



PAS 2060:2014

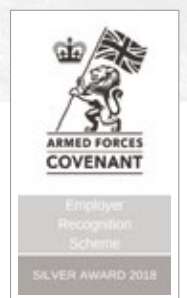
SPECIFICATION FOR THE DEMONSTRATION OF
CARBON NEUTRALITY IMPLEMENTATION GUIDE



53,000
CERTIFICATES
GLOBALLY



AVERAGE
CUSTOMER
PARTNERSHIP





> PAS 2060:2014

IMPLEMENTATION GUIDE

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INTRODUCTION TO THE STANDARD

Publicly Available Specifications (PAS) act as guidelines in a determined sector and are designed to be complied with by the intended consumer. The specifications are prepared following the provisions provided by BSI (British Standards Institute).

As the focus on climate related issues and sustainability continues to rapidly grow, the need for dedicated guidance and requirements is mirrored in its demand. Many organisations are navigating their way through environmental issues and carbon falls high on their list of priorities. Currently, PAS 2060 is the only recognised standard for demonstrating carbon neutrality – whether this is achievement of or commitment to. The standard strives for reduced carbon emissions and encourages changes in behaviour that will combat the effects of climate change.

Background

PAS 2060 looks specifically at demonstrating carbon neutrality and sets out the key criteria in how to do so. The standard was under development in 2009 before its initial launch in April 2010. Since then, there has been further updates which brings us to the latest version of the standard – PAS 2060:2014.

The revisions to the latest version of the standard were:

- Feedback from users within the first two years of publication
- Recommendations via surveys led by BSI
- Improvements in general knowledge and understanding of greenhouse gas emissions and the related criteria of the standard.

Journey

PAS 2060 is broken down into 11 clauses as below:

1. Scope
2. References
3. Terms & Definitions
4. Demonstrating carbon neutrality
5. Determination and substantiation of the subject and associated greenhouse gas (GHG) emissions
6. Quantification of carbon footprint
7. Commitment to carbon neutrality
8. Achievement of GHG emissions reductions
9. Offsetting residual GHG emissions
10. Declarations of carbon neutrality
11. Maintaining carbon neutrality

The standard presents four key steps to achieving carbon neutrality — measurement, reduction, offsetting, and documentation. The clauses of PAS 2060 fall into each stage as below:

- Measurement:** Clause 4, 5 & 6
Reduction: Clause 7 & 8
Offsetting: Clause 9
Documentation: Clause 10 & 11



BENEFITS OF IMPLEMENTATION

Similarly to implementing relevant ISO management systems, PAS provides a framework which if implemented and maintained appropriately, provides internal control. For PAS 2060, this control is in relation to the greenhouse gas emissions being emitted and acting on them.

There are many benefits to implementing PAS 2060 and this will vary dependent on the industry sector and drivers relating to the user. Some of the key benefits are:



MANAGE RISK

PAS 2060 provides visibility on an entity's carbon footprint, including where the highest emitting areas may be which is a risk to the entity. The standard aids in managing and addressing those risks which encourages the user to make more informed decisions based on reliable and accurate data.

Not only this, while attention is on driving down carbon emissions, many users will experience cost savings through the data analysis and visibility.



CREDIBILITY

Undergoing verification by an accredited third-party body to an internationally recognised carbon neutrality standard such as PAS 2060 secures an entity's claims of compliance and of carbon neutrality. The standard provides recognition for the user's climate efforts and solidifies its credibility through robust assurance and evidence. NQA is proud to be part of the UKAS pilot scheme for PAS 2060 accreditation.

Acting responsibly and sustainably will not only enhance the reputation but support the ethos of an organisation which has a number of benefits within itself such as attracting and retaining talent.

PAS 2060 firms commitment to the environment and makes a clear stand against the practice of greenwashing.



COMPETITIVE ADVANTAGE

By anticipating future policies and regulations to limit carbon emissions, you can positively differentiate yourself from others. You can use the standard in your communications 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.

Reporting on carbon emissions and reduction plans is becoming more and more of a requirement when working with supply chain demands. Whether it is for tenders, contract requirements, or general expectations from stakeholders – PAS 2060 can set you ahead of your competitors. Not only this, but it supports in current compliance requirements and potential future ones.



GENERAL: CLAUSES 1 to 3

CLAUSE 1: SCOPE

There are no specific requirements to comply to within this section, however, it sets out the parameters within this standard can be used.

PAS 2060 specifies requirements to be met by any entity seeking to demonstrate carbon neutrality through the quantification, reduction, and offsetting of greenhouse gas (GHG) emissions from a uniquely identified subject.

PAS 2060 can be used by any entity, for example:

- Regional or local Government
- Communities
- Organisations or elements of an organisation
- Clubs or social clubs
- Families
- Individuals

PAS 2060 can then be used to demonstrate carbon neutrality for a determined subject, for example:

- Activities
- Products
- Services
- Buildings
- Projects and major developments
- Towns and cities
- Events

You are not able to achieve carbon neutrality solely through the use of carbon offsets, other than for the first application period to where this is permitted.

In all periods following the first application period, a reduction in carbon emissions must be made – this can be in either absolute terms and/or in emissions intensity terms.

There are two types of declaration which can be made:

Declaration of commitment to carbon neutrality

This requires an entity to demonstrate the carbon footprint of the chosen subject and provide a carbon footprint management plan detailing how an entity intends to achieve carbon neutrality.

Declaration of achievement of carbon neutrality

This requires an entity to achieve reductions in their carbon footprint and to offset the residual emissions for the determined data period – to extend claims in future periods further verification will be necessary.

In order to claim compliance to PAS 2060, the user must satisfy all requirements within the standard relevant to the declaration being made.



CLAUSE 2: REFERENCES

This section looks at references made throughout the standard to an external document or resource. Typically, this would mean you must comply with the requirements of the normative references to comply with the intended specification, but this is slightly different with PAS 2060 as you have a number of choices to choose from.

The references made in Annex C, Table C.1 are examples of GHG quantification and reduction methodologies that are appropriate to the standard requirements. The decision of which document adopted lies with the user.

To comply with PAS 2060, the user must conform with all of the requirements from the determined external documents for methodology and of those that apply to the subject. The application of the methodology must comply with the criteria within PAS 2060.

What edition of documents apply?

- For dated documents only the referenced edition will apply
- For undated documents only the most recent edition will apply



CLAUSE 3: TERMS AND DEFINITIONS

This section sets out the terms and definitions that are used in the standards which may need further clarification in order to execute the requirements.

As with all terms and definitions, there are notes to further provide clarity and information.

When using the PAS 2060 standard (if an electronic version of the standard has been purchased) you can easily navigate key terms and definitions by using the Ctrl F function. This can be very helpful when seeking clarification and guidance.

For the purposes of this implementation guide, please see the below definitions:

Entity

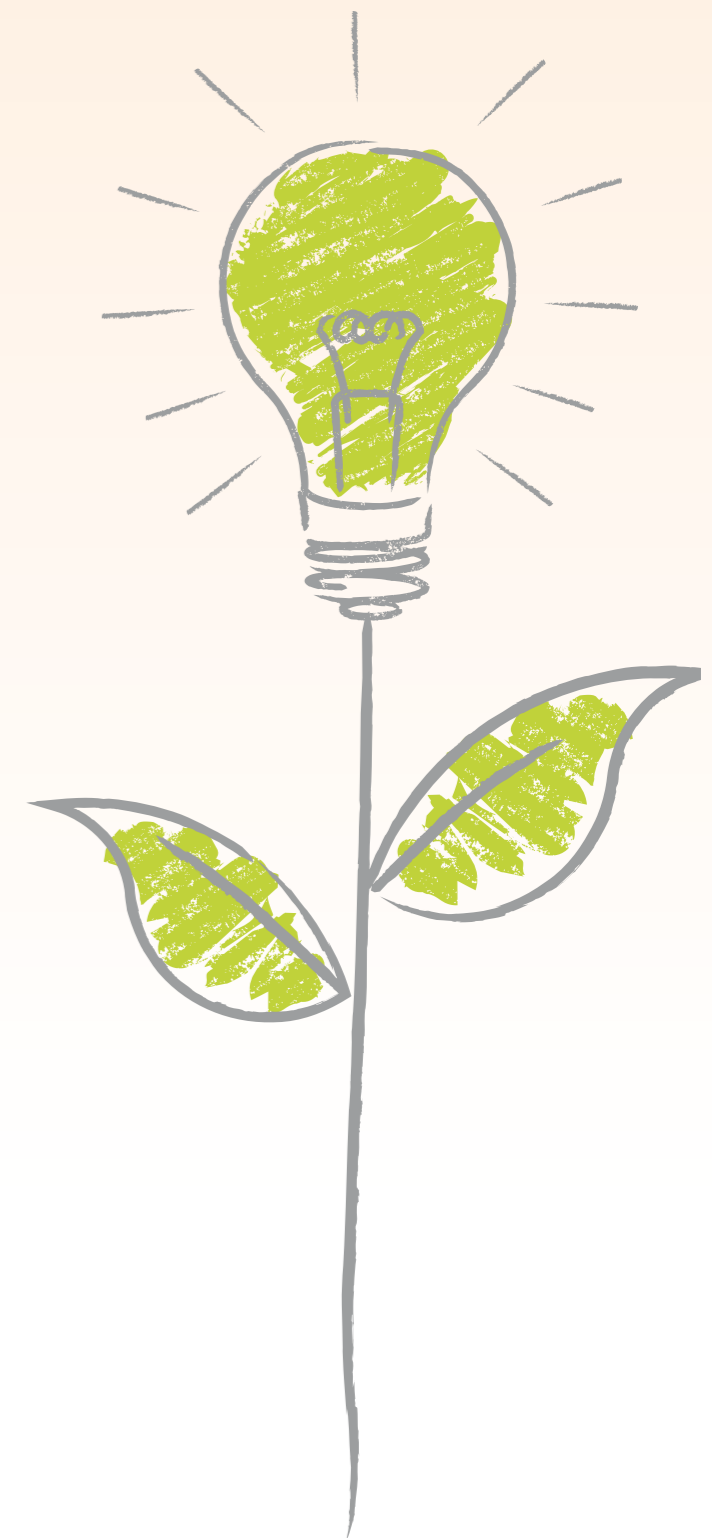
Thing with distinct and independent existence, e.g., country; community; organisation; company; division; department; family; individual.

Subject

That which is to be analysed for greenhouse gas emissions and in relation to which quantification, reduction, and offsetting in the terms of this PAS can be undertaken.

Application period

Period of time between the baseline date and the first qualifying date or between successive qualifying dates, for which a declaration in respect of carbon neutrality is made.



STEP 1: MEASUREMENT

The first key step in achieving carbon neutrality is focused on measurement. The intended outcome of this stage is to calculate the actual carbon footprint of the determined subject and be able to evidence this.

When you consider a carbon footprint this is often associated with data, a final total figure. However, during

this first step in the carbon neutrality process, you must look beyond a figure and be able to rationalise and justify how this has been formed.

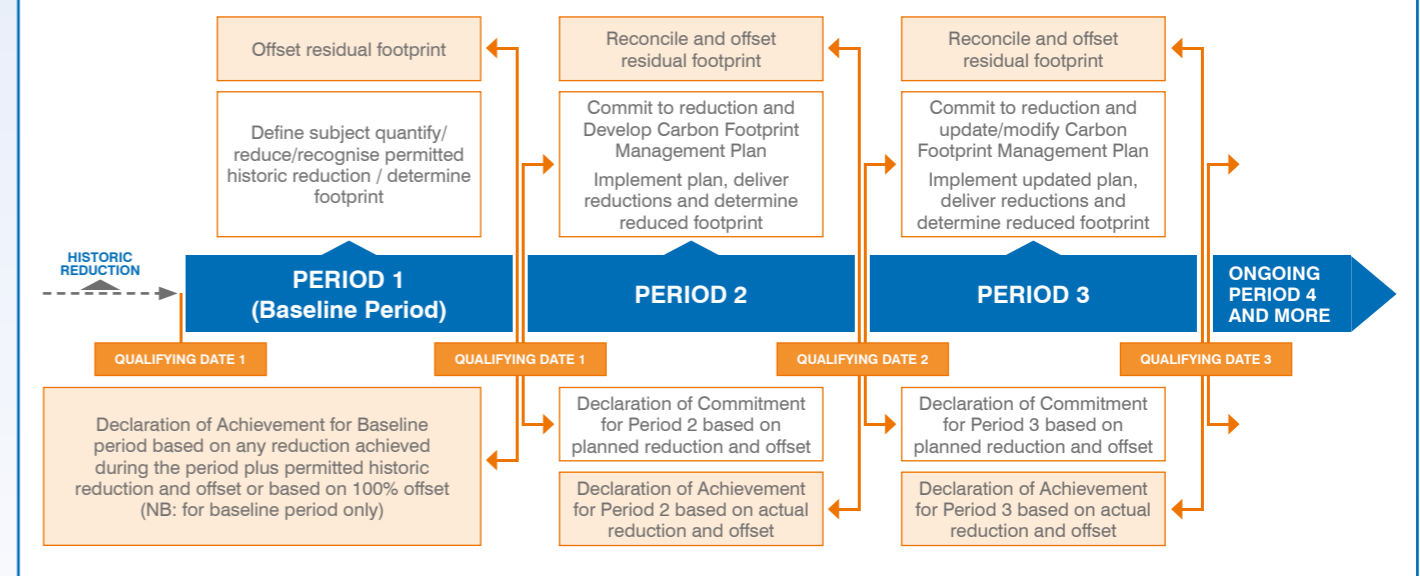
This is where a carbon inventory will be used to not only highlight the quantified carbon footprint but to demonstrate conformity to the requirements of the standard.

CLAUSE 4: DEMONSTRATING CARBON NEUTRALITY

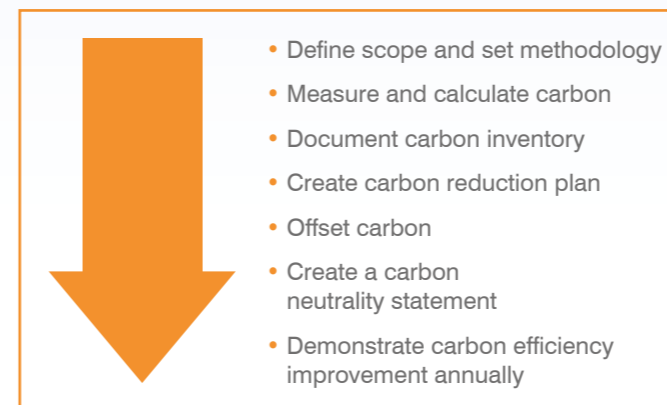
This clause lays out the overarching principles of PAS 2060. Clause 4.1 provides an overview of the necessary actions mapped against the requirements clauses of the standard – Clauses 5 to 11.

The process of demonstrating carbon neutrality is illustrated within the document considering the range of periods which may apply.

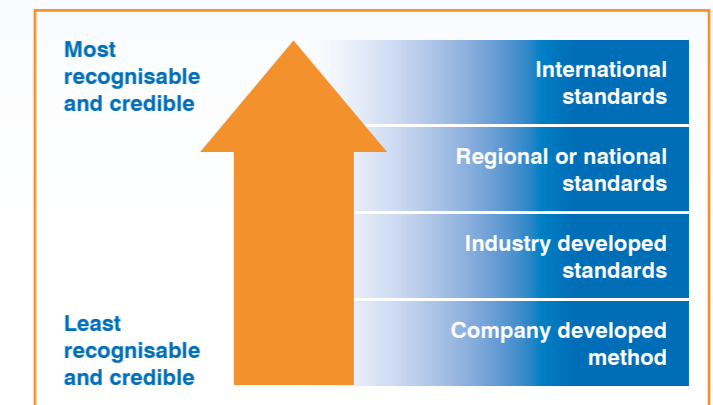
FIGURE 1: Illustration of the cyclical process for demonstrating carbon neutrality, taking into account permitted baseline period exceptions.



In simpler terms your journey to carbon neutrality will follow as below:



The following hierarchy should be used when choosing methodologies:



Clause 4.2 details how recognised methodologies should be used in order to achieve compliance to PAS 2060. For example, the method for calculating a carbon inventory or the method for converting business activity into emissions. Methodologies are essential in providing credibility and substantiation to the declaration of carbon neutrality.

This clause also highlights a key requirement that evidence used to support declarations made within PAS 2060 must be fully documented and retained for the period that the carbon neutrality is valid and six years thereafter. If there are changes in methodologies between years, the previous year should be reconciled using the updated methodology.

CLAUSE 5: DETERMINATION AND SUBSTANTIATION OF THE SUBJECT AND ASSOCIATED GREENHOUSE GAS (GHG) EMISSIONS

This clause prepares you for your measuring activities by planning what this will include and involve.

Clause 5.1 is focused on determining the characteristics of what is being addressed. PAS 2060 seeks users to uniquely identify themselves, which is done through conformation of the entity and subject. See *section on scope for examples of entities and subjects*. It is important to note that the defined subject must remain unchanged through the methodology stage, and if there are changes then this will need to be re-started as an updated defined subject.

Clause 5.2 provides guidance on how to evidence and justify your decision making in regard to subject, scope, and boundaries. The requirements differ slightly depending on whether the subject is looking at an organisation or a product or service for example.

Scopes 1, 2 and 3 – what are they and how are they applied?

Scope 1 – 3 are the categories of greenhouse gas emissions that may relate to a defined subject. All greenhouse gas emissions must be included and converted into carbon (tCO₂e – tonnes of carbon dioxide equivalent).

Scope 1 – (direct emissions) emissions are those from activities owned or controlled by an entity.

Scope 2 – (energy indirect) emissions are those released into the atmosphere that are associated with your consumption of energy (purchased electricity, heat, steam, and cooling for example). These indirect emissions are a consequence of your organisation's energy use but occur at sources you do not own or control.

Scope 3 – (other indirect) emissions that are as a result of activities by an entity.

All material emission sources must be considered – material means the emission source is estimated to total more than 1% of the total carbon footprint. Those emissions that are estimated to fall under the 1% can be excluded on the basis that collectively those nonmaterial excluded emissions do not total more than 5% - as the total carbon footprint must account for at least 95% of all emissions. If a single emission source is greater than 50% of the total footprint, then apply the 95% principle to the remaining emissions.

Exclusions

- **100% of scope 1 and 2 emissions must be accounted for unless they fall under the 1% materiality rule.**
- **Scope 3 emissions may be excluded if evidence is provided that it is not technically feasible, practicable, or cost effective to quantify the emissions.**
- **We would expect as many scope 3 emissions to be accounted for as possible, and similarly we would not expect to see all scope 3 emissions excluded.**

TOP TIP

Not all emissions will be relevant to the user, here are 4 criteria you can assess when considering this.

1. **Scale:** What are the largest sources of emissions?
2. **Importance:** Are there any sources that are specifically important to the entity and its operation?
3. **Stakeholders:** What emissions are you expected to report on?
4. **Potential:** What areas of the entity is there a potential to reduce or influence reduction?

CLAUSE 6: QUANTIFICATION OF THE CARBON FOOTPRINT

After setting the scene in Clause 5, this section of the standard takes you to the next step of actually carrying out your measuring.

Using a methodology that is appropriate and meets the principles within Clause 6.1.2 is really important. Fortunately, PAS 2060 provides named examples in Annex C, Table C.1, of methodologies which can be presumed to comply with the requirements – however, confirmation that this is the case must be recorded.

Depending on the subject, the methodology used may vary. Most often this is applied by organisations and ISO 14064-1 and GHG Protocol are typically used in conjunction with the Government Conversion Factors. These methodologies will allow you to convert your data into carbon for the relevant period and leave you with a total amount in tCO₂e. This is what forms your carbon inventory.

Table C.1: Examples of documents providing methodologies appropriate for use in the quantification and reduction of GHG emissions

Application	Standards and codes
Organisations	BS EN ISO 14064-1, Greenhouse gases - Part 1: Specification with guidance at the organisational level for quantification and reporting of greenhouse gas emissions and removals
	WBCSD/WRI GHG Protocol, Corporate Accounting and Reporting Standard
	UK Govt Environmental Reporting Guidelines
Products and Services	Publicly Available Specification - PAS 2050 Specification for the assesment of the life cycle greenhouse gas emissions of goods and services
	ISO/TS 14067, Greenhouse gases - Carbon footprint of products - Requirements and guidelines for quantification and communication*
	WBCSD/WRI GHG Protocol, Product lifecycle accounting and reporting standard
Landuse	UNFCCC Good practice guide for landuse, landuse change and forestry
Projects	BS EN ISO 14064-2, Greenhouse gases - Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emissions or removal enhancements

NOTE 1: The entry identified * as an ISO/TS cannot be used to support certification.

NOTE 2: Attention is drawn to the fact that legislation applicable at any particular location could impose requirements to use other methodologies. Similarly, there may be nationally relevant guidelines based upon international standards that entities need to follow. It is the responsibility of the entity applying this PAS to check for any applicable legislation or national guidelines.

How to streamline this process?

- A carbon footprint should be based on primary data, and only if it's not practicable secondary data can be used.

Primary data – data obtained by directly by the user
Secondary data – data utilised by a pre-existing source

- Where an estimation has been used, it is important to be transparent about how this was done and with what justification – always ensuring this precludes underestimation.
- Your data sources will come in a range of metrics and your chosen methodology will guide you on how to quantify this

using conversion factors. Always ensure you are using the appropriate conversion factors to avoid underestimation and for the relevant determined data period.

- There are a number of sources where you may gather your data from, and this will vary dependant on your industry and the characteristics of the chosen subject. Some typical places to begin can include:

- Invoices for bills, goods, hotels etc.
- Reports for air conditioning, calibration etc.
- Surveys for employee commute, contractor staff etc.
- Records for waste tonnage etc.

STEP 2: REDUCTION

The second step is focused on reducing your emissions. The intended outcome of this stage in the process is to form a Carbon Footprint Management Plan. This is a pivotal part of compliance with the standard, as for each application period you are required to demonstrate continual improvement in the reduction of emissions. This of course is not relevant to the initial application period and can be met on either an absolute or intensity basis. In both cases, the plan acts as a roadmap in how to meet these requirements.

Absolute based reduction

– A reduction in the overall total of emissions

Intensity based reduction

– A reduction based on a measure, for example a reduction in emissions per head count or service provided

CLAUSE 7: COMMITMENT TO CARBON NEUTRALITY

This clause is centred around the commitments an entity must make when considering their carbon neutrality status. When planning and forming a Carbon Management Reduction Plan there are a number of criteria that must be met including – stated commitments, timescales, targets, strategies and a periodic update and review.

TOP TIP

It is important to make your plan meaningful and personal to your chosen subject. When planning for reductions consider what were the highest emitting areas identified within step 1. Utilise the insight you have from your data analysis to make informed decisions and address critical areas.

CLAUSE 8: ACHIEVEMENT OF GHG EMISSIONS REDUCTIONS

Once a plan has been established through the requirements of Clause 7, it is time to implement your Carbon Footprint Management Plan. This includes periodic reviews on performance and allowing for corrective action.

If the subject happens to be a single event with no recurrence, then the plan should focus on ways to reduce emissions prior to the event taking place and review the success of this upon the event ending.

What do we mean by historic reductions?

PAS 2060 defines historic reductions as...

lowering of greenhouse gas emissions effectuated during an unspecified continuous period immediately prior to the date on which the first application period is planned to commence. **Clause 8.1** details how historic reductions, not otherwise accounted for, may be used to address a reduction in emissions.

As we know, PAS 2060 requires a continued reduction in emissions throughout each application period, whether this is on an absolute or intensity basis. **Clause 8.2** looks at how we determine and evidence this reduction. It is important to be clear whether this is applying to an absolute or intensity basis.

To avoid any misleading information or risk of greenwashing, it is important to ensure you are being transparent with your reductions. You must document the type and number of emissions reduced, the relevant data period, and ensure the reductions are relevant and in the scope of the chosen subject. You'll also need to use the same methodology, unless there is a sufficient reason to use an improved method – in which case you'll need to re-quantify the previous carbon footprint for allowing comparison.

STEP 3: OFFSETTING

The third step in the process is offsetting. As established in the scope section of this guide, the PAS 2060 standard requires users to offset all residual emissions relating to the chosen subject – what this means is that the carbon footprint left after the reductions have taken place (in step 2) must be accounted for by carbon offsets. (Note - for the first application period, you can offset all emissions while implementing the Carbon Footprint Management Plan.)

PAS 2060 defines a carbon offset as... discrete reduction in greenhouse gas emissions not arising from the defined subject, made available in the form of a carbon credit meeting the requirements of 9.1.2 and used to counteract emissions from the defined subject.

The intended outcome of this stage is to fulfil the balance of carbon neutrality and doing so in compliance with the standard. Sourcing appropriate carbon offset credits can often feel like a minefield. Fortunately, there are a number of principles to adhere to when considering where to look.

CLAUSE 9: OFFSETTING RESIDUAL GHG EMISSIONS

What makes a compliant carbon offset?

- Carbon credits will be verified by an independent third party verifier
 - Issuance of carbon credits only follow once the reduction has taken place and has made genuine reductions following the project completion
 - Information will be available on carbon offset credits about the offset project, quantification methodology and validation and verification procedures
 - Credits from carbon offset projects shall be retired within 12 months of the date of the declaration of achievement
 - Credits will be retired and kept on a registry that is independent and credible.
- PAS 2060 provides a number of named examples that are utilised in carbon offset credits, and more important meet the standard requirements. Annex C, Table C.2 details as below:

Table C.2: Examples of schemes which can provide carbon credits and offsets that meet the principles in 9.1.2

Offset schemes	
Kyoto compliant	<ul style="list-style-type: none"> • Clean Development Mechanism (Certified Emission Reductions) • Joint Implementation (Emission Reduction Units) • EU Allowances
Non-Kyoto compliant (Voluntary Emission Reductions)	<ul style="list-style-type: none"> • Gold Standard • Voluntary Carbon Standard • Climate, community and Biodiversity Standard
Domestic schemes	<ul style="list-style-type: none"> • In UK - the Woodland Carbon Code <p><i>NOTE This is a Government backed scheme</i></p>

TOP TIP

When considering how to approach your carbon offsetting it is a great opportunity to get the most out of your compliance. By this we mean, consider the impacts different projects may have on your entity – a certain project may suit the feel and ethos of the user. This can enhance engagement relating to environmental performance and influence positive change. For example, one project may relate to an important geographical area or activity to the user.



STEP 4: DOCUMENTATION

The fourth and final step is centred around documentation and preparation for verification.

This stage features a document called a **Qualifying Explanatory Statement (QES)** which PAS 2060 describes as a... collation of evidence in support of the declaration of a commitment to carbon neutrality and/or the

declaration of achievement of carbon neutrality, in compliance with PAS 2060.

The intended outcome of this stage is that upon establishing your QES, which includes making appropriate declarations, you will be in a position to verify your compliance to the standard.

CLAUSE 10: EXPLICIT DECLARATIONS IN RESPECT OF CARBON NEUTRALITY

Declaration

A declaration is a statement you are making as an entity regarding carbon neutrality in respect to your defined subject.

There are 2 types of declarations an entity can make:

- A commitment to carbon neutrality
- An achievement of carbon neutrality

The subclauses of Clause 10 all link to one another in forming a declaration and how to detail this within your QES. You will also need to consider Annex A, Table A.1 and A.2 – this provides permitted declarations for users to adopt based on their assessment type for their achievement or commitment. This is a great tool to ensure you are making the right declaration for your application. The subclauses within Clause 10.4 are also there to help you navigate to the right category in Annex A's Table A.1.

Assessment Type

Once you have implemented PAS 2060 you will need to have this assessed, the standard notes of three methods an entity can take to assess their compliance.

1. Independent third party verification

This is for users looking for an assessment by a competent independent body, PAS 2060 provides examples of criteria a body may use for this in Annex C, Table C.3 – for example, ISO 14064-3 and ISO 14065.

NQA fall under the independent third party verification category – this is what the majority of users aim to achieve as it is the most robust and impartial option, so it is highly credible and provides confidence to stakeholders.

2. Other party validation

This is when you are assessed by a body not deemed as an independent third party body, but independent itself from the entity and user. For example, this may be a consultant assessing their client.

3. Self-validation

This is where users self-assess their compliance with PAS 2060. This is an uncommon option due to the risk in credibility of the assessment, however, may be used due to budget or resource factors.

As we know, Annex A Table A.1 provides templates for declarations – dependent on which of the assessment type above you chose this will alter your applicable wording.

QES

Clause 10.5 details a number of requirements necessary in forming your QES. Many are relevant to supporting a commitment to carbon neutrality, and then further requirements are noted for supporting an achievement to carbon neutrality.

Essentially, a QES is there to show us how we have got from A to B – whether it is for a commitment or an achievement, there will be confirmation on key information such as methodologies used, scope included / excluded, carbon management incentives and so on. Of course, for achievement, this will go on to recognise offsetting features also.

A great part of the standard is the checklists provided within Annex B (table B.1, B.2 and B.3) which are designed to support you in creating your Qualifying Explanatory Statement. **Check out Annex 1 of this guide to answer our readiness checklist now.**



CLAUSE 11: MAINTAINING CARBON NEUTRAL STATUS

This section is looking at how to maintain your carbon neutral status for commitment or achievement declarations.

Commitment to carbon neutrality

- Declarations are valid for a maximum of 1 year before being reverified and updated
- In the commitment period make sure to monitor performance and measure your success against your goals in the Carbon Footprint Management Plan
- If there are any changes throughout the commitment period, make sure to evidence this
- If the validity of the declaration lapses, ensure all declarations and QES is removed.

Achievement of carbon neutrality

- Declarations are made retrospectively and applicable to the application period
- Subsequent periods can not be extrapolated in declarations.

TOP TIP

Embed PAS 2060 into your core business processes and make it a priority. By doing so and not letting your compliance slip, it will be easier to manage and maintain each year as you come to reverify your declaration.



NECESSARY DOCUMENTATION

The standard gives clear direction as to what documentation it requires. See below for an overview list:

Clause	Documentation Requirement
5.2.1	The rationale for selecting the subject
5.2.4. e	Any exclusions in emission sources and the justification
5.3	Methodology: <ul style="list-style-type: none"> • The methodology used to define the subject and GHG emissions, and the justification for selecting it • Assumptions made in choosing the boundaries and included GHG emissions • Confirmation that the methodology meets PAS 2060 • Identified uncertainties
6.2	Quantification: <ul style="list-style-type: none"> • The methodology used to calculate the carbon footprint, and the justification for selecting it • Assumptions and calculations made including data sources, measuring units, period applied, and total carbon footprint • Confirmation that the methodology was applied complying to PAS 2060 • Identified uncertainties
7	Carbon Footprint Management Plan: <ul style="list-style-type: none"> • Statement of commitment • Timescales • Targets • Assumptions • Historic reductions • Offset strategy
8.2.2. a	The amount of reduction and types of reduction undertaken
8.3	Reductions: <ul style="list-style-type: none"> • The methodology used to determine the reduction and the justification for selection • How the reduction was achieved, and the time period measured • Confirmation that the reduction was undertaken complying to PAS 2060 • Assumptions and calculations • Reduction type (absolute or intensity basis) with a percentage reduced • Whether the reduction is in alignment to the goals within the carbon footprint management plan • Confirmation of the reduced total carbon footprint
9	Carbon Offsets: <ul style="list-style-type: none"> • Which emissions have been offset and the amount needed • The number and type of offset credits and projects including the time period of generation and date of retirement • Confirmation that the offset scheme was sourced complying to PAS 2060 • Information evidencing the retirement and link to registry
10	QES: <ul style="list-style-type: none"> • Annex 1 of this guide lays out the checkpoints to document within your QES

NQA VERIFICATION PROCESS

The first stage in your journey with NQA will be initiating your application process. You will need to fill in an application form (also known at NQA as a Quote Request Form) in order for NQA to understand your company, the complexity, and requirements. You can do this by completing our [online quote request form](#) or contacting sales@nqa.com. We will use this information to provide you with a proposal for verification.

NQA can support you before taking the next step of beginning the verification. Whether this is through our external training courses, consultancy recommendations, taking a look at our blogs and online content, signing up for relevant webinars – we have got you covered.

What happens next?

NQA will contact you annually to renew your verification and to continue your claims and statements.

We will ask you to fill out a pre-verification checklist to check the verification duration. NQA shall only conduct a follow up verification if the original verifications have been provided by NQA or another Verification Body that is accredited by an IAF MLA co-signatory.

Stage 1: Pre-verification

The purpose of this assessment is to confirm that the client is ready for the full verification and for the most part will be a documentation review. This will include:

- Client site visit (if required)
- Confirm scope of verification and boundaries of carbon inventory
- Review methodology for data capture and reporting (infrastructure for carbon inventory)
- Identify focus points
- Create verification plan
- Create verification risk assessment
- Review client Qualifying Explanatory Statement (QES) and discuss carbon offset and reporting approach.

Stage 2: Verification

The purpose of this assessment is to carry out the full review on your claim or statement. This will include:

- Client site visit (if required)
- Detailed verification of data sets, calculations, assumptions, and reporting methods
- Review client Qualifying Explanatory Statement (QES)
- Review customer documentation and reports
- Drafting of verification reports
- Clarifications requested, NCs raised
- Verify client's carbon management plan, offset approach and for future years audit improvements in carbon efficiency.

Stage 3: Post-verification

The purpose of this assessment is to do a secondary review on the workings from all parties at the verification stage, and to provide further assurance and integrity. This will include:

- Independent review by independent Lead Verifier
- Finalisation of Verification Opinion Statement (VOS)
- Issuance of VOS
- Guidelines on use of claims and logos
- Client promotion.



WELLCONNECTION AND PAS 2060 CASE STUDY

Wellconnection IOS Ltd provides a full Tubular Management Service including inspection, repair and storage of OCTG, drillpipe and associated tools. Find out how they achieved PAS 2060 Carbon Neutrality verification and see their tips to help you do the same.

The company was established in 2014, as Independent Oilfield Services, and bought by the WellConnection Group in 2019. They operate out of a 55-acre site, that in the past was a World War II airfield, located only 4 miles from the quayside at Peterhead.

Building a sustainable company

There are 3 main reasons for seeking PAS 2060 verification. The first of these is that Wellconnection were aware of their responsibility to limit any negative impact to the natural environment. They understood that even though they are a small company, they can't ignore the threat to the planet's diversity and the future of generations to come.

Secondly, Wellconnection were being impacted by the increasing price of hydrocarbons and knew that the situation would only exacerbate in the future. Having a management system in place allows them to establish a plan on how to reduce these financial costs and demonstrate a commitment to reduce its emissions over time.

The third reason was the growing number of clients who were asking how the organisation would be addressing their CO2e emissions. As they navigated through the PAS 2060 verification process a number of their clients took a keen interest in the actions being taken.

"WellConnection believes managing our emissions is the responsible thing to do. It makes good business sense to ensure we lead and set the standard wherever possible."

Committing to an eco-friendly future

Following their verification WellConnection has seen their CO2e emissions reduce from 557 tonnes in 2019, to 310 tonnes in 2020 with an estimated figure of 260 tonnes projected for 2021. These figures have been achieved due to the commitment of their staff members to the company's Carbon Neutral project.

The process was overseen by their HSEQ Manager with support from the Finance Manager. It required the gathering of energy usage information going back a couple of years.

WellConnection's HSEQ Manager, Iain Thomson, had previous experience with ISO 50001 and this knowledge formed the basis for creating the documents needed to record the required information. "The first of which is the excel spreadsheets linked to conversion factors. This was relatively easy with the energy data we had available to us. The second document needed for the verification to be successful was the Quantitative Explanatory Statement. This document was much more complex to develop, and we quickly realised that this document would be the foundation of our emissions management system and that the content would be unique to our business."

What are they aiming for?

"Our ultimate aim is to be a zero-carbon business; however, we accept with current technologies available to us, that this is not possible at this time. Therefore, we decided that the best course of action was to offset our CO2e emissions by investing in approved certified carbon credits. We did this through our partner, Highland Carbon Ltd who purchased the carbon credits on our behalf from an appropriately verified organisation, in this case Verra, who can provide Verified Carbon Units (VCUs)."

WellConnection IOS already has a good working relationship with NQA, as they have used them for their current ISO 9001, ISO 14001 and ISO 45001 certifications. Due to NQA's knowledge of their business, using them for their PAS 2060 verification seemed like the natural choice.

Some initial research through Google quickly identified that having a copy of the PAS 2060:2014 on its own would not be enough. Further information is required from either BS EN ISO 14064-1:2019 or the Greenhouse gas Protocol "A Corporate Accounting and Reporting Standard" to support the process. We decided on the GHG Protocol standard as this is freely available. There was also the need to use the information provided by DEFRA in the form of conversion factors that allowed us to convert our energy use in to appropriate CO2e emissions.

Tips for others looking to implement PAS 2060

Following his journey to achieving PAS 2060 verification Iain Thomson has given 3 of his top tips to help other companies looking to implement the standard:

I would suggest you gather the data first to create the spreadsheets that will calculate your emissions. The Qualifying Explanatory Statement (QES) can be created after you have the information gained from compiling the data.

We also aligned the QES to the relevant parts of the GHG Protocol. A well written and detailed QES should answer any questions the auditor carrying out the verification will have.

Finally, we would advise not to create your systems in isolation of your management system and remember to add your commitment to reduce emissions to your environmental policy and the actions in your emissions management plan to the company objects for example.



GET THE MOST FROM PAS 2060

Top tips to get the most out of your compliance and verification to PAS 2060:



1. Begin by understanding the drivers behind this decision, it is important when acting in a business that these actions support and align to the strategic direction of the business.



7. Share your achievements with your stakeholders through appropriate promotional activities. Increased transparency as a business will give you a competitive advantage and differentiate your business.



2. Make sure you have the PAS 2060 document available and ready to use. The standard is designed to guide you and provides useful examples throughout which can support you in your implementation and maintenance.



8. Utilise NQA's logos for PAS 2060 upon a successful verification. This will not only highlight your achievement but add credibility through an independent 3rd party.



3. Ensure that top management are committed to your goals and ambitions as this will not only source the capabilities for achieving carbon neutrality but showcase the importance behind it.



9. Use the verification as a means to identify risk and improve performance related to environmental matters.



4. Involve the whole business in the efforts you are making to improve your sustainability. By embedding the changes into the heart of the organisation this will drive momentum.



10. Drive sustainability through your supply chain by managing your inwards and outwards agreements with stakeholders to align to your sustainability ambitions. By working with your supply chain you can benefit from suppliers or customers offset scope 3 emissions for which you both share responsibility.



5. Organisation is key. As PAS 2060 is to be repeated on an annual basis, planning and preparation is hugely important in reducing time involved in the project. Streamline the process by developing processes and procedures to be repeated annually.



11. Keep up to date on current, pending, and potential legislations that may impact your carbon accounting and verification.



6. The data captured through PAS 2060's requirements is not limited. Utilise the data for further analysis in a number of areas, for example you can identify cost saving opportunities or ways to improve performance.





NQA ASSOCIATE PARTNER PROGRAMME



If you are looking for a consultant to assist you with verification, NQA can help!

Our APP has consultants from all over the country enlisted on it. The register is designed to help you find experienced consultants who can help.

To find a consultant to support you through your certification journey contact us on:

0800 052 2424 (option 2) or email sales@nqa.com

SUSTAINABILITY TRAINING

This guide is intended to provide a high level introduction into PAS 2060, the context behind it and the breakdown of the key stages. Our guide also pulls together supporting resources to help to guide and inspire you through the implementation process. NQA can support you with your wider sustainability ambitions, see the courses we offer below.

E-Learning



ISO 14001
(Environmental)



ISO 50001
(Energy)



GHG Inventory
(ISO 14064-1)



PAS 2060
(Carbon Neutrality)



ISO 26000 and
ISO 20121
(Social Responsibility
and Sustainable Events)

Tutor Led:



PAS 2060
Understanding and
Achieving Carbon Neutrality



**NQA Greenhouse
Gas (GHG) Inventory**
Calculation and Verification

Tools/resources:



Webinars



Blogs/News



Guides

ANNEX 1: QES READINESS CHECKLIST

Checklist for QES supporting declaration of commitment to carbon neutrality

Point	Check	Note
1	Who is responsible for collecting data, evaluating, preparing, communicating, and maintaining the declaration?	
2	What is the entity the declaration will relate to?	
3	What is the subject of the declaration? (Including purposes, objectives, or functionality). Is this rational and within context? What are the boundaries of the subject? Are all activities material to the subject considered?	
4	Is the subject part of an organisation, or a specific site / location? (Treat as individual purpose, objectives, and functionality).	
5	What scope options have been chosen?	
6	What date is the entity planning to achieve carbon neutrality, and maintain for how long?	
7	What methodology have you chosen to use and why? Has this stayed in keeping with PAS 2060?	
8	What is the total carbon footprint excluding offsets?	
9	Have all GHG emissions been included and converted into tCO ₂ e?	
10	Have GHG emissions contributing to more than 1% of total emissions been categorised into scope 1, 2 & 3? Have any exclusions been justified and documented? Have 100% of all relevant scope 1 & 2 emissions been included?	
11	Have any necessary estimations been fair and honest, avoiding underestimating?	

Point	Check	Note
12	Have at least 95% of total emissions been accounted for? (Where a single source contributes more than 50% of the total emissions, the 95% threshold applies to the remaining sources of emissions).	
13	For organisations – are the boundaries true and fair to the entire organisation, and inclusive of all core activities? Are any exclusions documented? Has the equity share, or control approach been used?	
14	For products / services – have all scope 3 emissions been included? (Lifecycle needs to be taken into consideration)	
15	What data methods were used? (E.g., primary, or secondary). Which measuring unit was applied, and in what period? Have all sources of data been identified? (Using national government publications where possible, and international / industry guidelines when not).	
16	Have assessments of uncertainty been conducted and documented? (This can be a qualitative description or quantitative assessment is available).	
17	Carbon management plan – Has a statement of commitment been made with set timescales, and targets of GHG emission reductions? (Including baseline date, first qualification date, and first application period). Is the plan documented, including assumptions and justifications? Has an offset plan been included?	
18	What process is in place to review target performance and set corrective action?	
19	Has any historic GHG emissions data (prior to the baseline date) being used? Have the historic period dates been included? Has this data been calculated using the same methodology? Has the assessment of this historic reduction been made in line with PAS2060? Has the reporting of historic reductions claimed in parallel with total reductions?	
20	When the declaration of commitment has been renewed without declaration of achievement, has this been recorded?	
21	Have you included the type of conformity assessment? (NQA provide independent third party).	
22	Review – Is the QES dated and signed by a senior representative? Is the QES made publicly available including references to information? Is the QES reviewed as necessary?	

Checklist for QES supporting declaration of achievement of carbon neutrality

Point	Check	Note
1	What standard and methodology has been determined for GHG emissions reduction? Has this stayed in keeping with PAS 2060? Has this choice been justified? (The methodology used to quantify reductions shall be the same as what's used to quantify the original carbon footprint. If an alternative methodology is available that would reduce uncertainty consistent then this may be used provided the original carbon footprint is re-quantified to the same methodology, for comparison purposes. Recalculated carbon footprints shall use the most recently available emission factors, ensuring that for comparison any change in the factors used is considered).	
2	How have reductions been achieved? (Including assumptions and justifications).	
3	Can confirmation be made that there have been no changes to the definition of the subject?	
4	What is the actual reduction achieved as a percentage in absolute and intensity terms?	
5	What is the baseline / qualification date?	
6	What is the economic growth rate percentage for the application period? (Used as a threshold for recognising reductions in intensity terms).	
7	Are there any circumstances where a GHG reduction in intensity terms is accompanied by an increase in absolute terms for the subject? Has this been justified if so?	
8	Offsets – What standard and methodology have been used to achieve carbon offset? Are the credits genuine reductions? Have the offsetting projects met the criteria of additionality, permanence, leakage	
9	and double counting? Have the carbon offsets been verified by an independent third party verifier? Have the credits only been used after the reduction has taken place? Have credits from carbon offset projects been retired within 12 months of achievement declaration date? Have credits from offset projects provided necessary information publicly, and been stored and retired in an independent and credible registry?	

Point	Check	Note
10	Offset documentation – Which GHG emissions have been offset? What is the actual amount of carbon offset, including the type of credits and projects involved? What is the number and type of carbon credits used, and the period of their generation? Where is the evidence of the credit retirement? (For events, 36 months may replace the standard 12 months, but this must be justified including any legacy emission savings).	
11	What is the type of conformity assessment? (NQA provide independent third party)	
12	Review – Is the QES dated and signed by a senior representative? Is the QES made publicly available including references to information? Is the QES reviewed as necessary?	

Checklist for QES general importance – entities must ensure that the QES...

Point	Check	Note
1	Does not suggest a reduction which does not exist, either directly or by implication.	
2	Is not presented in a manner which implies that the declaration is endorsed or certified by an independent third party organization when it is not	
3	Is not likely to be misinterpreted or be misleading as a result of the omission of relevant facts.	
4	Is readily available to any interested party.	



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