
PAS 2060

The ideal standard for carbon neutrality



ecoact
an atos company

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The PAS 2060 standard was published by the British Standards Institution in 2010 and updated in 2014. It enables organisations to demonstrate that their carbon neutrality claims are credible and verified in order to increase customer confidence.

It provides guidance on how to quantify, reduce and offset GHG emissions on a specified business area. This can include activities, products, services, buildings, projects, cities and events.

Whilst companies can calculate their footprints, purchase credits and claim carbon neutrality, the PAS 2060 standard provides a framework for accuracy and certification. This is increasingly key as companies and governments are moving towards a net-zero world by 2050.

The main benefits of the standard are:

- It is the only internationally recognised certification for organisational carbon neutrality.
- It guides companies to quantify their carbon footprint and supports subsequent reduction of emissions with a 12-month review.
- The inclusion of offsetting using certified credits encourages the support of climate finance projects that add social and environmental value.
- It enables companies to demonstrate a voluntary and ambitious commitment to climate action.

The basic principles of PAS 2060

The PAS 2060 standard sets measurement and reduction targets for your company. Furthermore, through documentation it allows your carbon neutrality statement to be verified.

The standard is composed of 4 key stages.

1

Measure

2

Reduce

3

Offset

4

Document & Validate

1

Measure

The first step in the process is to calculate the carbon footprint of the product, activity or organisation (the "subject" of the carbon neutrality claim), making use of internationally recognised methodologies.

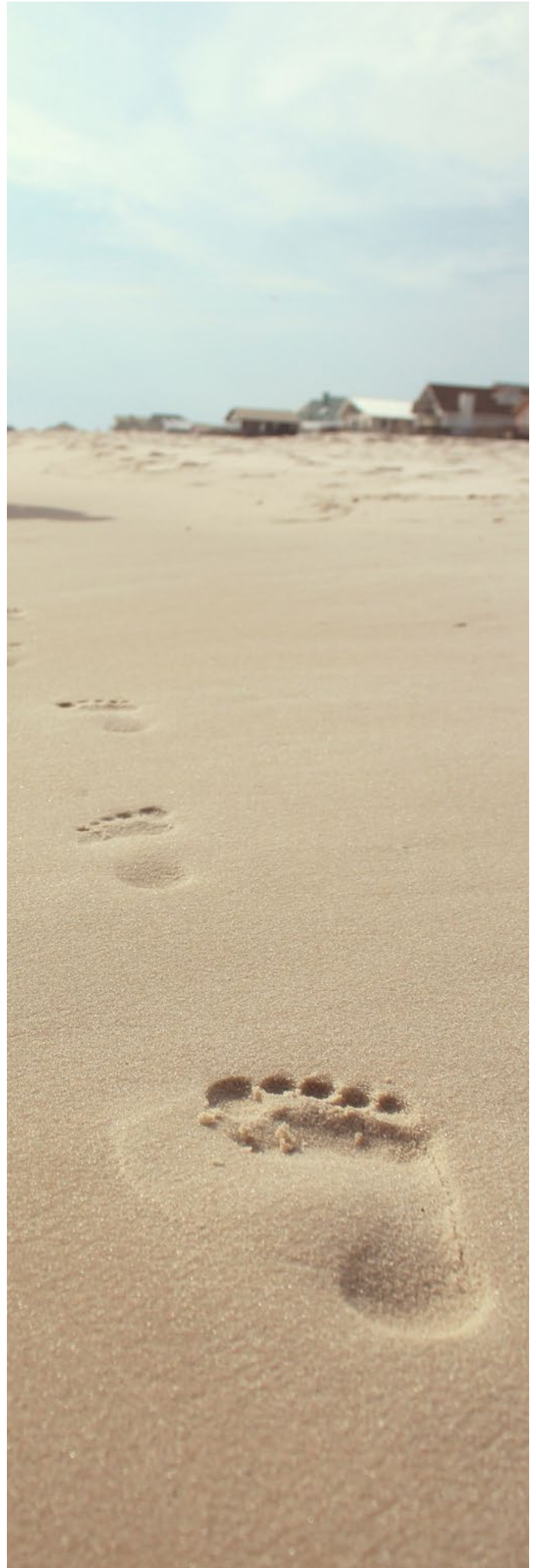
For organisations, the recommended calculation methodologies are ISO 14064-1 or GHG Corporate Protocol, and for products and services it would be to perform a PAS 2050 lifecycle assessment.

The footprint calculation of the subject should include 100% of Scope 1 and Scope 2 emissions and all Scope 3 emissions that contribute to more than 1% of its total footprint.

The calculation organises the emission sources into scopes, based on the degree of control that an entity has on them:

- **Scope 1** - Direct emissions from the activities that are under an organisation's direct control, such as fuel combustion, vehicles and fugitive emissions.
- **Scope 2** - Indirect emissions related to the production of electricity, heat and steam that is purchased by the organisation.
- **Scope 3** - All other indirect emissions resulting from activities that are neither owned nor controlled by the entity. This includes emissions related to the use of consumer goods, transportation, waste treatment, and employee travel.

However, it should be noted that, while the standard requires a robust footprint measurement process, it provides flexibility in recognising that it may not be technically and economically feasible to accurately calculate emissions from all sources. In such cases, these sources may be excluded from the scope of



2

Reduce

The next step is to reduce these emissions. You should develop a Carbon Footprint Management Plan that contains a public commitment to carbon neutrality.

The following main aspects of the reduction strategy must be included:

- A time-scale
- Specific targets for reductions
- Planned means to achieve reductions
- How residual emissions will be offset

The proper implementation of this plan leads to the effective reduction of carbon emissions. This is either a reduction in the total amount of carbon emissions emitted (in absolute terms) or a reduction in the intensity or ratio of carbon (for example, carbon emissions per unit of production or per \$ of turnover of the business). Relatively speaking, 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 by high quality certified carbon credits that meet the following criteria:

- They are within one of the schemes approved by PAS 2060 (e.g Clean Development Mechanism, or Verified Carbon Standard).
- They have additionality (i.e carbon reductions that would not have occurred were it not for the project being financed).
- They are verified by an independent third party to ensure that emissions reductions are permanent, avoid double counting and prevent leakage (i.e. emissions are not increased in another area as a result of a project activity).
- Credits are retired from a public record within 12 months.

Offsetting total residual emissions will make the emissions of the subject carbon neutral.



4

Document & Validate

The final stage is documentation and verification of carbon neutrality. This requires a declaration that standards have been met, supported by a set of statements known as “Qualifying Explanatory Statements” (QES).

To promote transparency, the standard requires public disclosure of all documentation supporting the carbon neutrality statement. In practice, this means proof of emissions reduction, withdrawn compensation credits, the Carbon Footprint Report, the Carbon Management Plan and the QES.

The standard establishes three types of validation upon achieving neutrality: self-validation, validation from another party, and independent validation by third parties.

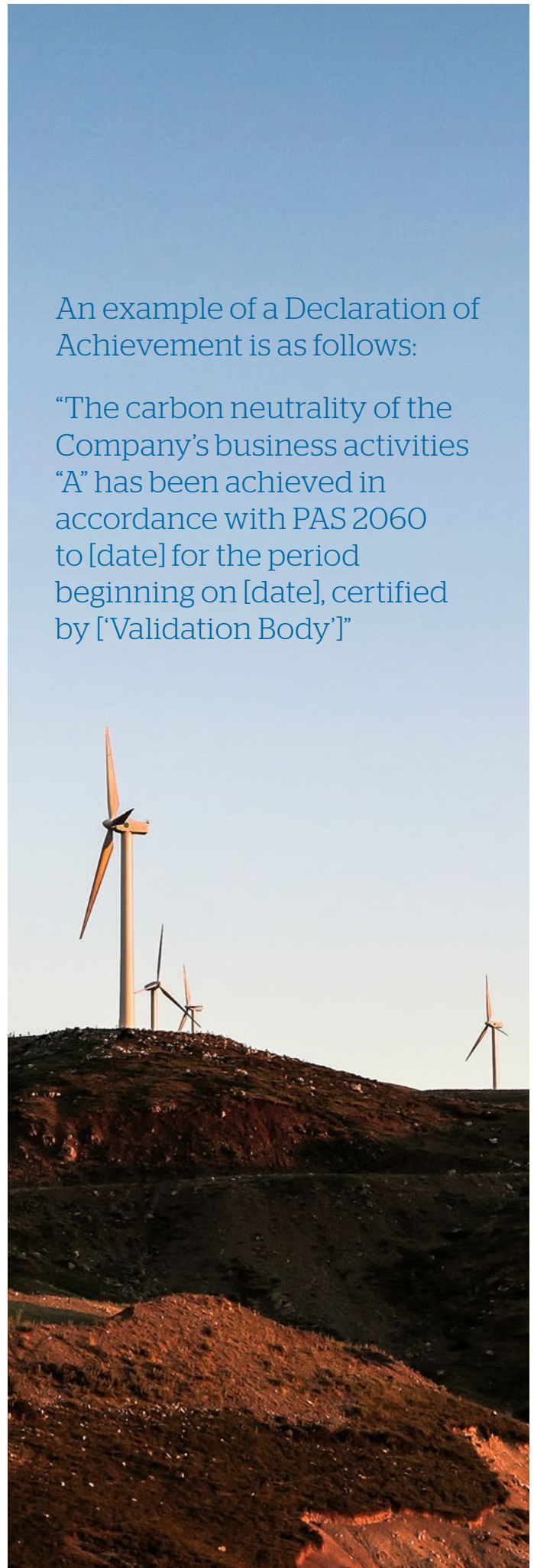
Self-validation: as the name suggests it is the same organisation that validates its own carbon footprint and reduction achievements. However, if an organisation lacks internal experience, it should consider the associated risks and implications of a miscalculated or misinformed footprint.

Validation by other parties: this ensures that the methodology and data have been audited and verified by an external party. This type of validation is recommended for those organisations that want to promote their carbon neutrality status, as it protects the organisation from external criticism for lack of thoroughness and, as a result, will strengthen confidence in the carbon neutrality statement.

Independent third-party validation: in this instance validation can only be provided by certification agencies registered with UKAS (The United Kingdom Accreditation Service).

An example of a Declaration of Achievement is as follows:

“The carbon neutrality of the Company’s business activities “A” has been achieved in accordance with PAS 2060 to [date] for the period beginning on [date], certified by [‘Validation Body’]”



Your climate experts. Your partner for positive change.

EcoAct, an Atos company, is an international climate consultancy and project developer that supports companies to set robust science-aligned net-zero strategies and achieve their climate targets. Founded in France in 2006, the company now spans three continents with offices in Paris, London, Barcelona, New York, Montreal, Munich, Milan and Kenya.

With a team of more than 260 international climate experts, EcoAct's core purpose is to lead the way in delivering sustainable business solutions that deliver true value for both climate and client. EcoAct is a CDP Gold Partner, a founding member of ICROA, a strategic partner in the implementation of the Gold Standard for the Global Goals and reports to the UN Global Compact.

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