



Grasping Scope 3 Emissions: An In-depth Perspective

In the quest for sustainability, businesses are increasingly recognising the importance of measuring and reducing their greenhouse gas (GHG) emissions. Among these, Scope 3 emissions, considered to be the most complex to calculate, are gaining particular prominence. This article delves into the intricacies of Scope 3 emissions, their significance, and strategies for accurate measurement and reduction.

1. Understanding Emission Scopes

The Greenhouse Gas Protocol establishes three 'Scopes' to categorise GHG emissions, aiding businesses and governments in comprehending, quantifying, and managing their emissions.

1.1 Scope 1 Emissions

These emissions are direct outputs from sources owned or controlled by an organisation. They encompass emissions from stationary combustion (e.g. fuels, heating sources), mobile combustion (company vehicles), fugitive emissions (leaks during production), and process emissions.

1.2 Scope 2 Emissions

These emissions are indirect and originate from the consumption of procured electricity, heat, or steam.

1.3 Scope 3 Emissions

These emissions are also indirect but they stem from sources not under an organisation's direct control, yet are a result of its sold products or services.

Scope 3 emissions can occur at various stages of a product or service lifecycle.

2. Scope 3 Emissions Unpacked

Scope 3 emissions are subdivided into 15 categories, encompassing activities such as production of procured goods and services, waste disposal, and business travel. This category is considered to be the most complex to measure, due to its indirect nature and the diversity of sources.

2.1 Scope 3 Emissions: A Closer Look

Scope 3 emissions comprise all the indirect emissions that occur in the upstream and downstream activities of an organisation. They include emissions from the production of procured goods and services, emissions from waste disposal, and from business travel.

2.2 Examples of Scope 3 Emissions

Common examples of Scope 3 emissions include:

- **Travel:** This includes emissions resulting from business travel and staff commuting.
- **Procurement:** Emissions from the manufacture and delivery of goods and services purchased by the organisation.
- **Water:** Emissions associated with the supply and treatment of water used by the organisation.
- **Waste:** Emissions resulting from the disposal and treatment of waste generated by the organisation.

3. Importance of Measuring Scope 3 Emissions

The importance of measuring Scope 3 emissions lies in the fact that they often constitute the majority of an organisation's total GHG emissions.

3.1 Benefits to Businesses

Measuring Scope 3 emissions enables businesses to identify emission hotspots across their value chain, informing decision-making across procurement, product development, and logistics teams. It can also encourage product innovation, promote sustainability and energy efficiency, and engage employees in reducing emissions from business travel and commuting.

3.2 Benefits to Public Sector Organisations

Public sector bodies can prioritise decarbonisation efforts, collaborate with suppliers to reduce emissions, leverage buying power to drive change, and communicate progress with stakeholders by measuring their Scope 3 emissions.

4. The Global Scope 3 Reduction Target

The Paris Agreement set an ambitious goal of maintaining the global temperature rise below 2°C above pre-industrial levels. To achieve this by 2100, global upstream Scope 3 emissions would need to be reduced by 54% compared to the baseline.

5. Challenges in Measuring Scope 3 Emissions

Measuring and reporting on Scope 3 GHG emissions can be challenging due to their indirect and often complex nature. Common challenges include data collection, data management, and stakeholder engagement.

6. Strategies for Measuring Scope 3 Emissions

The best method for measuring an organisation's Scope 3 emissions depends on factors such as the available supply chain data and resources for tracking and measuring emissions.

6.1 CDP-based (Using a sectoral emissions factor)

6.2 Spend-based

6.3 Supplier-based (primary data)

6.4 Hybrid

7. Planning Your Value Chain Reduction Activity

The next step after calculating your Scope 3 baseline carbon footprint is to set your targets and begin reducing your emissions. Starting with two or three key initiatives and engaging your suppliers in these can help track your joint progress.

8. Involving Suppliers in Scope 3 Emission Reduction

Involving suppliers in Scope 3 emission reduction is crucial, as the supply chain typically represents the majority of a company's Scope 3 emissions. Providing suppliers with tools such as customised surveys, a decarbonisation simulation tool, and a platform to monitor reduction activity can be beneficial.

9. The Role of Technology in Tracking Scope 3 Emissions

Technology plays a vital role in tracking Scope 3 emissions. Apps like Kora's sustainability app, for instance, offer a great option for tracking Scope 3 travel emissions. Such technological solutions can simplify data collection and make the process of Scope 3 emissions tracking more efficient.

10. Final Words

As we strive for a more sustainable future, understanding and managing Scope 3 emissions is crucial. Though challenging, with the right strategies and tools, businesses can successfully measure and reduce their Scope 3 emissions, contributing significantly to the global fight against climate change. The journey towards sustainability is a collective one, and every step counts. Stay motivated, stay empowered, and let's make a positive impact on our environment together!