZIs are expected to carry out the following roles within the framework:
   I. Provide procedural and substantive support to its signatory entities to participate and proceed through the framework;
   II. Review applicants to be recognized as additional ENZIs; and
   III. Communicate to the UNFCCC secretariat in case of substantive changes regarding its net zero criteria and other structural changes that may impact the framework or participant status.
9. To ensure the integrity of the framework, the UNFCCC secretariat may suspend or remove ENZI status from an incumbent ENZI if deviating from the principles and objectives of the framework. Cases include but are not limited to:
   I. Failure to actively report progress to NAZCA or loss of NAZCA CCI status;[2]
   II. Failure to align its net zero criteria applied to its signatories with the Paris Agreement, recognizing the uniqueness of sectors and regions; and
   III. Failure to provide adequate support to its signatory entities that wish to participate in and report within the framework.

[1] https://www.un.org/sites/un2.un.org/files/high-level_expert_group_n7b.pdf.
[2] The "Active" status of a NAZCA CCI will be revoked upon failure to submit annual NAZCA CCI progress reports for more than three progress reporting cycles.

3. Recognition and reporting

10. A non-State entity that wishes to participate in the framework must be a signatory to one of the ENZIs and have its signatory status made public on the NAZCA portal.
11. To recognize the progress of non-State entities toward achievement of its net zero commitments, the framework recognizes non-State entities taking tangible action toward the commitments as 'Participants' of the framework.
12. The progress of Participants within the framework towards fulfillment of their net zero commitments are demonstrated through dedicated Levels and Steps. The Levels and Steps together represent key observation points instrumental in understanding Participants' tangible progress towards net zero commitments, spanning across ambition, progress and achievement.
13. The framework is constituted of five Levels, which are comprised of a total of ten Steps. A Participant that wishes to be recognized must complete Level I (Steps 1-3) within one-year of electing to participate in the framework, and must maintain positive status with regards to the Steps of Level I thereafter.
14. **Levels of Ambition** – provide transparency on ambition related to the Participant's commitment (pledge) and associated transition plan with short-term and long-term targets to achieve organizational net zero emissions with the subsequent Steps:

    I. **Level I – Commitments are public and certified along with regular disclosure of data**

        i. Step 1 – Showcase a publicly available pledge, commitment, or announcement on its net zero commitment (net zero pledge) on the NAZCA portal.
        ii. Step 2 – Demonstrate the credibility of the net zero pledge by receiving an acknowledgement from its ENZI and having it published on the NAZCA portal. Additionally, an ENZI may request the Participant's pledge to be reviewed prior to showcasing the commitment on the NAZCA portal.
        iii. Step 3 – Regularly disclose relevant climate transition data, including GHG emissions inventory information. Participants are strongly encouraged to provide this information through data-providers related to the NAZCA portal.

    II. **Level II – Transition plans with interim targets are public and based on reviewed data**

        i. Step 4 – Confirm that emissions inventory and related data has been reviewed, or preferably verified, by an independent party for use in the preparation of its transition plans to fulfil its net zero commitment.[3]
        ii. Step 5 – Prepare a robust net zero transition plan which explains the approaches of the entity to fulfil the net zero pledge with including one or more interim targets, [4] and submit the plan (excluding commercially sensitive components) to the NAZCA portal.

[3] Verification of data is necessary to ensure credibility, especially in the case of developing and modifying transition plans.
[4] Interim targets should clarify the short- and medium-term milestones of the entity's GHG emissions reduction with respect to its net zero pledge.

iii. Step 6 – Provide an attestation demonstrating the degree of alignment of the submitted transition plan to its net zero pledge and interim targets,[5] as well as a description presenting any outstanding challenges or barriers.[6]

15. **Levels of Progress** are cyclical and relate to demonstrating progress made to achieve interim targets stated in the transition plan with the subsequent Steps:

I. **Level III – Progress toward interim targets is demonstrated**

i. Step 7a – Provide self-evidence, such as a case study, of progress and a statement that the entity is on track to meet its nearest interim target set in the transition plan, or

ii. Step 7b – Provide evidence, such as a case study, of progress that the entity is on track to meet its nearest interim target set in the transition plan through an independent review process.

II. **Level IV – Interim targets are met and on track toward future targets**

i. Step 8a – Provide self-evidence of achieving its nearest interim target and a statement that the Participant is on track to meet its subsequent targets set in the transition plan, or

ii. Step 8b – Provide evidence of achieving nearest interim target and that the Participant is on track to meet its subsequent targets set in the transition plan through an independent review process.

iii. Step 9 – Provide a public statement that the Participant reaffirms its commitment to net zero based on its ENZI's criteria.

16. After achieving Level IV Step 9 for an interim target stated in the transition plan, the Participant will receive recognition of its achievement on the respective interim target, and will be returned to Level III to demonstrate its progress towards its subsequent interim targets. This will continue until the Participant fulfills all of its interim targets.

17. **Level of Net Zero Achievement** is recognition for achieving a net zero **commitment** and will be supplemented with recognition for maintaining net zero emissions and for efforts going beyond with the subsequent Steps:

I. **Level V – Net zero has been achieved**

i. Step 10 – Provide evidence of achieving net zero emissions based on the criteria of the ENZI.

ii. Beyond Step 10 – Ensure that net zero status is maintained, or that it exceeds the net zero criteria of its ENZI.

[5] The degree of alignment should clarify whether the plan is in full alignment, partial alignment or remains significant challenges with respect to its net zero pledge. If the entity states that the transition plan is not fully aligned nor partially aligned with interim targets, then it may receive recognition for Level II provided that it explains challenges to alignment; however, the actor may not advance to Level III until a revised plan is received that is at least aligned with the interim targets.

[6] In the event of significant changes in operations, such as mergers and acquisitions, a letter of exclusion should be submitted to NAZCA portal within a reasonable timeframe to supplement the existing transition plan with a statement regarding the development of a new or amended transition plan.

18. Participants at each Level and Step of recognition as well as their cycle of achieving interim targets will be publicly showcased on the NAZCA portal, along with supplementary information.

4. Reviews

19. The ENZIs and the Participants including their progress on Levels and Steps as well as its supplementary information will be published on the NAZCA portal.
20. The UNFCCC secretariat will annually report the progress of the framework.
21. The UNFCCC secretariat will also annually review the organizational arrangements and recognition and reporting of the framework by the end of each year.

Annex I List of eight Eligible Net-zero Initiatives as of 01 November 2026

1. Exponential Roadmap Initiative
2. Fashion Industry Charter for Climate Action
3. International Wineries for Climate Action
4. Planet Mark Net Zero Certification
5. Pledge to Net Zero
6. SME Climate Hub
7. Sports for Climate Action
8. Under2 Coalition