

IETA Response to GHGP RFI (Submitted 15 June 2026): Actions and Market Instruments Phase 1 Progress Update White Paper

Introduction and Data Privacy Acknowledgement

1. By submitting feedback, you acknowledge that you are doing so voluntarily and have read, understood, and agreed to this disclaimer and notice of rights. **Agree**
2. Please confirm that you have read the “Explanatory Memo – Request for Information – Actions and Market Instruments Phase 1 Progress Update White Paper” before proceeding with your response. This document can be found on the Actions and Market Instruments Landing page. **Yes**
3. As part of the Greenhouse Gas Protocol’s standard procedures, all responses will be made publicly available. However, respondents have the option to have their name, organizational affiliation, and country redacted from any public record of their response. Your e-mail will be automatically redacted from any public record, whether you opt-in here or not. Would you like to request the redaction of this information for your responses? **No**

Demographics

4-16. IETA is a multi-sectoral trade association representing the interests of our more than 300 global members. Contact Jeremy Rubin (rubin@ieta.org) with any questions or to learn more about IETA’s carbon accounting work.

Multi-Statement Reporting Structure

17. To what extent do you support or oppose the introduction of a new “multi-statement GHG reporting structure” for GHG reports?

- *Strongly support / support / neutral / oppose / strongly oppose*

18. What benefits or challenges do you think that a multi-statement reporting structure could result in? **Select all that apply:**

- It fulfills business needs to credibly account for and report on actions and market instruments
- **It supports global climate mitigation**
- It supports providers of market instruments with a clear framework for developing and communicating instrument claims related to corporate GHG accounting
- **It enhances transparency on companies’ GHG emissions and climate action for all stakeholders**
- It increases comparability between companies

- It reduces comparability between companies
- It increases reporting complexity
- It requires additional resources
- Other: It can increase comparability between companies, and can provide a clear framework for developing and communicating instrument claims related to corporate GHG accounting. However, it also has the potential to expand the hierarchy of actions and instruments.

19. What changes or improvements would you recommend to increase your level of support for a multi-statement GHG reporting structure to inform Phase 2 of the Actions and Market Instruments standard development work?

For more than 25 years, IETA has been the leading global business voice on robust market solutions to tackle climate change while driving clean finance at scale to realize the global goals of addressing climate change, like those embodied in the Paris Agreement. IETA represents a broad and diverse group of companies and businesses (300+ members worldwide) at the forefront of climate action. Our expertise is regularly called upon to inform carbon market solutions that deliver measurable climate outcomes, address economic competitiveness and carbon leakage concerns, balance efficiencies with social equity, and support a just transition.

We appreciate the opportunity for feedback on the GHG Protocol's Actions and Market Instruments Phase 1 Progress Update White Paper. Fundamentally, IETA strongly believes in the role of carbon markets, and in the role of climate-related reporting transparency to recognize high-integrity climate action.

Particularly given ongoing valid concerns of competitiveness and affordability, carbon markets can – and frankly must – play a cornerstone role in helping to affordably reduce and remove emissions to reach climate commitments and net-zero targets, drive sustainable economic growth and support lower-carbon economies.

Importantly, since GHG emissions are global in nature, actions to reduce and remove them should be viewed as such. Larger and more competitive markets enable liquidity, transparent price discovery, stability, and ultimately, efficient, cost-effective allocation of resources. Limitations on markets, which may happen through restrictions on the allowed reporting of market instruments, risk restricting market size and increasing the overall cost of addressing climate change.

Pathways and markets exist in which GHG performances may be decoupled or unbundled from the action via the creation of a GHG environmental attribute, allowing it to be paired with another

product even if the reduction occurs elsewhere. Given that such activities are enabling a shift toward a lower-carbon future, they should be transparently disclosed.

IETA therefore broadly supports the proposed multi-statement reporting structure, with the disaggregation of physical and market-based inventories and the separation of attributional and consequential accounting. However, IETA hopes to see the following to further increase support:

- **Clarified treatment of market-based GHG action.** The GHG Protocol should prioritize and expedite providing clarity on the treatment of market-based action across the GHG Protocol. Consistent methodologies that track both physical and contracted GHG performance are necessary to enable efficient markets, ensure GHGs are counted once, and enable effective reconciliation of emissions. In the interim, continued lack of clarity may stifle high-integrity mitigation while dampening global climate investment.
- **Consistency across statements, with usability and comparability top of mind.** There should be no ambiguity as to what falls in each statement (or in multiple statements). IETA believes emissions reduced and removed through carbon markets should count alongside the suite of other market-based actions as attributional outcomes (with potential multi-statement inclusion in a consequential accounting format). While the GHG Impact Statements and Non-GHG Indicators can allow for greater recognition of beneficial climate actions, IETA suggests prioritizing guidance on the market-based inventory.
- **Consider existing, and emerging, jurisdictional and sectoral guidance.** IETA encourages the GHGP to keep an eye to the evolving global landscape. This includes existing and emerging jurisdictional reporting and disclosure regulations and newer ledger-style accounting frameworks. Clear rationale is necessary for clarity, continuity and maximum uptake. We stress the importance of interoperability and reduced duplication where possible.

20. Would you like to provide additional feedback on specific elements of the multi-statement GHG reporting structure by answering additional survey questions? Please note that if you select “no” the survey will end. **Yes/no**

Purpose, Goals and Objectives

21. To what extent do you agree with the “Purpose, goals and objectives” (outlined in Section 4 of the White paper)? **Select one:**

- *Strongly agree / agree / neutral / disagree / strongly disagree*

22. Please explain the rationale behind your previous response and add what changes or improvements you would recommend for “Purpose, goals and objectives” (Section 4 of the White paper)

IETA broadly supports the purpose, goals, and objectives outlined in Section 4, although we encourage the GHG Protocol to re-evaluate them to align with the purposes of an “accounting standard,” which is to provide decision-useful information. Without proper scoping and clarity, the GHG Protocol risks undermining comparability and verifiability.

Namely, outcomes should be secondary to the AMI Standard’s purpose of providing consistent and decision-useful information and allowing for greater comparability. We encourage greater emphasis on the framework’s practicality and usability, ensuring that it can be implemented efficiently across different company sizes, sectors, and geographies. The AMI Standard must allow for the reporting climate action consistently and transparently, using auditable methods, calculation formulas, and reporting templates that align with international best practices.

We feel open questions remain around how the framework will fit into and across the broader GHG Protocol Corporate Standard and suite of existing regulatory regimes. As the Corporate Standard is referenced in various global accounting and disclosure regulations, IETA expects more information on how AMI is intended to work alongside the Standard. Particularly since many of these regulations are already entering force, clarity and certainty are needed for widespread adoption.

Regarding market instruments, IETA hopes to see confirmation on the allowable usage cases to support the wide variety of market-based climate action and investment that companies are already taking. By and large, we believe the AMI Standard should transparently allow for reporting of the suite of GHG-reducing actions already being undertaken to provide credibility and certainty. We believe that the claiming of market-based instruments should reflect the ownership of GHG environmental attributes, including carbon credits and offsets.

Aside from the key roles of the physical and market-based GHG inventories, we believe other guidance, such as the GHG Impact Statement and Non-GHG Indicator Statement, can be developed over a longer period. Most importantly, the GHG Protocol must ground the AMI Standard in clear, uniform priorities and principles that are applied consistently to support high-quality, comparable reporting.

Statement 2: Market-Based GHG Inventory Statement

23. To what extent do you think the Market-based GHG inventory statement should be included within a multi-statement GHG reporting structure? **Select one:**

- *Should be included / Neutral / Should not be included*

24. Please explain the rationale behind your previous response and provide any additional comments on the Market-based GHG inventory statement that should inform Phase 2 of the Actions and Market Instruments standard development work.

We support the inclusion of a Market-based GHG Inventory Statement within a multi-statement reporting structure, and we support the delineation of the physical and market-based reporting. We would support this taking the form of either two complimentary statements (as is currently proposed) or being reported on a single statement with the market-based inventory as a distinct adjustment to the physical GHG inventory.

This market-based inventory should reflect the ownership of GHG environmental attributes, such as carbon credits or offsets, while the physical inventory reflects the physical flow of products and services through the value chain. Recognizing certain market-based actions may potentially also fall into other statements, IETA encourages broad inclusion of GHG-related market actions and instruments in an attributional accounting format to support consistency and comparability across corporates.

Such recognition encourages and incentivizes efficient emissions reductions and removals via transparent accounting. This, in turn, helps to provide stronger signals enabling investment, accelerates uptake and scaling of lower carbon solutions, and helps direct investment towards the most cost-effective options for GHG mitigation. This move toward transparency of market-based actions can unlock efficient markets, ensure emissions are counted only once, and enable effective reconciliation of emissions.

Importantly, for some companies, the physical and market-based inventories will be the same values because the GHG environmental attributes will be bundled through the supply chain, although others will differ. There are many reasons why this would be the case, including – but not limited to – lower cost of performance, the comingling of products in storage or transport, the lack of local low-carbon market activities, or a geographic separation from funded environmental performances elsewhere globally.

In terms of Phase 2, we hope to see the following:

- Accelerated and prioritized market-based inventory guidance. In this interim period while eligibility rules are unclear, companies do not have the necessary clarity on the accounting rules for the market-based inventory, delaying action and investment.
- GHG market instruments for all products, solutions, and sectors – including carbon credits and offsets – have clear, simple definitions and consistent accounting rules for the full framework. They should be based on historical activity, verified, and correspond to contractual ownership.
- Eligibility criteria for GHG market instruments that is agnostic to the status as a voluntary or compliance-based market instrument.
- Lifecycle metadata for market instruments – issuance, transfer, retirement, and assignment events – should be tracked and disclosed at a minimum granularity sufficient to prevent double-claiming. Standardized lifecycle fields enable interoperability across registries, reduce verification burden, and let the market improve data quality over time without re-opening the standard. The CAD Trust offers a working reference architecture.
- Clarification on how recipients can apply market instruments across scopes of their market-based inventories, provided all necessary corresponding adjustments to reflect transfers in GHG performance ownership are undertaken.
- Additionality criteria not applied, as it is not consistent to an attributional inventory approach. Accounting should remain grounded in verifiable ownership and transfer rather than outcome-based assertions.
- Recognition of disaggregated market-based attributes. These are important components in addition to the physical GHG inventory that support transparent GHG accounting of market-based instruments and recognizes market practices to promote sound emissions management.
- Practical guidance provided to facilitate implementation across companies and allow for ease of comparability.

Statement 3: GHG Impact Statement

25. To what extent do you think the GHG impact statement should be included within a multi-statement GHG reporting structure? **Select one:**

- *Should be included / Neutral / Should not be included*

26. To what extent do you agree with the proposed sub-categories for the GHG impact statement?

Select one of “Should be included / Neutral / Should not be included” for all 5 categories:

- Category 1. Within organizational boundary impacts;
- 2. Value chain associated impacts;

- 3. Sector associated impacts;
- 4. Beyond value chain and sector (global) impacts;
- 5. GHG impacts of sold products”

27. Should any of the GHG impact statement sub-categories be merged for simplification and greater clarity? **Select all that apply:**

- None should be merged
- Within organizational boundary impacts should be merged with value chain associated impacts
- Within value chain associated impacts should be merged with sector-associated impacts
- Sector-associated impacts should be merged with Beyond value chain and sector (global) impacts
- Value chain associated impacts should be merged with GHG impacts of sold products
- Other [specify]

28. To what extent do you agree or disagree that consequential reporting approaches within the GHG impact statement should reflect both positive and negative impacts of actions? **Select one:**

- *Strongly agree / agree / neutral / disagree / strongly disagree*

29. How should GHG impacts of sold products (e.g. avoided emissions) be treated in the GHG impacts statement? **Select one:**

- *Should be included in the GHG Impact Statement / Should be included but in a separate statement / Neutral / Should not be included at all*

30. Please explain the rationale behind your responses in this section and provide any additional comments on the GHG impact statement that should inform Phase 2 of the Actions and Market Instruments standard development work.

IETA believes a GHG Impact statement based on consequential accounting should be optionally included, to provide corporates additional flexibility to report on the range of climate action being undertaken. We hope to see the inclusion of the suite of carbon market activities in the Market-based GHG Inventory Statement, and corresponding GHG Protocol prioritization there, with this GHG Impact Statement acting as an optional pathway for reporting mitigation outcome information.

That said, as currently proposed, while we agree with having consequential accounting to recognize global emissions impacts of actions, we question the complexity of the current proposed

format. A more streamlined categorization would reduce complexity, make the framework easier to implement, and enhance comparability across companies. For question 26, we have not selected any sub-categories because we believe they could be simplified or not included at all (although we recognize there may be a role for optional subcategories). Fundamentally, we believe in optionality and flexibility for this GHG Impact Statement.

To aid in this process as it moves forward, general principles for the Statement may help reduce confusion in the market for both disclosing parties and those attempting to interpret disclosures.

From a practical perspective, it is important that the GHG Protocol establishes simple guidance that enables all to participate in consequential accounting to encourage all entities to contribute to advancing a lower-carbon future. Companies should be eligible to report consequential emissions for all actions contributing to a lower-carbon outcome, whether through physical or contractual arrangements. Consequential emissions accounting should be extensible and repeatable across all sectors, allow flexibility while maintaining integrity, provide transparency regarding assumptions, and refrain from screening criteria that limit broad applicability.

To encourage all company participation in advancing a lower-carbon future, additionality should not be required for consequential emissions accounting. An additionality requirement could have the unintended consequence of discouraging companies from acting now on emissions reductions if it is based on a historical baseline of performance. In this way, mechanisms that assess additionality can sometimes inadvertently create inequalities in the market due to different baselines or create incorrect market incentives by not recognizing the environmental performance of existing practices.

Regarding negative impacts of actions, clear boundaries are a core principle of accounting standards. Requiring analysis of potential negative impacts to any reported statement may pose a challenge due to an ever-expanding boundary. While IETA continues to support transparent reporting, negative impacts of actions in the GHG Impact Statement may be hard to prove and may only be known retrospectively because the impacts of an action often take time to influence the wider economy. IETA worries about the increased complexity of reporting this path may pose that may discourage action.

Of note, as the best available science and established standard evolves around leakage calculations and carbon removals accounting, IETA posits that the GHG Protocol's Land Sector and Removals Standard (LSRS) and AMI Standard may need updating. Regarding leakage, land use leakage is a consequential effect of an action and should therefore be a component of the GHG Impact Statement, with potential alignment between LSRS and AMI necessary. Similarly,

interventions that generate removals may require consequential accounting (and need to appear in the GHG Impact Statement) or might be more appropriate to reflect with attributional accounting in the Market-based Statement (or both, if not mutually exclusive). As leakage calculation methods and removal accounting methods continue to evolve, these GHG Protocol Standards may require revisiting.

Statement 4: Non-GHG Indicators

31. To what extent do you think the Non-GHG indicators statement should be included within a multi-statement reporting structure? **Select one:**

- *Should be included / Neutral / Should not be included*

32. What level of detail should the AMI Standard provide for Non-GHG Indicators? **Select one:**

- The AMI Standard should only provide general categories and leave definition of specific indicators to sector-specific and jurisdiction-specific initiatives
- The AMI Standard should define specific indicators
- Other [specify]

33. Please explain the rationale behind your responses in this section and provide any additional comments on the Non-GHG indicators statement that should inform Phase 2 of the Actions and Market Instruments standard development work.

If Non-GHG Indicators are established as part of the multi-statement reporting framework, reporting should be optional and can be developed at a later date. GHG Protocol's development of the Non-GHG Indicators should be based on a general principles-based framework and defer the definition of specific indicators entirely to sector-specific, jurisdiction-specific and other newer initiatives which are currently emerging.

We encourage the GHG Protocol to prioritize developing guidance and holding future public consultations on the market-based inventory statement, as well as the other questions and interactions raised in our response.

Concluding Questions

34. If you have any other comments and remarks about the White Paper that should inform Phase 2 of the Actions and Market Instruments standard development work, including specific examples or case studies that you believe should be explored, please provide them here.

IETA's global focus remains on pragmatic decarbonization through well-designed, high-integrity carbon markets in pursuit of the Paris Agreement's goals. With companies active in or seeking low-carbon pathways to unlock decarbonization investment, we urge the GHG Protocol to create an environment that recognizes the full suite of high-integrity actions, both existing and emerging.

Broadly, the GHG Protocol's AMI Standard should provide globally applicable, sector-agnostic principles and guidance. We support the GHG Protocol's move toward greater transparency with this proposed framework, but guidance, standardized templates, and simplified structures will be critical to ensure consistent application, external comparability and minimize additional administrative burden.

The GHG Protocol should accelerate and prioritize issuing market-based inventory guidance. In this interim period, unclear eligibility rules are delaying action on GHG-efficient projects and investments. IETA maintains that GHG attributes and market-based mechanisms measured in consistent units (e.g., CO₂e) should be treated consistently across the GHG Protocol. This applies to all market instruments – representing emissions reductions, removals, superior performance relative to a benchmark, lower-carbon project or activity, or the other forms they may take – agnostic to whether they are compliance or voluntary instruments.

For Phase 2, IETA hopes to see greater clarity and alignment of market-based mechanisms across GHG Protocol frameworks and standards. This is crucial for helping participants understand the interactions and interdependencies of proposed updates, including ensuring comparable treatment of market instruments across products. We also encourage the use of real-world case studies across sectors to illustrate practical application, helping companies understand implementation pathways and build confidence in the approach.

To this end, IETA encourages consideration of the Task Force for Corporate Action Transparency (TCAT) as a reference point. Specifically:

- TCAT's **Mitigation Action Accounting and Reporting Guidance (MAARG)** provides a multi-statement framework for transparently quantifying and disclosing all market instruments and strategies a company uses to mitigate its climate impacts and reduce risk.
- TCAT's accompanying **Target Accounting and Reporting Guidance (TARG)** provides a comprehensive, multi-sheet reporting template that integrates emissions data with detailed, instrument-specific information to ensure integrity in the reporting of mitigation actions and target commitments achieved through market instruments.

Importantly, the MAARG's Physical Inventory Statement is the only mandatory statement of the five in TCAT's Guidance. Its Contractual Inventory Statement then adjusts the Physical Inventory Statement – both via attributional accounting – based on market instrument usage across Scopes 1, 2, and 3. Additional Statements utilize consequential accounting to capture mitigation outcomes of actions. With existing and ongoing pilots and case studies, IETA encourages consideration of TCAT's framework and learnings as the GHG Protocol moves ahead.

Finally, the GHG Protocol should explicitly address the interactions between the AMI Standard and the regulatory disclosure regimes. Companies reporting across multiple jurisdictions face a growing web of mandatory GHG disclosure requirements, and the AMI Standard should complement rather than conflict with those regimes. This means ensuring AMI reporting is compatible with existing compliance market frameworks and does not create disclosure obligations that duplicate or conflict with regulatory requirements in ways that expose reporters to legal or regulatory risk.

35. What other important questions should the standard answer in Phase 2 that are not already included in Annex A? **Open-ended response (4,000-character max)**

IETA encourages the GHG Protocol AMI Technical Working Group to consider the following questions, along with those included in Annex A:

- How can, or should, market instrument guidance be harmonized across GHG Protocol frameworks and standards to increase consistency, comparability and promote action on climate change?
- Will there be an opportunity to report a single statement with the market-based inventory clearly presented as an adjustment to the physical GHG inventory?
- How will the AMI Standard link to target-setting and claims, including how companies can use the different statements to support credible climate strategies and communications?
- How will the AMI Standard interact with existing and emerging regulatory reporting and disclosure regimes, to avoid duplication and ensure practical applicability across jurisdictions?
- How will the AMI Standard consider the lifecycle state of market-based instruments, and how can it interoperate with registry standards already in use (e.g., CAD Trust)? This is particularly true for certain performance-based actions that may potentially be included in multiple Statements/scopes.
- Can stakeholders expect to see additional guidance or clarifications on the multi-statement reporting framework – whether statements will be mandatory or optional,

whether reporting is mutually exclusive to one statement vs another, etc. – prior to the expected full draft Standard consultation in 2027?

- Can the GHG Protocol provide interim guidance and clarity for corporates prior to the expected 2028 publication of the AMI Standard?

36. I would like to sign up to stay informed about any potential pilot testing opportunities in the future. Yes/ no