

Emoticons & Links

Bullets



Appreciation, gratitude and inspiration:



Goal, victory and success:



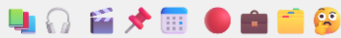
Attention:



Nature, luck and congratulations:



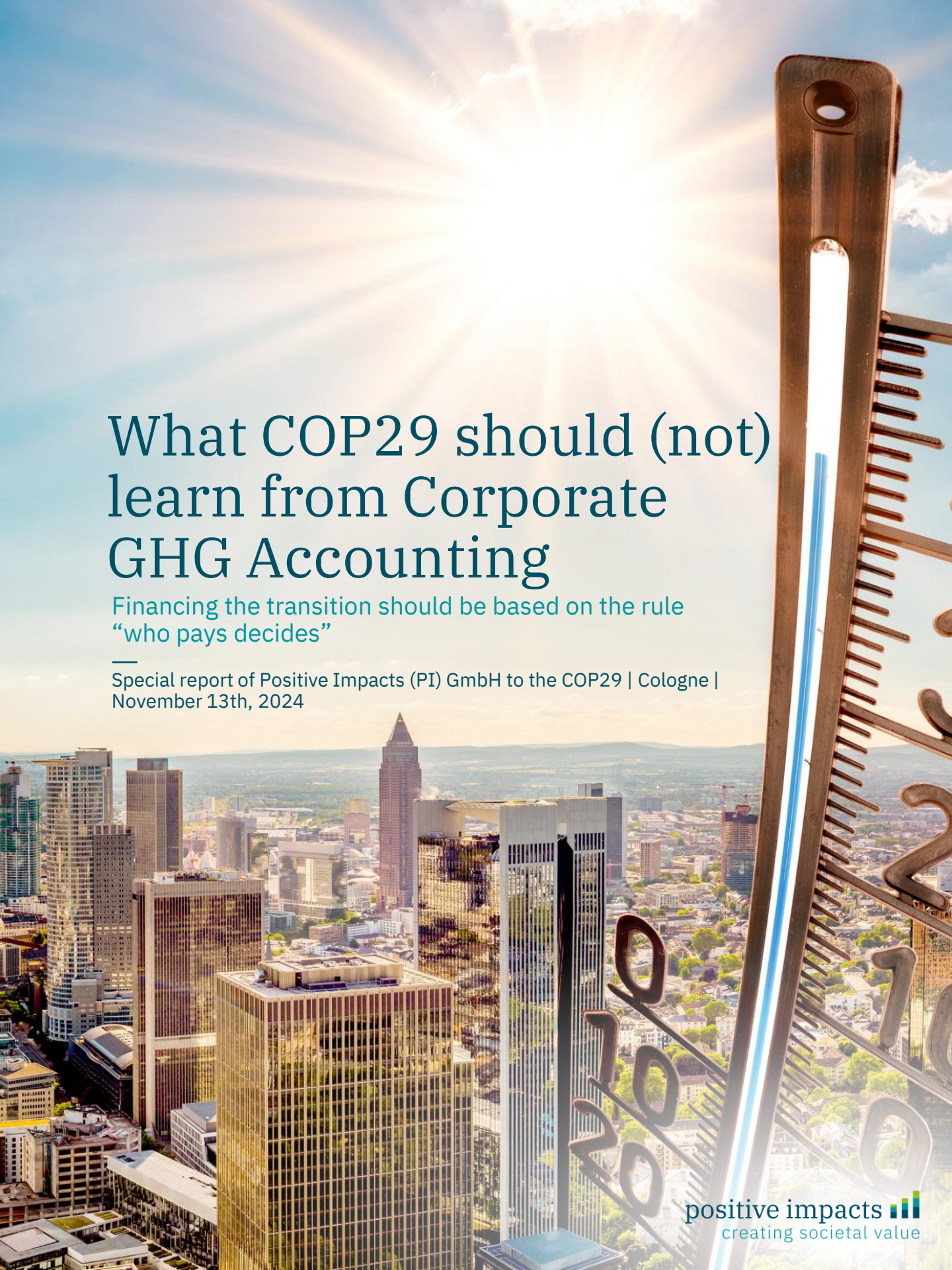
Other



sans: abcdefghijklmnopqrstuvwxyzABCDEFGHIJKLMNOPQRSTUVWXYZ

sans bold: **abcdefghijklmnopqrstuvwxyzABCDEFGHIJKLMNOPQRSTUVWXYZ**

Unicode text converter: <https://qaz.wtf/u/convert.cgi>



What COP29 should (not) learn from Corporate GHG Accounting

Financing the transition should be based on the rule “who pays decides”

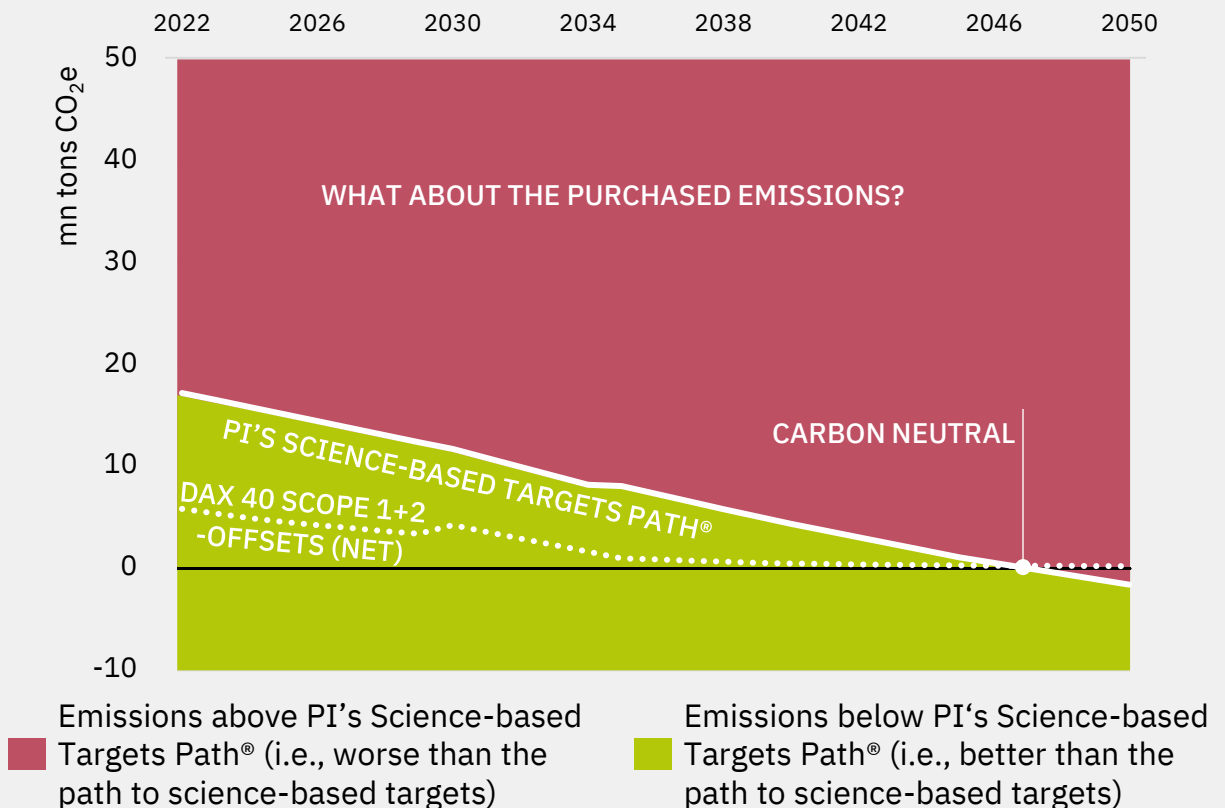
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Special report of Positive Impacts (PI) GmbH to the COP29 | Cologne | November 13th, 2024

GHG Accounting Case Study

UNDERSTANDING GHG EMISSIONS ACCOUNTING

- > Scope 1 represents direct emissions controlled by the entity
- > Scope 2 represents purchased energy emissions controlled by the energy provider
- > Offsets can represent negative emissions (carbon removals)
- > Claiming “carbon neutrality” for Scope 1+2-Offsets does not show the full picture, as purchased emissions are missing...

SCENARIO BASED ON DAX 40 2022 DATA, TARGETS AND TRENDS



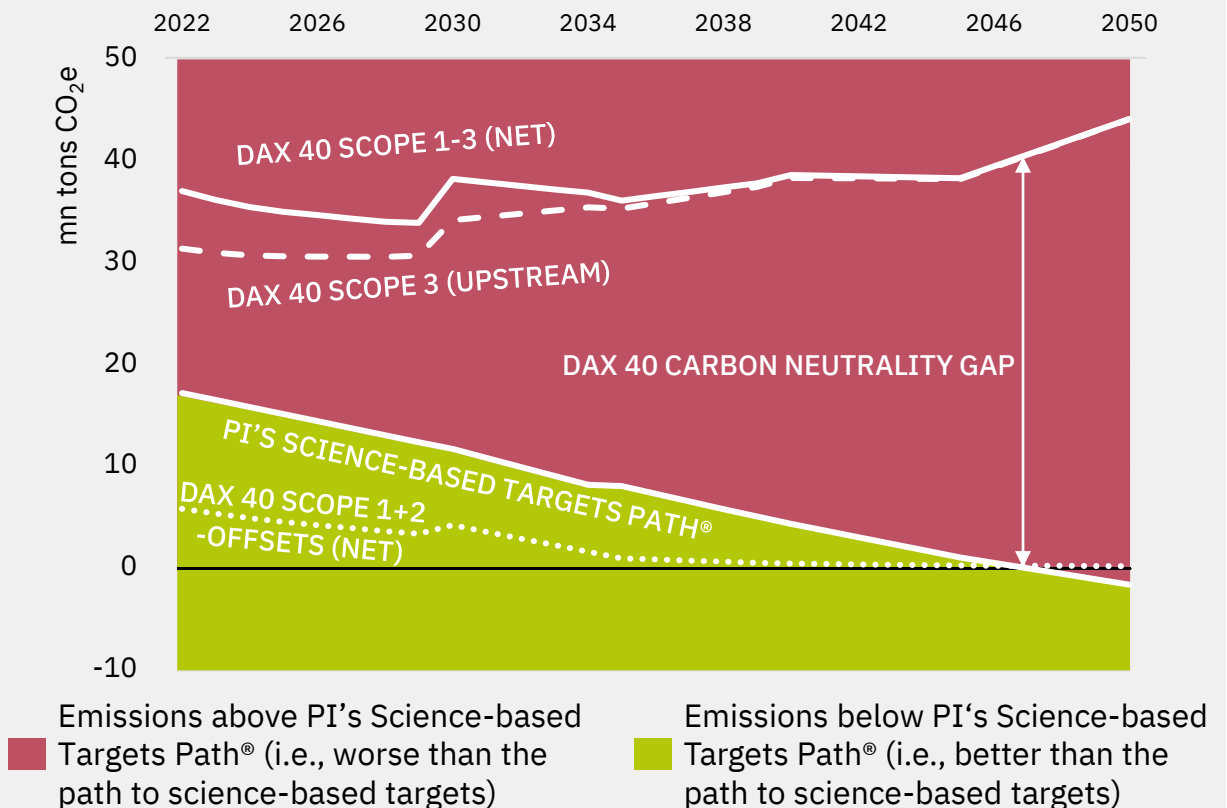
Source: Positive Impacts (PI) GmbH (2024)

Complete GHG Accounting

BLIND SPOT: PURCHASED EMISSIONS!

- > Why should upstream (Scope 3) emissions be included? The purchaser decides
 - > to make or not make the purchasing decision and
 - > from whom the entity purchases, including their level of carbon footprint – in short: Who pays decides the total level of emissions!

SCENARIO BASED ON DAX 40 2022 DATA, TARGETS AND TRENDS

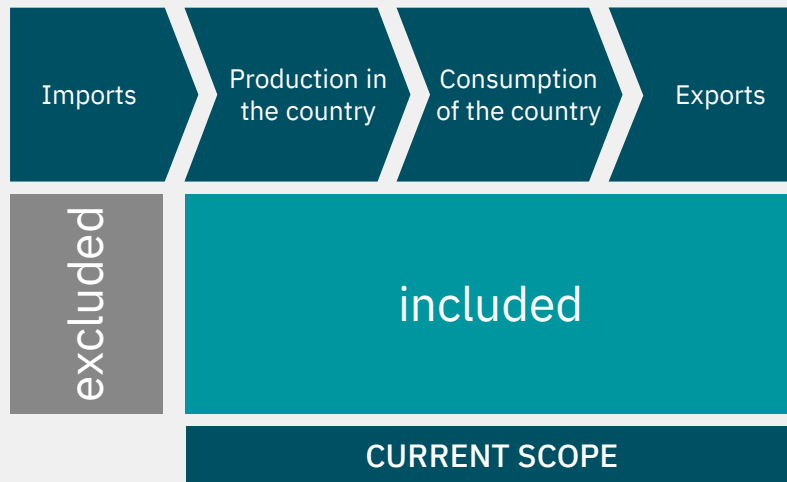


Source: Positive Impacts (PI) GmbH (2024)

Who Pays Decides Principle

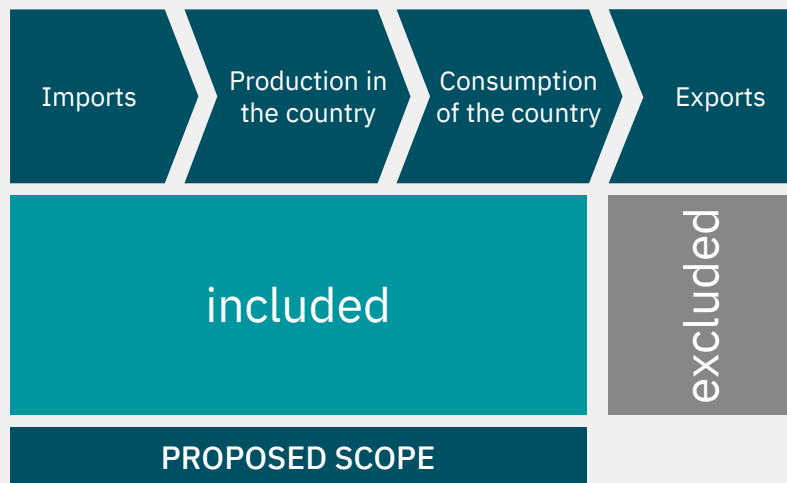
CHANGING COUNTRY ACCOUNTABILITY IN TRANSITION FINANCE

CURRENT ACCOUNTABILITY OF THE COP/PARIS AGREEMENT



> **Vicious cycle:** The current scope incentivizes to “outsource” GHG emissions into the upstream value chain, while not willing to pay for low-carbon products

PROPOSED ACCOUNTABILITY FOR FINANCING TRANSITION



> **Supportive incentive cycle:** Consumption and production-related emissions are included – as the one who pays decides; exports are excluded as the importing entities decide their GHG footprints

Source: Positive Impacts (PI) GmbH (2024)

What COP29 should (not) learn from Corporate GHG Accounting

WHAT NOT TO “COPY” FROM CORPORATE “CARBON NEUTRAL” CLAIMS

CORPORATES

WHAT NOT TO DO

- > Disclosing only immaterial parts of upstream Scope 3 emissions, e.g., “business travel”
- > Basing “carbon neutral” claims on scope 1+2 only

WHAT TO DO INSTEAD

- > Disclosing all upstream Scope 3 emissions that can be linked to the spent of the entity
- > Include the entire upstream emissions in climate targets

COUNTRIES/COP

WHAT NOT TO DO

- > Hiding imported emissions in the country’s GHG balance sheets
- > Basing Paris-aligned targets only on GHG emissions directly occurring in the country

WHAT TO DO INSTEAD

- > Include imported and exclude exported emissions in the country’s GHG balance sheets
- > Allocate financing, and base targets, on: GDP + imports – exports in \$

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