



PRESS RELEASE

Science Based Targets Initiative (SBTi) extends scope to alternative carbon feedstocks

For the first time, SBTi's latest draft consultation includes requirements for companies to set alternative feedstock targets for CCU, bio-based and chemical recycling – in line with RCI's renewable carbon concept

Hürth, 1 July 2024: The Science Based Targets Initiative (SBTi, sciencebasedtargets.org) provides companies with a science-based methodology for setting CO₂ targets that are consistent with limiting global warming to 1.5°C. SBTi is a collaboration between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). To date, SBTi has over 8,000 companies taking action – 50% from Europe – and over 5,500 companies with validated targets. This represents over a third of global market capitalisation. In addition to its generic cross-sector methodologies, SBTi is also developing sector-specific guidance for companies in high emitting industries.

In May 2024, SBTi published an open consultation on the draft Chemicals Sector Guidance, seeking feedback from external stakeholders and industry experts. As part of this guidance, they developed, for the first time, sector-specific non-emissions metrics to incentivise a shift from fossil-based feedstocks to the three alternative carbon feedstocks: bio-based, chemically recycled carbon and CCU-based including direct air capture (DAC). This approach does not include mechanical recycling of plastics, as this is considered a demand reduction lever outside the scope of the chemicals sector. Mechanically recycled plastics cannot be used as a feedstock for the chemical industry, but only for the plastics sector.

The alternative feedstock targets apply to companies that purchase and use carbon-based materials for the manufacture of (chemical) products. The target methodology will set a minimum expectation for the total percentage of carbon feedstocks from an alternative source in the target year. This target will not replace Scope 3 emissions targets to ensure that emissions do not increase due to feedstock switching. Companies will be encouraged to set more ambitious targets to reflect their transition strategies.

The Renewable Carbon Initiative (RCI, renewable-carbon-initiative.com) strongly welcomes the SBTi's new draft to include the substitution of embedded fossil carbon in chemicals and derived products with alternative or renewable carbon sources in its future methodology. The SBTi is a significant force in shaping the direction of industries, and the Chemicals Sector Guidance highlights that the transformation to net zero will also require renewable carbon. Consequently, the RCI believes that this guidance could have a strong impact on the defossilisation of the chemical industry and accelerate the adoption of alternative, renewable feedstocks, and aim to support it through targeted input and feedback on specific aspects.

RCI has introduced the concept of Renewable Carbon to develop common strategies for biomass, CCU and recycling in 2020 – the only three carbon sources that avoid the extraction of fossil carbon from the ground, which ultimately ends up in the atmosphere.



Disclaimer

RCI members are a diverse group of companies addressing the challenges of the transition to renewable carbon with different approaches. The opinions expressed in these publications may not reflect the exact individual policies and views of all RCI members.

About RCI

The Renewable Carbon Initiative (RCI) is a global network of more than 60 prominent companies dedicated to supporting and accelerating the transition from fossil carbon to renewable carbon (bio-based, CO₂-based and recycled) for all organic chemicals and materials. Its work focuses on scientific background reports, position papers, advocacy and networking.

Find all press releases of the Renewable Carbon Initiative (RCI), visuals and more free-for-press purposes at www.renewable-carbon-initiative.com/media/press

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