

Climate Timescales

A milestone approach (based on the commencement date of the contract) has been developed to help you incorporate climate and carbon management into your contracts.

Climate statements have been added to the [SPD](#) standardised statements to help you create your selection criteria.

You may wish to take advice and direction from climate and sustainability colleagues within your organisation as to when to start using specific statements.

Scope 1, 2 and 3 Carbon Emissions

Open or close

Carbon emissions are classified as Scope 1, 2 and 3 emissions, as defined in the [Greenhouse Gas Protocol](#):

Scope 1 emissions are direct emissions arising from owned or controlled sources e.g. owned vehicles, combustion of fuel in facilities

Scope 2 emissions are indirect emissions from purchased energy e.g. electricity, heating, cooling

Scope 3 emissions are all other indirect emissions that occur in the organisation's value chain e.g. purchased goods and services, waste, business travel, staff commuting, water

Contracts commencing in 2023:

All relevant contracts: Bidders will be required to provide assurance that their organisation has taken steps to build their awareness of the climate change emergency and how they will respond, including knowledge of their **emissions sources** and **actions** to address these.

All priority contracts: Bidders will be required to demonstrate knowledge of the climate emergency and the impact of their organisation, including knowledge of their **emissions sources, actions** to address these, and calculations of their organisation's own **scope 1 and 2 emissions**.

Contracts commencing in 2025:

The threshold for priority contracts will be lowered to contracts valued over £2 million from contracts valued over £4 million, that focus on commodities identified as climate change priorities by your organisation.

Note that proposed future changes to thresholds will be subject to review.

Contracts commencing after 2025:

Milestones beyond 2025 are under development.

Ways to increase the climate change information required of bidders over time will include:

- requiring additional scope 3 emissions reporting and
- lowering the value threshold for priority contracts, with thresholds reviewed on a bi-annual basis.

Contracts Commencing from 2045 Onwards

By 2045 it is expected that all bidders will be required to:

1. demonstrate knowledge of their scope 3 carbon emissions
2. provide a documented plan including scope 1, 2 and 3 emission reduction targets and a plan to achieve these targets and
3. demonstrate progress against their climate change strategy, including reductions to their calculated scope 1, 2 and 3 carbon emissions