Book and Claim Community
October Newsletter

Dear Book and Claim Stakeholder,

In this newsletter, we cover:
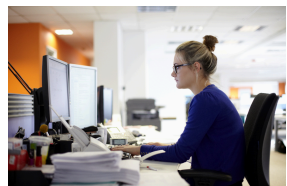
- Our upcoming Community Webinar, November 7
- A recap from Climate Week NYC
- Road Working Group—Launch and first convening recap + look ahead
- Capacity-building—When does book and claim make sense?
- Community "Watch List"—what we're following

Questions, please email us Secretariat@bookandclaimcommunity.org

Sincerely,
The Secretariat

Upcoming Community Webinar

Our next Community Webinar will take place **Thursday, November 7** at **7am PT/10am ET/4pm CET**. This meeting will provide an update on our work and the opportunity to ask questions about all things book and claim – whether you are just getting started or thinking about book and claim daily (perhaps that's just us).

We'll cover:

- A status update: Where the Book and Claim Community stands today, what we are working on, and how you can best plug in.
- Breakout sessions on priority topics: Brief presentations followed by the opportunity to ask questions and provide insights to fellow community members on a handful of priority topics in the community.

To register, please follow the registration link here: <u>"Book and Claim Community Webinar: Two Years On – Insights Gained and Latest Updates"</u>

Climate Week Recap

It was great to see so many of you during New York Climate week last month. Thank you to everyone who attended the Book and Claim Community "Community Table" dinner and helped drive the rich conversations that made the evening such a success. Spending time with both familiar and new faces and hearing book and claim discussed at more events this year than ever before served as an important reminder that our Community is growing, and book and claim continues to be a key lever for decarbonizing heavy transport.

We also were grateful for the opportunity to hold smaller focused meetings with a subset of our Community, driving work forward including on accounting and reporting and registry interoperability. We are very thankful so many of us could make the trip and look forward to seeing you there next year!

Road Working Group—Launch & First Convening October 11

The Book and Claim Community responded to continued requests to engage with road and other modal transport stakeholders and support use of and development of consistent and scalable book and claim systems in road, a sector with less established mechanisms and practice.

We successfully held the first convening of this multi-stakeholder road working group on October 11, with participation from a variety of shippers, LSPs, carriers, solution providers, registry operators, NGOs, buyers' alliances, and industry experts who helped co-create the pace and theme for future meetings.

These convenings aim to generate collaboration in the road book and claim ecosystem and discuss modal needs such as:

- Technical solution pathways and geographic variation
- Transparent and functional certification
- Accounting and reporting practices
- Registry representation and sector-specific needs

Exciting new technologies such as electric trucks present unique challenges, liquid fuels offer compelling use cases, and the inherent complexities in data, policy, and differentiated policy environments present ample opportunities for alignment within this group.

If you are still interested in joining our road working group, please send us an email at: <u>Secretariat@bookandclaimcommunity.org</u>.

Capacity Building—When is book and claim the right solution?

Book and claim is a powerful decarbonization lever, but it is one of many tools in our toolbox.

In fact, there are many instances when other approaches, such as direct procurement, should be prioritized. With this in mind, how can we determine when book and claim is appropriate and when it is not?

Barriers and system boundaries

Supply of alternative fuel
Limitation in the availability of lower-carbon fuels or service

Disaggregated demand
There is often a geographical mismatch between demand and supply for low-emission goods & services, which complicates scaling at the early stages of new markets.

Credibility in emission claims
Long value chains, multiple players, and regulations, as well as emission accounting rules, hinder the distribution of emissions benefits.

Cost burden
Decarbonization of heavy industry and transport has increased cost associated with investment in infrastructure, new vessels/vehicles, and alternative fuel production.

These four criteria are useful for determining if a book and claim merits consideration.

1. At the early stages of any emerging market, supply is constrained. If you are unable to purchase the fuel or low-carbon service directly due to **lack of access** or if you **do not normally directly procure** the lower-carbon good yourself, book and claim might be a strong option. For example, if you aim to reduce your business travel emissions but do not purchase jet fuel and cannot easily partner with your carrier or LSP, you could purchase a book and claim certificate to address your emissions.

2. While markets are growing, lower-carbon fuels and services are often **not readily available in all geographies**. Additionally, it doesn't necessarily make sense from an emissions perspective to transport a lower-carbon fuel or vehicle if it could have been used closer to its production site. If you cannot source a lower-carbon good or service in your geography, book and claim might be a strong option. For example, if you are an airline that would like to increase their SAF uptake but do not regularly operate out of airports with access to SAF, you could purchase book and claim certificates to address a portion of your emissions.

3. Many supply chains are long and complex, making it difficult to identify and influence distant supply chain partners. If a scope 3 emissions source is **prohibitively buried in your supply chain**, book and claim may be a strong option to address those emissions. For example, it may be practically difficult for an LSP or Carrier to efficiently shift a retailer's exact cargo to its lower emission trucks within a busy tradelane. Doing so may create additional costs and even additional emissions. Book and claim systems can help service providers decarbonize efficiently.

4. Many sector transitions require high capital investments to build new or retrofit existing production sites, this can drive up the prices of lower-carbon alternatives. If a book and claim certificate **purchase goes directly towards addressing that cost premium** and will push the sector closer to cost parity when at scale, book and claim may be a strong option. For example, a marine operator sees that green methanol will be a necessary part of its future decarbonization landscape but runs into any of the above issues. A book and claim certificate ensures they can support this emerging technology today.

In ideal book and claim scenarios, all four of these criteria are present, but depending on your position in the supply chain or within which sector you operate, some may be more prevalent than others. If you face these challenges in your value chain mitigation but aren't yet pursuing book and claim to meet your decarbonization goals, join us!

- SFC published its "MBM Specification", the emission accounting normative, auditable 'spec' that Emission Reporters can utilize to certify their chain of custody accounting (including book and claim) (10/11)
- RMI published its "Sustainable Aviation Fuel Market Outlook" to help understand the state of supply and demand (10/16)
- VERGE (10/29)
- SFC Academy hosts the "Aviation Emissions Calculation in Practice", a 3-session, LIVE training including one session on Book and Claim Accounting (starts 11/4)
- COP 29 (11/11-22)
- Aviation Energy Forum (11/12)
- IMO Council 133rd Meeting (11/18-22)
- Aviation Carbon (11/25)
- RSB Annual Conference (12/11)

What else is on your radar? Send us a note:Secretariat@bookandclaimcommunity.org
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THANKS!

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