

**CLIMATE  
NEUTRAL NOW**

# Guidelines for Participation

**Global Climate Action**

**United Nations** Climate Change



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# PURPOSE OF THESE GUIDELINES

The Climate Neutral Now team within the United Nations Framework Convention on Climate Change (UNFCCC) secretariat prepared these guidelines for use by organizations interested in signing up to the initiative, and for those already participating. These guidelines should not be relied upon for any other purpose.

These guidelines are not intended to provide a detailed methodology for the management of greenhouse gas (GHG) emissions by organizations or other stakeholders. It offers only high-level guidance for organizations to begin their journey to climate neutrality and net-zero (see the definitions section to understand the difference between these terms for Climate Neutral Now purposes). Other specialized standards and methodologies, like those referenced here, should be used to ensure alignment with best practices in GHG management.

# DEFINITIONS

## ANTHROPOGENIC

Resulting from or produced by human activities. See also *Anthropogenic emissions* and *Anthropogenic removals*.

## ANTHROPOGENIC EMISSIONS

Emissions of greenhouse gases (GHGs), precursors of GHGs, and aerosols caused by human activities. These activities include the burning of fossil fuels, deforestation, land use and land-use changes (LULUC), livestock production, fertilization, waste management, and industrial processes. See also *Anthropogenic* and *Anthropogenic removals*.

## ANTHROPOGENIC REMOVALS

Anthropogenic removals refer to the withdrawal of GHGs from the atmosphere as a result of deliberate human activities. These include, for example, enhancing biological sinks of CO<sub>2</sub> or using chemical engineering to achieve its long-term removal and storage. See also *Anthropogenic emissions*.

## BASE YEAR

In the context of Climate Neutral Now, a base year is a reference year in the past with which current emissions can be compared. In order to maintain the consistency and comparability with future carbon footprints, base year emissions need to be recalculated when structural changes occur in the company that change the inventory boundary (such as acquisitions or divestments). If no changes to the boundaries of the inventory happen, the base year is not adjusted. We recommend looking at the [GHG Protocol's guidance](#) for cases where adjustments are needed.

## CARBON CREDIT

Also known as an "offset", this is a generic term used to assign a value to a reduction, avoidance or capture of GHG emissions achieved by a certified project. It is equivalent to one metric ton of carbon dioxide equivalent (CO<sub>2</sub>e). A carbon credit can be used by a business, organization or individual to compensate their carbon footprint by financially rewarding an activity that has reduced or sequestered GHGs, and which also brings other sustainable development benefits. See also *Offset*.

# DEFINITIONS

## CARBON FOOTPRINT

A calculation that estimates the amount of emissions in carbon dioxide equivalent that a country, a business, an organization, an individual or another stakeholder is responsible for. For the purposes of Climate Neutral Now, carbon footprint, GHG footprint, and GHG inventory are synonyms. *See also GHG Footprint.*

## CARBON NEUTRALITY

Carbon neutrality describes a state in which the GHG emissions released to the atmosphere by a stakeholder (individual, organization, company, country, etc.) have been reduced or avoided and the remaining ones are compensated with carbon credits. To achieve carbon neutrality, carbon credits from projects that reduce, avoid or temporarily capture GHGs are accepted. Note that carbon neutrality is possible at stakeholder level, not at global/planetary level, where use of carbon credits (offsetting/compensation) is not possible. *See also Climate Neutrality and Net Zero.*

## CERs

Certified Emissions Reductions (CERs) are a type of carbon credit or offset that is issued under the Clean Development Mechanism (CDM) of the Kyoto Protocol. One CER is equivalent to one metric ton of CO<sub>2</sub>e.

## CDM

The Clean Development Mechanism (CDM) was established in Article 12 of the Kyoto Protocol. It allows a country with an emission-reduction or emission-limitation commitment under the Kyoto Protocol to implement an emission-reduction project in developing countries. Such projects can earn saleable certified emission reduction (CER) credits, each equivalent to one metric ton of CO<sub>2</sub>, which can be counted towards meeting Kyoto targets, or used for voluntary purposes.

## CLIMATE

Climate in a narrow sense is usually defined as the average weather, or more rigorously, as the statistical description in terms of the mean and variability of relevant quantities over a period of time ranging from months to thousands or millions of years. The classical period for averaging these variables is 30 years, as defined by the World Meteorological Organization. The relevant quantities are most often surface variables such as temperature, precipitation and wind.

# DEFINITIONS

## CLIMATE CHANGE

Climate change refers to a change in the state of the climate that can be identified (e.g. by using statistical tests) by changes in the mean and/or the variability of its properties and that persists for an extended period, typically decades or longer. Climate change may be due to natural internal processes or external forces, such as modulations of the solar cycles, volcanic eruptions, and persistent anthropogenic changes in the composition of the atmosphere or in land use.

Note that the Framework Convention on Climate Change (UNFCCC), in its Article 1, defines climate change as 'A change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods.' The UNFCCC thus makes a distinction between climate change attributable to human activities altering the atmospheric composition and climate variability attributable to natural causes.

## CLIMATE NEUTRALITY

Climate Neutrality means achieving a balance between emissions and removals of GHGs from the atmosphere. For the purposes of Climate Neutral Now, climate neutrality and net zero are synonyms.

At the level of a stakeholder (individual, company, organization, country etc.), climate neutrality is a state where GHG emissions are reduced or avoided and the remaining ones are compensated with carbon credits from projects that capture GHGs in the long term.

*See also Carbon Neutrality, Net Zero.*

## CO2 EQUIVALENT

Carbon dioxide equivalent or CO2 equivalent, abbreviated as CO2e, is a metric used to compare the emissions from various GHGs on the basis of their global-warming potential (GWP), by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential.

# DEFINITIONS

## CONTRIBUTION

After assessing its greenhouse gas (GHG) footprint (also known as carbon footprint) and implementing actions to reduce it, an organization may have emissions that it did not avoid. In this case, the organization should consider contributing to projects around the world that avoid, reduce or capture greenhouse gases beyond its value chain. These projects must be developed under recognized standards and the carbon credits that they generate may be used to offset those unavoidable emissions.

## GHG EMISSIONS

Greenhouse gases, or GHGs, are gases that trap heat or longwave radiation in the atmosphere. Their presence in the atmosphere makes the Earth's surface warmer. Sunlight or shortwave radiation easily passes through these gases and the atmosphere, is absorbed by the surface of the earth and is released again as heat or longwave radiation. The molecular structure of GHGs allows them to absorb this released heat and re-emit it back to the earth. This heat-trapping phenomenon is known as the greenhouse effect.

## GHG FOOTPRINT

A calculation that takes into account the amount of the different GHGs that a country, a business, an industry or an individual is responsible for. The footprint calculates the direct and indirect levels of emissions. For the purposes of Climate Neutral Now, carbon footprint and GHG footprint are considered synonyms. *See also Carbon Footprint.*

## NET ZERO

Both at global/planetary level and at stakeholder (individual, organization, company, country etc.) level, Net Zero is a state where a balance between anthropogenic GHG emissions and removals is achieved. This can be achieved through reducing and avoiding emissions, and then implementing solutions to capture the remaining ones at the point of generation, or by removing them from the atmosphere.

Net zero is a state that stakeholders may achieve, but also a state that we need to achieve at global/planetary level to meet the goals of the Paris Agreement.

To achieve net zero, only carbon credits or offsets generated by projects that capture CO<sub>2</sub> in the long term are accepted. *See also Carbon Neutrality and Climate Neutrality.*

# DEFINITIONS

## OFFSET

Offsets or carbon credits represent GHG emissions that have been reduced, avoided or captured through projects that are verified according to credible standards. Each offset or carbon credit is equivalent to one metric ton of carbon dioxide equivalent (CO<sub>2</sub>e). The use of carbon credits as part of the overall climate strategy of an organization, individual or other stakeholder serves to encourage further emission reductions at global level, as well as creating other sustainable development benefits such as job creation or improved health, among many others. *See also Carbon Credit.*

## REPORTING YEAR

Every year participants of the Climate Neutral Now initiative must report on their actions to measure, reduce and contribute through the Report template, which is publicly available on the Climate Neutral Now webpage. The year they are reporting about is called the Reporting year. The deadline to submit the first report is one year after the submission of the Climate Neutral Now pledge. After that it is mandatory to report each year. Reporting can be done according to the financial year or the calendar year.

## THIRD-PARTY VERIFICATION

Third-party verification is the process of auditing an organization's or company's carbon footprint, and eventually also its actions to reduce and avoid GHG emissions, to ensure that the calculations follow recognized standards, and are complete, correct and consistent. Climate Neutral Now accepts verification following ISO 14064, GHG Protocol Corporate Accounting and Reporting Standard, Bilan Carbone, standards established by national or local authorities, those developed by an official industry body, or those developed by the UNFCCC secretariat.



# THE CLIMATE NEUTRAL NOW INITIATIVE

The Climate Neutral Now initiative is one of several workstreams launched by the UNFCCC secretariat to increase climate action by engaging non-Party stakeholders (sub-national governments, companies, organizations, individuals). It was launched in 2015, based on a mandate to promote the voluntary use of the Clean Development Mechanism (CDM) and its Certified Emissions Reductions (CERs), but its goals are much broader than these.

“*Climate Neutral Now aims to promote and facilitate this collective, urgent response to climate change.*”

It has evolved to become a much wider tool for awareness-raising, capacity building, development of collaborative efforts, promoting estimation of carbon footprints, reduction of those footprints, and voluntary compensation (offsetting).

The Climate Neutral Now initiative is, therefore, a tool that encourages and supports organizations and other interested stakeholders to act to achieve a climate-neutral/net zero world by the mid-21st century, as enshrined in the Paris Agreement.

Since 2015, and with a global reach, the initiative has achieved, among other accomplishments:

# ACCOMPLISHMENTS



## HUNDREDS OF PARTICIPANTS

(organizations, companies, events, individuals, sub-national authorities and the UN System)

## THE WHOLE UN SYSTEM COMMITTED TO CLIMATE NEUTRALITY BY 2020

(with 97% already achieved by 2019)



## ESTABLISHED MULTIPLE COLLABORATIONS ACROSS SECTORS

(national governments, private sector, NGOs, business associations, and others)

## DEVELOPMENT OF TOOLS TO SUPPORT ACTION

(UN Carbon Offset Platform, GHG footprint calculators for individuals, organizations, and events)



## PARTICIPATION & ORGANIZATION

of multiple training and awareness-raising events

## SUPPORT TO HUNDREDS OF ORGANIZATIONS

to estimate their footprints and learn how to reduce them



# RATIONALE FOR THE INITIATIVE

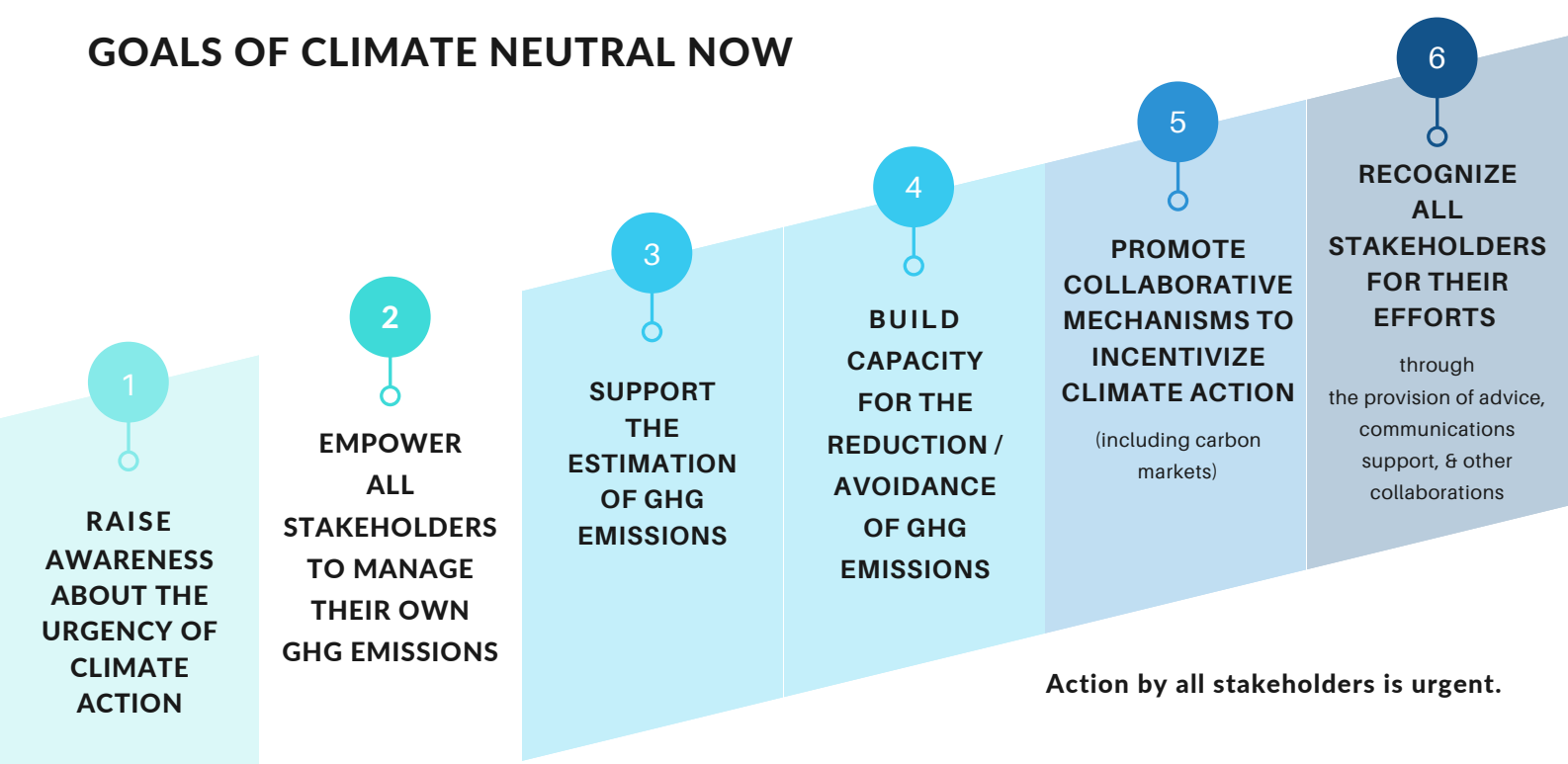
The UNFCCC secretariat has the mandate to support national governments in the implementation of the UNFCCC, the Kyoto Protocol, and the Paris Agreement, including making efforts to increase engagement with **non-Party stakeholders** to meet the goals established in these agreements, particularly in relation to achieving the Paris Agreement goal of remaining under 2 degrees Celsius with the aim of a maximum of 1.5 degrees above pre-industrial levels, and adapting to the ongoing and predicted changes.

Action by all stakeholders is urgently needed to meet this goal.

Climate Neutral Now is one of the initiatives promoting such action by encouraging stakeholders to understand their impact on climate, to learn how it can be reduced and eventually compensated, and how they can collaborate with others to accelerate the change that is needed.

*Examples of non-Party stakeholders: subnational authorities, private companies, industrial organizations, NGOs, academia, and individuals.*

## GOALS OF CLIMATE NEUTRAL NOW



# A word about climate neutrality, carbon neutrality and net-zero

For the purposes of Climate Neutral Now, climate neutrality and net-zero are synonyms. It means reaching a balance between anthropogenic GHG emissions and their removals. This must be achieved by reducing GHG emissions to the maximum extent possible, and then capturing or removing the rest, avoiding any further increase of GHGs in the atmosphere.

On the other hand, carbon neutrality is understood as action by stakeholders to reduce and avoid emissions, and then compensating those that were not avoided by using carbon credits or offsets. Carbon neutrality is therefore a step on the way to climate neutrality or net zero.

These guidelines will be updated as consensus evolves on these definitions.

## For the purposes of Climate Neutral Now:

### CLIMATE NEUTRALITY

A balance between GHG emissions and removals.

Achievable at global/planetary level, and at stakeholder (companies, organizations, subnational authorities, individuals) level.

At stakeholder level, only carbon credits from projects that capture GHGs in the long term can be used.

### CARBON NEUTRALITY

Action by a stakeholder (company, organization, subnational authority, individual) to reduce and avoid emissions, and then compensate the remaining ones through the use of carbon credits. Use of carbon credits from projects that reduce, avoid and temporarily capture GHGs is possible.

Not applicable at global/planetary level.

### NET ZERO

Synonym with climate neutrality.

Therefore, climate neutrality and net-zero at the stakeholder level are similar to carbon neutrality, but they differ in the types of projects/activities used to compensate for the remaining GHG emissions.

# Benefits of becoming a participant

The benefits of becoming a participant of the initiative include:



**UNDERSTAND**  
your GHG  
footprint



**RECEIVE  
SUPPORT**  
to start the  
process to  
calculate that  
footprint



**RECEIVE ADVICE**  
on how to reduce  
the footprint



**REDUCE COSTS**  
increased  
resource & energy  
efficiency



**DEMONSTRATE  
LEADERSHIP**



**BE RECOGNIZED**  
through a United  
Nations-led  
initiative

CLIMATE  
NEUTRAL NOW

**USE THE LOGO**  
of the initiative  
and be listed  
publicly  
as a participant



Potential to be  
highlighted to the  
**CLIMATE  
NEUTRAL NOW  
COMMUNITY**  
through its  
newsletter &  
events



Be able to  
compete for  
**ADDITIONAL  
RECOGNITION**  
through the  
Global Climate  
Action Awards



**IDENTIFY RISKS &  
OPPORTUNITIES**  
arising from GHG  
emissions and  
related activities



**IMPROVE BRAND  
RECOGNITION**  
(organizations)



Strengthen  
employee  
**COMMITMENT  
AND SOCIAL  
RESPONSIBILITY**  
efforts  
(organizations)

RACE TO ZERO

For organizations  
that reach the  
required levels  
(see below)  
**ALIGNMENT  
WITH RACE TO  
ZERO CRITERIA**



Preparation for  
**VOLUNTARY OR  
COMPULSORY  
GHG EMISSIONS  
PROGRAMS /  
INITIATIVES**  
led by national &  
local governments



Preparation for  
**ALIGNMENT  
WITH EXISTING  
CARBON  
NEUTRALITY  
STANDARDS,**  
such as  
**PAS 2060**



For governments  
that have no  
voluntary GHG  
initiative yet  
**A WAY TO  
PROVIDE  
RECOGNITION**  
to organizations

In addition:

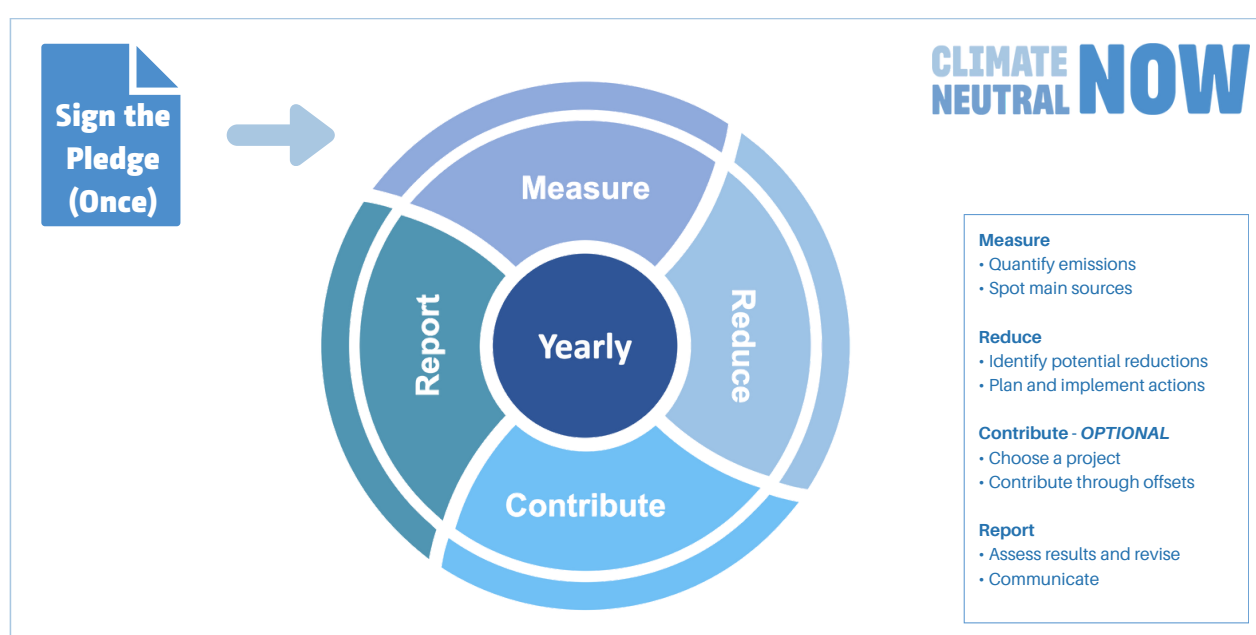
- The Climate Neutral Now initiative has **no participation fee**.
- A participant can stop participating **at any point in time**.

# The process to participate - Overview

The process begins with the signing of the Climate Neutral Now Pledge, a commitment to:

- 1- **ESTIMATE** your GHG emissions
- 2- Act to **REDUCE/AVOID** them
- 3- **CONTRIBUTE** (offset), and
- 4- **REPORT** on a yearly basis

**COMPULSORY**  
**COMPULSORY**  
**OPTIONAL**  
**COMPULSORY**



**Figure 1.** Climate Neutral Now Process

## *Signing the Climate Neutral Now Pledge*

This document is a public commitment to estimate your emissions, to act to reduce them, to consider contributing (through offsetting) as an option, and to report annually.

The Pledge is signed only once.

Any organization, event, or individual can take the Climate Neutral Now pledge.

The extent of a participant's commitment is defined in the

Pledge- whether covering a portion of emissions or all of them. The aim is that the scope of the pledge will increase over time to include all scopes and sources of emissions, so real climate neutrality is achieved.

Depending on the level of ambition and rigour that an organization chooses, they will achieve different levels of recognition within each of the three steps: Measure, Reduce, and Contribute (*see below for more details*).

Organizations that are not ready to complete the three steps (Measure, Reduce, Contribute) immediately may still sign the pledge and join Climate Neutral Now. The organizations must then complete the first two steps, and optionally the third, within one calendar year from the moment when the pledge is submitted.

The pledge can easily be downloaded from the website of [Climate Neutral Now](#). For more information on how to fill in the pledge see the document "*The Climate Neutral Now Pledge: how to complete it.*"

When signing the pledge, an organization must complete all required details and have an authorized representative of the organization sign it. This representative should ideally be the head of the organization but, at a minimum, an official with the authority to commit on behalf of the organization and with authorization from the head.

The pledge is then sent to the Climate Neutral Now team at the UNFCCC secretariat via email. The team will send a confirmation of receipt of the pledge and indicate the next steps within 10 business days.

Together with the confirmation, the organization will obtain permission to use Climate Neutral Now assets, such as the

logo, for its communication efforts. In addition, organizations and events that sign the pledge are added to the list of participants on the UNFCCC website on the Climate Neutral Now pages.

New participants will also be mentioned in Climate Neutral Now's monthly newsletter and invited to participate in the Global Climate Action Awards, under the Climate Neutral Now thematic area.

Participants can also be invited to participate in specific collaborations and events. [Here](#) is the list of the current participants.

## *The yearly report*

The Climate Neutral Now initiative requires annual reporting through the "Report" template.

To know more about the information required and how to complete the report, see "*The Climate Neutral Now Report: how to complete it.*"

Information to be reported includes:

1. The methodology used to estimate the GHG emissions and the results (**see step 1, COMPULSORY**);
2. The measures taken to reduce and avoid the GHG emissions (**see step 2, COMPULSORY**);
3. Any compensation of GHG emissions (**see step 3, OPTIONAL**).
4. General information about the arrangements that the organization has in place to manage its GHG emissions.



Based on the data reported, the Climate Neutral Now team will assign the participant to a “level” in each of the three steps (Measure, Reduce, Contribute) and send a corresponding “badge” to be used together with the Climate Neutral Now logo. The badge explains to the general public the levels achieved by the participant and the year to which that achievement corresponds.

Please note that organizations can be downgraded from the levels already achieved if the criteria are not met for two consecutive years. In case a participant does not report for two consecutive years, it will be taken out of the list of participants.

Organizations already reporting to CDP or other initiatives that require reporting of all information requested in the Report will not be required to report to Climate Neutral Now.

**Deadline to submit your first report: one year after the submission of your Pledge.**




For the following years it is mandatory to report annually. The recommendation is to report according to the calendar or financial year, whichever is easier for the organization.

**These reports shall be non-confidential and will be made available to the public.**

# LEVELS OF RECOGNITION WITHIN THE INITIATIVE

Organizations can reach different levels within each of the three steps of Measure, Reduce and Contribute. The higher the level of ambition and rigor that an organization chooses to measure, reduce and contribute, the higher the recognition it will receive.

Figure 2 shows the different levels that can be achieved in each of the three steps.

	 Bronze	 Silver	 Gold
Measure	Self-declared GHG inventory	Third-party verified GHG inventory, with incomplete scope 3	Third-party verified GHG inventory, including full scope 3
Reduce	Target established, with incomplete or no reduction plan	Net Zero by 2050 or earlier & reduction plan with intermediate targets	As Silver, with at least 5% reduction year-on-year
Contribute	Partial contribution	Full contribution with partial scope 3	Full scope 3, full contribution

Please note that a participant can achieve different levels in each step

**Figure 2.** New Tier system for participant organizations in Climate Neutral Now

# Step 1. Measure

Once the Pledge is signed and within a maximum term of one calendar year, the organization must report their calculated emissions.

The reporting period may be aligned with the financial year to synchronize with other annual reporting requirements or be according to the calendar year.

GHG footprint quantification standards such as the following ones are preferred:

ISO 14064
GHG Protocol Corporate Accounting & Reporting
Standards recognized by national or local authorities
Standards developed by an official industry body
Standards developed by the UNFCCC secretariat

Some of the most significant sources of GHG emissions and the correspondent Scope that your organization should consider when measuring the carbon footprint are listed in the table below. More details can be found on the [GHG Protocol](#) page.

Scopes	Sources
Scope 1	<ul style="list-style-type: none"> <li>• Generating electricity</li> <li>• Generating heat – non-electric</li> <li>• Business travel – owned company vehicles</li> <li>• Industrial processes emissions</li> </ul>
Scope 2	<ul style="list-style-type: none"> <li>• Purchasing of electricity</li> <li>• Purchasing heat</li> <li>• Purchasing steam</li> </ul>
Scope 3	<ul style="list-style-type: none"> <li>• Business travel – flights</li> <li>• Business travel – public transport</li> <li>• Waste &amp; Wastewater</li> <li>• Transmission and distribution losses</li> <li>• Food consumption</li> </ul>

**Table 1.** Significant sources of GHG emissions by scope

## **Measure Bronze Level: Self-declared GHG Inventory**

For this level, a self-declared GHG inventory will be completed, using any standard or methodology selected by the participant, with public communication about which one is used. Only scopes 1 and 2 must be included. Scope 3 is optional. No third-party verification of the GHG inventory is required to achieve this level.

The goal of this level is to allow any organization, in particular SMEs, to start the process to understand and reduce its GHG footprint, without the need for potentially expensive verification processes and deep technical knowledge. Ideally, once the organization has become familiar with the process to estimate the footprint, they can aim to achieve higher levels of rigour.

The Climate Neutral Now team has developed a simplified GHG Footprint Calculator for organizations. The goal is to provide the public with a free and up-to-date methodology for estimating emissions and to raise awareness about climate action.

**This emissions calculator does not replace a formal, tailored GHG inventory development process or third-party verified GHG inventories and should not be used for certification purposes; however, it can help in making an initial approximation of the organization's emissions.**

The simplified calculator for organizations can be accessed [here](#).



## Measure Silver Level: Third-party verified GHG inventory, with incomplete scope 3

The participating organization must include scopes 1 and 2, and some of its scope 3 emissions and complete a third-party verification to achieve the Silver Level of the Measure step for the Climate Neutral Now initiative.

The sources of scope 3 emissions are to be decided by the participant. However, they are encouraged to include all sources that are feasible to estimate, such as air and land transport, paper consumption, waste generation, water consumption, and others where the organization should have data available to make the calculations.

A third-party verification must be conducted by an independent external organization accredited to produce GHG footprint verifications. The final product of the verification should be aligned with recognized verification standards, according to the participant's country, and must be contained in a verification statement.

Verifiers shall be a [national accreditation body](#), organizations recognized by national or local governments, sectoral organizations, [entities accredited under UNFCCC-recognized carbon market mechanisms](#), [CDP](#), or other entities accredited adequately by an official body.

The verification promotes transparency, assurance, and integrity in the process.

Other benefits from external verification include the know-how of the measurement of emissions from an external perspective.

The corroboration of the assumptions made leads to improved consistency and comparability in following years.

## **Measure Gold Level: Third-party verified GHG Inventory, with full scope 3**

*A third-party (external) verification of a GHG inventory that includes all material sources in scope 3 is necessary to achieve the Gold Level of recognition in the Measure step.*

The difference compared to the Silver Level is that the GHG inventory will include all material sources in the categories of scope 3 dictated by the [GHG Protocol](#).

For more information about the calculation of scope 3, organizations can use the GHG Protocol's Technical Guidance for Calculating Scope 3 Emissions [here](#).

The emission factors for the downstream emissions can either be specifically provided by each one of the suppliers or average emission factors (depending on the industry) from a secondary database such as those used in the Organizations Calculator provided by the Climate Neutral Now team.

For the achievement of this level, an assurance verification statement must be provided. The results of the calculations must be sent to the Climate Neutral Now team, through the Report document. This process should be repeated annually for each reporting period.

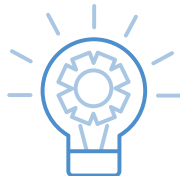



## Step 2. Reduce

Organizations need to reduce their GHG footprint as much as possible to ensure the credibility of any other climate action. Once an organization has measured its GHG emissions and recognized significant GHG emissions sources associated with its activities, actions to reduce and avoid the GHG emissions from those activities as much as possible **must be identified and implemented**.

Although Climate Neutral Now recommends taking all possible actions to reduce GHG emissions upfront, strategies for reducing GHG emissions are often developed once the GHG emissions of an organization have been calculated.

There are many ways to reduce the GHG footprint of an organization.

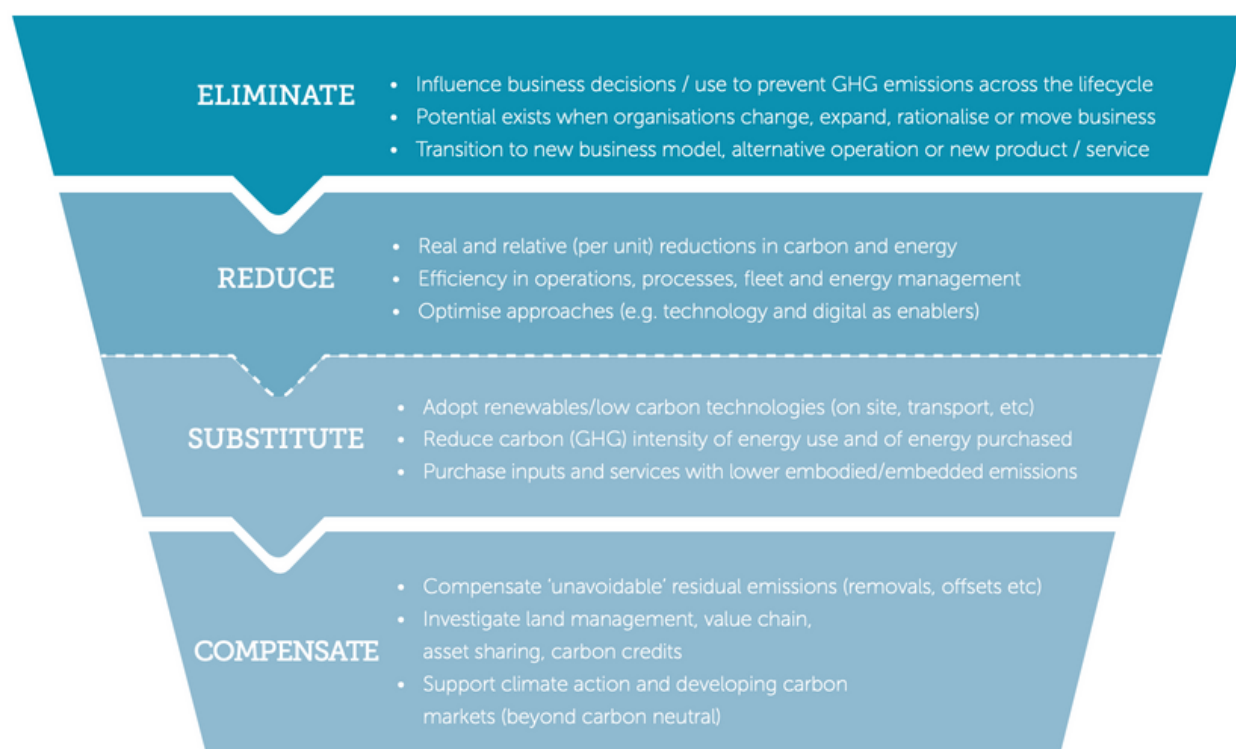
Different examples for reducing emissions in an organization can be seen in **Figure 3**. For more information and actions to reduce your footprint visit our website at Climate Neutral Now or the [Net Zero Tools Database](#).

<b>WAYS TO REDUCE YOUR GHG FOOTPRINT</b>	
<b>INCREASING ENERGY EFFICIENCY</b>	
Your organization can save energy with simple actions such as switching to energy-saving lighting, switching off lighting and air conditioning when not in use, ensuring good insulation, and having regular maintenance of cooling and heating systems.	
<b>IMPLEMENTING PROCESS CHANGES</b>	
	For example, improving waste management processes. Recycling glass, plastic, metal, paper, cardboard, organic, and general waste at the office is an amazing opportunity to shrink your organizations' GHG footprint!
<b>SUBSTITUTING PRODUCTS</b>	
Substituting products/consumables with those that are less emissions-intensive (e.g. ensuring vegetarian catering options)	
<b>REPLACING ACTIVITIES</b>	
Replacing emissions-intensive activities with those that generate fewer emissions (e.g. replacing business-related flights with remote/online conferences and meetings).	

**Figure 3.** Reducing emissions examples

The Institute of Environmental Management and Assessment's (IEMA) GHG Management Hierarchy (Figure 4) is a useful reference to keep in mind when considering options to reduce emissions, including the development of the target and plan required for higher levels of recognition in Step 2 Reduce.

#### IEMA Greenhouse Gas Management Hierarchy (updated 2020)



Updated from original IEMA GHG Management Hierarchy, first published in 2009

#### Figure 4. IEMA GHG Management Hierarchy

A more detailed checklist with additional actions can be provided upon request, by contacting the Climate Neutral Now team. Organizations can use this checklist to identify opportunities to reduce the GHG emissions associated with their activities, noting that some actions may be more relevant than others depending on the organization's nature.

**This process should be repeated for each reporting period in the initiative.**





## ***Reduce Bronze Level: Target established, with incomplete or no reduction plan***

ALL participants in Climate Neutral Now make the basic commitment of contributing to achieving global climate neutrality through their actions to Measure, Reduce and - optionally- Contribute.

To achieve Reduce - Bronze Level, an organization needs to **identify and implement actions to reduce its GHG footprint, even if it does not have a formal reduction target or plan in place.**

This level aims to allow all organizations to get started on their journey to climate neutrality by first learning about their GHG footprint and how they can reduce it and, once they have become familiar with these, increase their level of ambition to reach Silver and Gold Levels.

To achieve Bronze level, the organization may have an incomplete or no reduction plan at all. It must only identify ways to reduce or avoid its emissions and **implement them.**

The organization will then have to report annually on those implemented actions.



## *Reduce Silver Level: Net Zero by 2050 or earlier target*

The requirement to achieve Silver Recognition Level is to ensure that a plan with intermediate, shorter-term targets is in place to achieve net-zero by 2050.

To develop such plans and targets, the Science-Based Targets Initiative (SBTi) or other recognized approaches are recommended. At the end of the day, the requirement is that the plans and targets are science-based, meaning that they align with the best available science regarding how much and how fast we must reduce our GHG emissions. For example, that means reducing emissions to half of 2010 emissions (base year) by 2030 (target year).

When an organization achieves net-zero, emissions will possibly continue to occur but will be balanced by capturing an equivalent amount from the atmosphere (carbon capture).

The recommendations for the organizations while doing a reduction plan include:

- 1 Define a “Base Year” which will be the basis for comparison for the reduction achievement each year, and a set of target years with their reduction goals;
- 2 Establish processes to define, implement and report relevant practices, business policies, procedures, and activities to reduce GHG emissions;
- 3 Determine if, even with the best efforts to reduce and avoid, there are remaining GHG emissions; and
- 4 Review your performance and adjust the targets and plans to ensure continued alignment with science.

A copy of your commitment to Net Zero with the target year and intermediate targets must be shared to seek recognition at this level of Step 2. Reduce.

## Reduce Gold Level: At least 5% average yearly reduction

The highest level of recognition for Step 2 Reduce requires **achieving at least a 5% reduction of the reported emissions year on year, or on average during a period of 5 years**, with the overall goal to become a Net Zero organization by 2050 or earlier. Additionally, the organization must have a plan in place to achieve this, including intermediate targets.

### Why 5% yearly average reduction?

*According to the [IPCC's 1.5 degrees Special Report](#), to avoid reaching the 1.5 degrees Celsius of global warming, we need to reduce 50% of our emissions by 2030. This equates to a reduction of 5% per year.*

*Of course, a lack of action will mean that we need to reduce a bigger amount per year in the future. That is why the 5% annual average reduction target will be revised in the future and according to each organization's performance.*

*The organization must report their results and "base year" to the Climate Neutral Now team through the Report. As per the Silver Level, a copy of your commitment to Net Zero with the target year must be sent the first year the organization is applying to this level.*

## Step 3. Contribute (OPTIONAL)

After emission reduction efforts have been undertaken, some activities are impossible, with today's technologies, to carry out without any GHG emissions (e.g. travel by air or operating heavy vehicles). That is why offsetting/compensation has been a tool to take responsibility and encourage a further reduction in emissions globally, whilst also bringing other sustainable development benefits such as reduced pollution, increased health, access to energy, job generation, and others.

As we move towards 2050, this compensation of emissions needs to evolve towards long-term carbon capture projects. But it is expected that we will need to continue indefinitely “compensating” or “offsetting” unavoided emissions through capture and storage technologies if we are going to achieve global net-zero emissions.

In the meantime, and as a measure to accelerate this process, compensation or offsetting with carbon credits that come from projects that avoid, reduce or capture GHGs temporarily is a precious tool. Those projects need to be certified under a recognized standard that follows best international practice. In particular, standards recognized under the UNFCCC and its Paris Agreement are recommended.

One option to obtain carbon credits recognized under the UNFCCC is to use the [UN Carbon Offset Platform](#). However, participants can procure their carbon credits through any channel of their choosing.

**All or part of the remaining non-avoided GHG emissions can be compensated through carbon credits.**



## **Contribute Bronze Level: Partial contribution**

At the Bronze Level, organizations **make a partial offsetting of the total GHG emissions** obtained in the calculations in Step 1.

Proof of cancellation/retirement of the carbon credits must be provided, following the instructions in the Report template.



## **Contribute Silver Level: Full contribution with partial Scope 3**

To achieve the Silver Level of Step 3. Contribute, the organization's contribution (offsetting) must be equal to 100% of their emissions in scope 1 and 2 and the emissions of scope 3 of the reported GHG inventory. This aligns with achieving Silver Level in Step 1. Measure.

Proof of cancellation/retirement of the carbon credits must be provided.



## **Contribute Gold Level: Full contribution with full Scope 3**

The highest level for Step 3. Contribute requires a contribution of 100% or more of the reported GHG inventory, where scopes 1, 2, and all material sources in scope 3 are included. This aligns with the Gold Level of Step 1. Measure.

Proof of cancellation/retirement of the carbon credits must be provided.

# CLAIMING CARBON NEUTRALITY

Organizations that reach the Gold Level for Step 1. Measure and for Step 3. Contribute, and Silver Level for Step 2. Reduce, can claim to be **carbon neutral**.

**Others can claim to be contributing and being on the road to climate neutrality/net zero.**

## CERTIFICATION OF CARBON NEUTRALITY - NO!

The Climate Neutral Now initiative does NOT certify the carbon or climate neutral status of any organization, event, individual, product, or other. It is not the goal of the initiative to provide certifications, but rather to encourage all stakeholders to contribute to achieving global climate neutrality - the real goal of the UNFCCC and its Paris Agreement.

Should an organization wish to be certified as climate neutral (or carbon neutral), participation in Climate Neutral Now is a good way to advance towards that goal. And those that achieve third-party verification of their actions to measure, reduce and contribute (offset) as requested by Climate Neutral Now in the higher levels of recognition, will easily achieve certification through a suitable standard.

## Do you have questions about the initiative?

Please visit our Climate Neutral Now website. If your questions remain unanswered, contact the Climate Neutral Now team to the email [climateneutralnow@unfccc.int](mailto:climateneutralnow@unfccc.int)

## Testimonials

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*"The reality of climate change is undeniable but each of us has the opportunity to take action and reduce our carbon footprint every day to help turn the tide and build a sustainable future."*

Philippe Cousteau  
President  
**EarthEcho International**

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*"Walking the talk for years the World Resources Forum 2017 was once again a climate-neutral conference. We are very pleased to now join the Climate Neutral Now initiative and to promote climate action together in all our operations. For more information on WRF activities visit the website or contact [info@wrforum.org](mailto:info@wrforum.org)."*

**World Resources Forum 2017**

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*"Sony dedicates the same innovative spirit found in our products, services, and content to our efforts to achieve the targets listed in Green Management 2020 and continues our journey on the Road to Zero.\*The four perspectives are namely: curbing climate change, conserving resources, controlling chemical substances and promoting biodiversity."*

**Sony Corporation**

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# RELATIONSHIP WITH

## RACE TO ZERO

### *What is the relationship between Race to Zero and Climate Neutral Now? How do their requirements compare?*

The Climate Neutral Now initiative was launched and is led by the UNFCCC secretariat. The Race to Zero campaign was launched and is led by the [Global Climate Action Champions](#), implemented with support from the UNFCCC secretariat. They are managed independently.

However, we see both initiatives as complementary: while Race to Zero implies a commitment to achieve net-zero emissions by 2050 or earlier at organization level, Climate Neutral Now is a commitment to contribute to achieving global climate neutrality/net zero, and where the net zero commitment at organization level is not required at the basic level of commitment (Bronze). Therefore, Climate Neutral Now allows organizations to get started on the path to climate neutrality/net zero at organization level, without making that commitment at the outset.

On the other hand, Climate Neutral Now aims to become one of the member initiatives under the Race to Zero, so that Climate Neutral Now participants that meet the required criteria are recognized under the Race.



The Climate Neutral Now process supports organizations to eventually meet the requirements of Race to Zero as well.

**Our expectation is that Climate Neutral Now participants that reach the Silver Level for Step 1. Measure and Step 2. Reduce will align with Race to Zero criteria and will receive recognition through this campaign too.**

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