



Pledges – Concepts and Definitions

This document is a compilation of key organisational pledge-related terms in the European Climate Pact universe and their respective basic definitions.

Due to complexity, some concepts might have additional dedicated documents bringing further detail. These can be found in the Climate Pact <u>resources page</u>. This list is not exhaustive and will be regularly updated.

Is there a Pact concept/term you would like to see here and could not find? Get in touch with our team.

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1. Organisations and groups

Organisations are an organised group of people under a formal recognised entity with a particular purpose. This includes but is not limited to businesses, local authorities, non-governmental organisations, and educational institutions.

Informal groups are any ad hoc groupings not incorporated as a legal entity. For example, a team of work colleagues, friendship circle, neighbourhood group.

2. Pledge

A Climate Pact Pledge is a formal promise to respond to climate and environmental challenges in a way that can be measured and followed-up.

- Pledges should contribute to fighting climate change. This means the action taken should help reduce greenhouse gas emissions and address environmental degradation and sustainability.
- Pledges can relate to the way organisations or groups operate, produce, communicate or motivate citizens, employees, customers or stakeholders to take action.
- Any pledge must strive to go beyond what is required by legislation while meeting pledgers where they are in their climate and environmental action journey and avoiding additional reporting burden.
- Each pledge should be fully transparent and, to the greatest extent possible, the results should be measurable.

3. Pledging form

This online submission form is the main channel through which pledges can be submitted to the Pact, in survey format. It is accessible through the official <u>European Climate Pact website</u>. Your contact details and further information on the pledges being made will be requested through the form to submit a valid pledge. The online form will guide you to shape a meaningful pledge. You can pick from a list of wide-ranging actions or create your own pledges, or both. In either case, organisations are requested to provide key indicators to support progress reporting and monitoring.

4. Ambition Levels

4.1 North Star pledge

A promise that sets a target at the **highest level of ambition**, informed by the most recent climate and environmental science. These pledges are in line with what is necessary to limit global warming to 1.5°C, supporting the goals of the Paris Agreement.

Example: Have an officially validated science-based emissions reduction target aligned with a 1.5°C scenario (scope 1+2) in line with the SBTi Criteria and Recommendations

North Star pledges should be supported by concrete measures. They must meet and be validated against specific criteria (e.g., time frame, scope/boundary, yearly reporting against progress, etc.) in order to be recognized. The criteria applied depends on the type of pledge.

More information about North Star pledges, and criteria for validation, can be found here.

4.2 Pathway pledge

A commitment that represents **a step** *toward* a 'North Star' objective. Pathway pledges are also based on science and informed by internationally recognised frameworks and guidance. They are however designed to be more inclusive, providing an entry point to environmental action and not

necessarily assigned specific criteria or thresholds. They therefore cover a broad array of environmental action from first steps to more ambitious commitments.

Example: A city, state, or region pledges a Pathway pledge to ban or restrict single use or non-recyclable materials in their jurisdiction

For both North Star and Pathway, the pledge represents an intent for activities that go above and beyond the minimum legal standards to advance climate actions further, faster, or otherwise to a greater effect.

5. Types of pledges

5.1 Joint

A pledge made by two or more participants together. Multiple actors can join forces and pledge in conjunction (e.g., multiple organisations, organisations and citizens, organisations, and informal groups, etc.).

Example: A city and an NGO pledge to put in place a citizen engagement programme for climate and environmental action

5.2 Solo

A pledge made by an organisation or a group alone. A commitment taken by a single party.

Examples

- A company pledges to have a supplier/customer engagement target for GHG emissions disclosure
- A city pledges to measure and report the share of Hydro, Biomass, Wind, Geothermal and Solar energy sources in the city electricity mix

6. Template and Free Text pledges

6.1 Template pledges

The pledging form of the Climate Pact website offers a wide range of template pledges that organisations can choose from or take inspiration from when considering making a pledge. Template pledges were selected among actions implemented by organizations in different sectors, following recommendations from expert publications and advisors (e.g. IEA, CDP, C40, etc) to mitigate climate and environmental impact. This selection of template pledges is not static, as technology innovation and development allow for new actions in climate mitigation and adaptation; the Pact platform will continuously integrate an increasing amount of pre-selected pledges into the list. An up-to-date version of the list will be available at the Pact website's resource section.

6.2 Free Text pledges ('Create Your Own')

Although our selection covers a multitude of topics and actions across different impact areas, we understand that this list is not exhaustive.

In addition to to choosing a pledge from the list of pre-selected pledges, organisations have the option to create a free text pledge that can better fit the parameters of their actions. When submitting a free text pledge, it is crucial that the commitment's legitimacy is supported by concrete, time-bound and measurable indicators, that can aid progress monitoring and reporting throughout its life.

7. Pledge reporting

Why: When making a pledge, organisations commit to monitor and measure the progress being made towards the pledge made on a regular basis in order to demonstrate its continuity and legitimacy.

Best practice: Several initiatives worldwide and in Europe provide internationally recognized frameworks to implement some of these actions and targets in alignment with what science says is necessary to limit global warming to 1.5°C. Public reporting of progress towards reaching such goals is recommended by those initiatives, who usually provide the parameters for effective reporting.

To ensure transparency and reduce the burden of progress reporting across multiple platforms, the European Climate Pact encourages that organisations streamline their pledge reporting through third party reporting frameworks for environmental and climate disclosure. This form of reporting ensures quality data provision and aggregability, adding validity to the pledging process. When this is not available, self-reported data is also accepted when submitted with regular frequency (communicated at the time of pledging) and available through public and official document released by the pledging organisations (e.g., sustainability reports, dedicated webpages, etc.).

Pledge tracking updates must be provided on the schedule chosen by the pledging organisation and / or groups, or at a minimum once a year, not to risk classification as unverified, inactive or removal from the Pact pledge list.

8. Monitoring, Reporting and Verification (MRV)

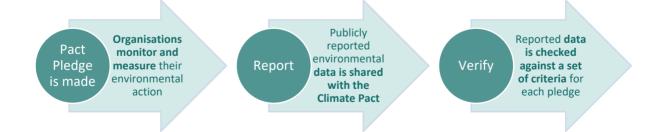
There is an adequate data required to allow the Pact to monitor progress against pledges. The amount and quality of data provided should enable progress tracking against baseline numbers, time targets, and scope of commitments.

Monitoring, reporting, and verification (MRV) of pledges ensures accountability, avoids greenwashing, and incentivises high standards in pledge-making.

MRV data should be provided either through reporting via partner climate and environmental data reporting platforms or by providing regular updates to your pledge via publicly available data sources.

Pledges that are monitored, reported and verified will receive the 'MRV' tag.

MRV is a shorthand term for Monitoring, Reporting and Verification. It summarises the process by which we can record, validate and compare the environmental action taken towards achieving pledges.



Organisations making pledges must first **monitor and measure** the relevant environmental data for each pledge as described in the following sections.

This data must then be **reported** and shared with the EU Climate Pact. The reported data can then be **verified** by checking against the set of criteria for each pledge.

In order to verify these pledges, an organisation is required to publicly disclose their environmental data either directly to the initiative behind those pledges (e.g., Science Based Targets initiative) or

publicly via a recognised third-party reporting platform. A reporting platform supports an organisation in guiding their reporting, such as their emissions inventory, to be in line with the framework set by the appropriate third-party initiative. Organisations self-reporting their environmental data must share the datapoints outlined in this document with the EU Climate Pact.

Pledges missing any of the minimum required information will be either fundamentally or analytically incomplete and the EU Climate Pact will be unable to verify it. Pledges that satisfy the criteria will be designated an indication/checkmark under the MRV status. This designation indicates that monitoring and reporting of the required datapoints is complete, and that they have been verified against the criteria defined for each pledge.

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