



PAS 2060

SPECIFICATION FOR THE DEMONSTRATION OF CARBON NEUTRALITY

The PAS 2060 standard was initially launched by the British Standards Institution in 2010 with the objective of increasing transparency of carbon neutrality claims by providing a common definition and recognised method of achieving carbon neutral status.

It was revised in 2014 to recognise improvements in the knowledge and understanding of greenhouse gas emissions availability, particularly with regard to developments in assessment, reduction and offsetting that took place following publication.

The standard specifies the requirements to be met by any organisation seeking to demonstrate carbon neutrality through the quantification, reduction and offsetting of greenhouse gas (GHG) emissions.

Use of the PAS will help organisations:

- Meet customer, stakeholder, industry and legal expectations
- Reduce greenhouse gas emissions and quantify their carbon footprint
- Identify areas of inefficiency and improve overall performance
- Make cost savings by reducing energy consumption and bills
- Gain credibility with a consistent carbon neutrality statement

BENEFITS OF PAS 2060:

Ecological responsibility

Get recognised for your climate efforts - The standard officially recognises your organisation's climate efforts and clearly indicates with evidence, the aspects of your activity that are proven to be carbon neutral. It's a display of your corporate social responsibility and a clear, verified proof of your fight against climate change.

Credibility

Being validated by an accredited third-party certification body to an internationally recognised carbon neutrality standard PAS 2060 validated by NQA is a guarantee of compliance and confirmation that your business, brand or service is officially and unmistakably carbon neutral. Also, it helps you break through the fog of empty environmental claims and join the fight against greenwashing.

Stronger market position

Increase your competitiveness - By anticipating future policies and regulations to limit carbon emissions, you can positively differentiate yourself from others. You can use the standard in your communication to inform your audience and motivate others to take up their responsibility for the impact of their business operations on the climate and the wider environment.

THE BASIC PRINCIPLES OF PAS 2060

The standard sets measurement and reduction targets for your organisation. Through the examination of documents and plans, it then allows for your specific carbon neutrality statement to be fully verified.

The standard process is composed of 4 key stages:



1. MEASURE

The starting point for the process is to calculate the actual carbon footprint for the entity seeking to declare carbon neutrality.

For most entities, the recommended methodologies are ISO 14064-1, the WBCSD/WRI Greenhouse Gas Protocol or UK Government Environmental Reporting guidelines.

For products and services, a PAS 2050 life cycle assessment, ISO/TS 14067 or WBCSD/WRI Greenhouse Gas product lifecycle methodologies. Footprint measurements should include at least 95% of the total emissions, allowing for exclusion of emissions that constitute less than 1% of the total.

Emissions shall be converted into tCO₂e and include:

- **Scope 1** - direct emissions from owned or controlled sources.
- **Scope 2** - indirect emissions from the generation of purchased electricity, steam, heating and cooling.
- **Scope 3** - all other indirect emissions that occur in a company's value chain (waste treatment, purchasing of goods, employee travel etc).

2. REDUCE

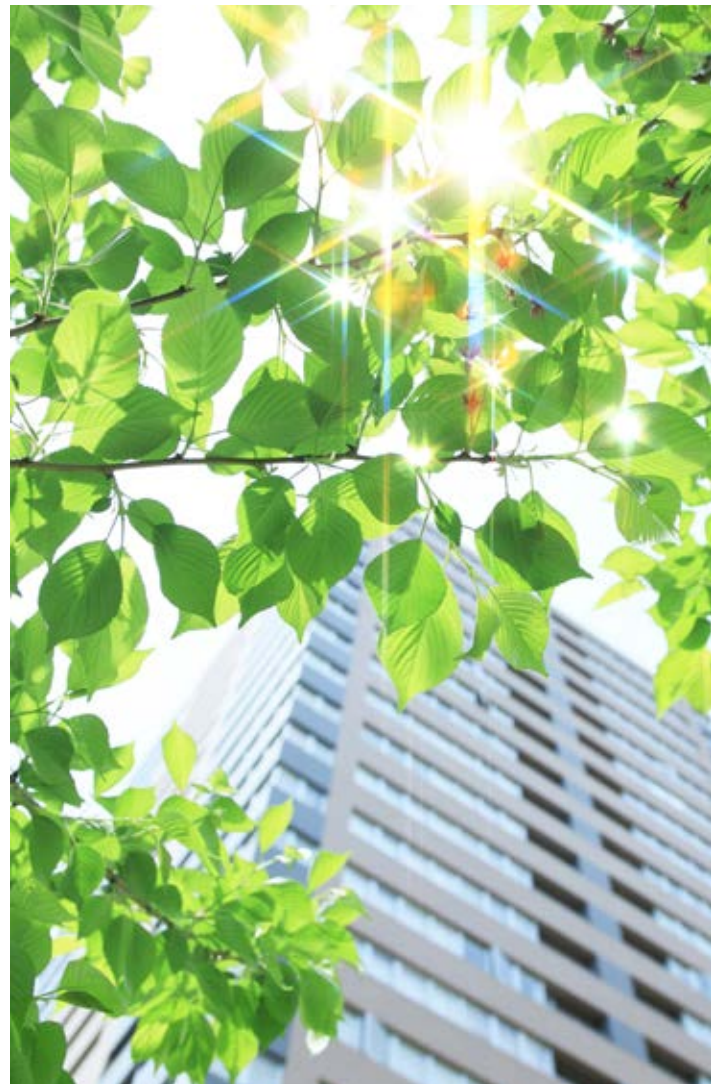
The next step in the process is to plan to reduce these identified emissions. This involves the creation of a Carbon Management Plan that right from the outset includes a public commitment to carbon neutrality.

The plan must also include:

- A timescale for achieving carbon neutrality of the defined entity
- Specific targets for GHG reduction that are appropriate to the overall timescale
- The planned means of achieving and maintaining the GHG reductions including
 - justification of the techniques and measure to be employed
 - the time period that any historic reductions are calculated over and that a constant counting methodology has been used.
- The offsetting strategy to be used including estimate of quantity to be offset.

The plan must be updated on an annual basis.

A declared reduction can be absolute or a reduction in the intensity (carbon/tonne of product). The reduction should be greater than the rate of economic growth.





3. OFFSET

PAS 2060 requires that the total amount of residual carbon emissions be offset in order to achieve the status of carbon neutrality.

The organisation must identify and document the relevant standard and methodology used to achieve the carbon offset.

The schemes must meet the requirements of the standard. The following examples are in line with requirements:

Kyoto compliant

- Clean Development Mechanism (Certified Emission Reductions)
- Joint Implementation (Emission Reduction Units)
- EU Allowances

Non-Kyoto compliant (Voluntary Emission Reductions)

- Gold Standard
- Voluntary Carbon Standard
- Climate, Community and Biodiversity Standard

Other domestic schemes

- In UK – the Woodland Carbon Code
- WWF Gold Standard
- Verified Carbon Standard

Carbon credits shall have been verified by an independent third party verifier. Credits from Carbon offset projects shall only be issued after the emission reduction associated with the offset project has taken place.

Credits from carbon offset projects shall be retired within 12 months of the date of the declaration of achievement. Credits from Carbon offset projects shall be stored in an independent and credible registry or equivalent publicly available record. Offsetting total residual emissions will allow carbon neutrality to be declared.

4. DOCUMENT & VALIDATE

The final stage of the process is the documentation, verification and declaration of carbon neutrality.

This requires a statement that the required standards have been met, supported by a “Qualifying Explanatory Statement”.

To promote transparency, the standard requires public disclosure of all documentation supporting the carbon neutrality statement.

This in practice includes:

- Proof of emissions reduction
- Withdrawn offsetting credits
- Carbon footprint report
- Carbon Management Plan
- Qualifying Explanatory Statement.

The standard permits three separate types of validation:

- Self-validation
- Validation from a non-accredited organisation
- Independent third party validation.

NQA as a UKAS accredited Energy and Environmental Management System certification body is able to provide this fully independent validation of carbon neutrality.

By working with NQA, you can be sure that we ourselves are independently assessed as having access to the knowledge and expertise necessary to provide certification to PAS 2060.

NQA will ensure the robustness of carbon accounting, the strength of carbon management plans and that credible offsets have been purchased and will give additional credibility to your declaration of carbon neutrality.

Should you wish to discuss your verification requirements with a member of our team please get in contact.



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