TALKING HEADS

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In 2019, the UK became the first major economy in the world to pass laws to end its contribution to global warming by 2050 – setting a target to bring all greenhouse gas emissions to net zero by that date. This went beyond the target set in 2008 to reduce carbon emissions by 80 per cent below 1990 levels. To help achieve this target, the government has introduced a raft of mandatory compliance schemes that require businesses to measure, report and reduce their greenhouse gas emissions.

For organisations, ensuring full compliance with these schemes – which include Streamlined Energy & Carbon Reporting (SECR), The Energy Savings Opportunity Scheme (ESOS), and UK Emissions Trading Scheme (UK ETS) – can be a complex process that demands considerable time and resources. Given the administrative burden of mandatory compliance, many organisations regard compliance with any additional voluntary standards as beyond their capabilities and resources. But adopting internationally recognised standards for energy management or carbon footprinting – such as ISO 50001 and ISO 14001 – not only simplifies and supports compliance with mandatory legislation, it also unlocks greater environmental, financial and reputational benefits for the business.

It's also increasingly clear that mandatory schemes alone will not deliver the government's new net zero targets. The latest Intergovernmental Panel on Climate Change (IPCC) report suggests that current efforts to decarbonise will not be sufficient to keep global temperature rises within 1.5°C above pre-industrial levels. In light of these findings, governments and businesses will need to go beyond current legislative measures to meet their net zero commitments.

Tightening up of regulations

The government has already announced a tightening up of schemes like ESOS, which are set to become more stringent to better support the drive towards net zero. At the recent UN Climate Change Conference of the Parties (COP26), Chancellor Rishi Sunak announced that all large, listed firms would have to introduce not just climate-related risk disclosures, but

Voluntary schemes can cut carbon

Businesses will need to go far beyond current legislative measures to meet net zero commitments. Voluntary compliance schemes have a vital role to play, as **Mehmet Olgun** explains

comprehensive net zero strategies. A new taskforce is to be created to develop a robust compliance standard for these strategies. It's a strong signal that regulatory pressures are set to increase on large businesses, meaning now is the time to get ahead by implementing effective net zero strategies to tackle carbon emissions effectively and sustainably.

Adopting the processes and behaviours required to comply with voluntary accreditations, such as ISO 50001, establishes best practice and creates the baseline of data needed to fulfil many regulatory obligations. It also sets the groundwork for developing a net zero carbon roadmap, which every business will need as regulations tighten up and the global deadline for reaching net zero approaches.

ISO 50001 is the internationally recognised standard for Energy Management Systems (EnMS). It gives businesses the most robust and effective framework for improving energy efficiency over the long-term. By complying with ISO 50001, businesses will automatically meet the reporting and auditing requirements for mandatory regulations, including

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ESOS, and will find it significantly easier to achieve their CCA carbon reductions

There are a number of other worthwhile voluntary schemes that businesses can opt to comply with, including ISO 14064 for validating and verifying greenhouse gas emissions, and PAS 2050 for quantifying the carbon footprint of specific products or services. There are also schemes, such as Global Real Estate Sustainability Benchmark (GRESB), Global Reporting Initiative (GRI) and Carbon Disclosure Project (CDP) which may be appropriate for different businesses, depending on their size, sector and location.

Compliance confusion

The plethora of voluntary compliance schemes available can be confusing. It can be difficult for businesses to select the right schemes or combination of schemes to fulfil their specific net zero ambitions in the most efficient and cost-effective way. It's important to avoid duplication of effort in complying with different schemes, and to ensure that the data-gathering, operational processes and behavioural changes required for any scheme are appropriate to the size and nature of the business.

That's why it's helpful to get expert advice at the outset, to identify the right voluntary accreditation schemes for each business – ones that will deliver lasting operational, cost and efficiency benefits, while simplifying compliance with all relevant mandatory schemes.

EQUANS has developed Certify, a service that combines compliance and carbon-reduction expertise into one simple partnership arrangement. Our experts help to support compliance with both voluntary accreditations and mandatory regulations, while easing administrative burdens and improving efficiencies. The aim is to give businesses the peace of mind that they are tackling the challenges of decarbonisation and compliance in the optimum way, while maximising opportunities to improve energy and operational efficiency, reduce costs and achieve challenging net zero targets. ∎