GHG Accounting and Reporting Guiding Principles

Relevance

Define boundaries that appropriately reflect the GHG emissions of your business and the decision making needs of inventory users.

Consider:

- Organizational structures: control (operational or financial), ownership, legal agreements, joint ventures, etc.

- Operational boundaries: on-site and off-site activities, processes, services, and impacts

- Business context: nature of activities, geographic locations, industry sector(s), purpose of information, and users of information
Completeness

Account for all emissions sources and activities within your chosen organizational and operational boundaries. Justify specific exclusions.

Consider:
- Completeness should be documented and justified

Consistency

Allow for meaningful comparison of emissions performance over time. Clearly state any changes to the basis of reporting to enable continued valid comparison.

Consider:
- Users want to compare GHG emissions over time in order to identify trends
- Application of accounting approaches in a consistent manner
- Ensure that aggregate information is internally consistent and comparable
- If changes do occur, ensure transparent documentation and justification
Transparency

Address all relevant issues in a factual and coherent manner, based on a clear audit trail. Disclose any important assumptions and cite the calculation methodologies used.

Consider:
- Degree of disclosure of information that is “included” or “excluded”
- Disclosure must meet the needs of internal and external stakeholder
- The information should be sufficient to enable a third party to derive the same results if provided with same source data

Accuracy

Strive for precise GHG calculations and seek to provide reasonable assurance of the integrity of reported GHG information.

Consider:
- Data should be sufficiently precise to enable confidence in all stakeholders of the validity of the GHG emissions
- Quantification process should minimize uncertainty
Ungraded Quiz – Question 1

Company A has been quantifying and reporting its GHG emissions for 5 years. For the first 4 years, the company hired an external consultant to develop its GHG emissions inventory. From year 1 to year 4, the consultant used a region-specific emissions factor for calculating Scope 1 emissions from the company’s natural gas consumption. In year 5, the company assigns its own employee to undertake the quantification process. In year 5, the employee uses an average/generic emissions factor for calculating Scope 1 emissions from its natural gas consumption. Which of the following GHG accounting principles is not met?

- Completeness
- Consistency
- Relevance
- None of the above

Ungraded Quiz – Question 2

Company Iota is quantifying its GHG emissions and has identified all its emissions sources under Scope 1. Part of the company’s Scope 1 emissions come from fuel used in company-owned cars. The employees using the company cars are given a fixed monthly fuel allowance. Since fuel consumed in these cars was not tracked, the company decides not to include these emissions in its GHG inventory. Which of the following GHG accounting principles was not followed?

- Transparency
- Consistency
- Relevance
- Completeness
Ungraded Quiz – Question 3

What principle has not been followed in the following scenario? The information disclosed is not sufficient to enable a third party to derive the same results when provided with the same source data.

- Transparency
- Accuracy
- Consistency
- Completeness