

PACT advances emissions transparency with breakthrough in value chain data exchange

Seven global businesses successfully operationalize standardized data exchange across technology solutions, enabling them to take informed decisions and meet carbon reporting requirements

Geneva and Sharm el-Sheikh, 11 November: [The Partnership for Carbon Transparency](#) (PACT), hosted by the World Business Council for Sustainable Development (WBCSD) completes standardized exchanges of product-level emissions data, enabling companies to access primary data from their value chains - and better meet evolving and mandatory climate reporting requirements.

This development comes as a continuation of the [first pilot](#) conducted earlier this year, and following the publication of [technical specifications](#) enabling the standardized exchange of data.

Building on these learnings, two additional pilots were performed by PACT member companies. Aptar, BASF, Chevron, Solvay and Unilever successfully exchanged emission data across the value chain to enable product carbon footprint calculation of a number of materials used in Unilever's laundry products. Data was exchanged using different technology solutions currently under development by SAP and CircularTree as well as in-house implementations of the tech specifications by Unilever and Solvay.

In a separate pilot, P&G and Shell collaborated to test the operationalization of data exchange. Using data from several chemical products supplied by Shell and used by P&G to manufacture end-products, product-level emissions data was successfully exchanged across interoperable technology solutions. P&G is now expanding this pilot to other suppliers.

These standardized exchanges across different parties demonstrate the potential ease of scaling of data transparency and constitute an important step in addressing challenges around Scope 3 emissions, i.e., those that occur along a supply chain. In practice, the growing number of platforms and networks being developed in this space are expected to connect, exchange and understand data in a secure, peer-to-peer environment, creating one connected system to drive transparency - the Pathfinder Network. This means stakeholders will be able to use a tech provider of their choice or implement solutions in-house without worrying about interoperability issues.

Over the next months, PACT will work towards the delivery of additional elements of the network, to ensure data integrity and verification in a bid to transform value chain emissions transparency.

Organizations are increasingly recognizing the need to identify and address their Scope 3 emissions but access to reliable data limits transparency. As legislative pressure mounts and standard-setting organizations increase their obligations for businesses, companies will have to consistently measure and track emissions. With purchased goods and services often constituting a notable share of a company's Scope 3 footprint, creation of transparency on product-level emissions is key.

However, all face a common challenge: access to sufficiently granular, accurate and verified primary data. PACT, supported by the SINE Foundation as its technology partner and McKinsey Sustainability as its knowledge partner, is working towards resolving this challenge.

Additional details on PACT can be found [here](#). For further information, please contact pact@wbcsd.org

"In essence, industries will need to align on shared methodologies and manufacturers will need to embrace the principle to share their product carbon footprint data with their partners along the value chain. As BASF, we are sharing our know-how on determining the carbon footprint of products and we are actively engaged in numerous industry and cross-industry consortia to foster the alignment on a common lifecycle assessment methodology. And being a value chain partner to almost all industries, BASF needs a harmonized data exchange eco-system, which fosters collaboration and integration across technology solutions and product value chains. This is the great achievement of the Partnership for Carbon Transparency by WBCSD. Because only with the correct information at hand can we take effective action."

- Christoph Jaekel, VP Corporate Sustainability, BASF

"We are excited to be part of the PACT ecosystem and to support companies to achieve emissions transparency in their value chains. The exchange of operational emissions data across different solutions is a very important milestone to enable supply chain decarbonization."

- Gunther Walden, CEO CircularTree

"Achieving P&G's Ambition to reach Net Zero GHG emissions by 2040 and solving the broader global challenge will require strong collaboration across suppliers and partners. To do so, we need common standards & methodologies including the right level of transparency across the supply chain, to make the right choices for our planet, our shared home. WBCSD PACT is a leading initiative to jointly establish these methodologies & data exchange technologies with our partners." Jan Geisler, Vice President, Purchases Strategy & Capability, Procter & Gamble
"The ability for individual companies and entire industries to run sustainably hinges on data transparency. We are encouraged by the continuing progress made by the PACT team to develop protocols and demonstrate real-world results in sharing accurate, validated, and secure data across different organizations and technologies."

- Daniel Schmid, Chief Sustainability Officer, SAP

"Shell's target to become a net-zero emissions energy business by 2050 is comprehensive; this means achieving net-zero from our operations - our Scope 1 and 2 emissions - as well as from the end use of all the energy products we sell, our Scope 3 emissions. To achieve such an ambition, transparent methodology and information sharing across companies and value chains is essential. This is why Shell actively supports the mission of PACT, and we are proud of the work we do with our customers and partners to test and implement carbon data exchange tools and processes through pilots such as this one."

- Karen Westley, VP Carbon and Environment, Shell

"It is only through collaboration and commitment to transparency that the scope 3 challenge will be solved. Implementing PACT specifications to in-house technology solutions has passed successfully the feasibility tests. We will continue to work with partner companies to expand on this successful exchange of operational emissions data along our value chain." Pascal Chalvon Demersay, Chief Sustainability & Government Affairs Officer, Solvay

"By standardizing the exchange of emissions data and creating one connected system, the PACT initiative is actively removing barriers and making it easier for suppliers to share their product level footprint. It's a move that will be replicated by companies across sectors and geographies, unlocking faster climate action as we all work towards a net zero future – and I'm proud that Unilever is right here at the forefront."

- Reginaldo Ecclissato, Chief Business Operations Officer and Chief Supply Chain Officer, Unilever