

2020 GHG Emissions Inventory & Audit Guidance

TO IWCA APPLICANTS AND MEMBERS,
FROM THE IWCA BOARD OF DIRECTORS



Executive Summary

2020 was an exceptional year due to the global Covid-19 pandemic. As it relates to GHG emissions, most organizations across the industry are anticipating significant absolute emissions reductions due to the limitations the pandemic placed on activities such as transportation and business travel, as well as the sale of wine to on-premise accounts. As such, it is difficult for new IWCA Applicants to use 2020 as a 'baseline' year for target setting because their inaugural emissions calculations will be artificially low. As a result, IWCA will not require members to incur the additional expense of submitting their 2020 GHG inventory for third-party ISO-14064 audit. Additionally, 2020 has implications for existing IWCA Members that are looking to move from the Silver- to the Gold- level membership category.

This memo explains IWCA's position and guidance on how IWCA Members and Applicants should approach the GHG emissions inventory and auditing process for 2020. This guidance will also be reflected in IWCA's Annual Report to the UN Race to Zero Campaign.



Guidance for New IWCA Applicants

For new IWCA Applicants who are currently working on compiling their baseline GHG emissions inventory, IWCA recommends using 2020 as an ‘interim baseline’ for informational purposes only. IWCA WILL NOT require that the 2020 inventory be third-party ISO-14064 audited, but DOES require that the 2020 inventory be replaced by an ISO-audited 2021 inventory, when available. The 2021 audited inventory will then serve as that Applicant’s baseline inventory moving forward. For Small winery members, their next ISO audited GHG emissions inventory would be required in 2023, and for Large winery members, their next audited inventory would be required in 2022.

If a new IWCA Applicant has sufficient historical data to use 2019 or prior as a baseline year, IWCA recommends this approach. Assuming this is the case, a new IWCA Applicant can provide an ISO-audited GHG inventory for 2019 (or prior) as their baseline year, and does not need to get their 2020 GHG inventory audited. For Small and Large winery members alike, their next ISO audited GHG emissions inventory would be required in 2021.

Any IWCA Applicant who submits a GHG inventory that conforms to IWCA standards will be recognized immediately as a Silver- level member, as follows:

- **2019 or Prior** – Baseline GHG inventory must conform to IWCA GHG guidelines and be ISO-14064 audited.
- **2020** – ‘Interim Baseline’ GHG inventory is acceptable without ISO-14064 audit, *but Applicant must provide proof of contract or confirmation email from an ISO-14064 accredited auditing firm that binds them to perform the audit with their 2021 data.*

Guidance for Existing IWCA Members Moving from Silver- to Gold-Level Membership

For current IWCA Silver-Level Members who want to use their 2020 GHG emissions inventory to demonstrate emissions reductions consistent with moving them into the Gold-level member category, the guidance is as follows:

- If the winery provides an ISO-14064 audited 2020 GHG inventory that shows reductions in line with the baseline year in the GHG Reductions Table on Page 14 of the IWCA Standing Rules, **AND** the winery also meets the onsite renewable energy generation requirement (20%



from onsite renewables), the winery *IS* entitled to move from the Silver- to the Gold-level membership category.

- BUT...if the winery cannot sustain those reductions in subsequent audited inventories, it may be moved back to the Silver-Level member category.
- *****It is ultimately up to each individual winery to determine how much of their 2020 emissions inventory reductions can be attributed to Covid-19, and how much of those gains they think are sustainable into the future.*****

Example for Context

An IWCA Silver-level member with a baseline GHG emissions inventory year of 2019, which requires an annual linear emissions reduction of 3.23%.

If the member provides an ISO-14064 audited 2020 GHG inventory that details a 9% absolute reduction in emissions, they are entitled to move to the Gold-level membership category (assuming they also meet the 20% onsite renewables criteria).

BUT, in order to maintain that Gold-level membership category in subsequent years, the winery must maintain at least a 6.5% absolute reduction in 2021 from the 2019 baseline year (if they are a large winery), and a 9.7% emissions reduction in 2022 (if they are a small winery), based on the annual/bi-annual auditing requirements for small and large wineries.

Audited GHG Emissions Inventories are required for 2020 for all applicable Members.

IWCA will require third-party audited ISO 10464 GHG inventories for all applicable Members, including:

- Large Wineries whose membership requirements stipulate an annual GHG emissions audit
- Small Wineries that last submitted an audited GHG emissions inventory in 2018
- ****Small Wineries that last submitted an audited GHG emissions inventory in 2019 are NOT REQUIRED to submit an audited GHG emissions inventory for 2020; their next audit is required with their 2021 GHG emissions inventory, but IWCA still recommends that Small Wineries complete an unaudited 2020 inventory so they can track changes year over year.**