Analysis of alignment with the UN HLEG by Eligible Net-Zero Initiatives

An assessment on progress based on the ten recommendations in the UN High-Level Expert Group's Integrity Matters report

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1. Introduction

This document presents GRI's cross-initiative overview of the self-assessments of the eight Eligible Net-zero Initiatives (ENZIs) to the UNFCCC Net Zero Recognition Framework (NZRF), organized by overall alignment scores, against the recommendations set out in the UN High-Level Expert Group (HLEG) report, *Integrity Matters:* *Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions.*

The UN Framework Convention on Climate Change (UNFCCC) secretariat announced the pilot phase of NZRF at COP30. The pilot aims to better understand participation processes and test the technical feasibility of showcasing participants' net-zero journeys on the Non-State Actor Zone for Climate Action (NAZCA) portal, along with the structured Levels and Steps of the framework.

The eight ENZIs participating in the NZRF pilot are Exponential Roadmap Initiative, Fashion Industry Charter for Climate Action, International Wineries for Climate Action, Planet Mark Net Zero Certification, Pledge to Net Zero, SME Climate Hub, Sports for Climate Action and Under2 Coalition.

Each initiative provided information on:

- Their science-based criteria, reviewed by an independent third party, and optionally other membership-based criteria, such as disclosure frequency requirements and applicable standards;
- A statement on the extent to which their initiative's criteria – and, subsequently, their members' commitments – align with each of the ten recommendations set out in the HLEG) report, *Integrity Matters.*

The HLEG recommendations set out ten practical recommendations to ensure that net zero pledges are credible and fully aligned with limiting global temperature rise to 1.5°C above pre-industrial levels. The GRI Standards focus on an organization's impacts on the economy, environment, and people, providing transparency and accountability to a wide range of stakeholders, including investors, cities and regions, business and civil society.

Using GRI Standards to report on HLEG recommendations ensures a robust, science-based framework to the reporting, while providing additional technical guidance. For this reason, in 2025 at COP30, GRI published the GRI-HLEG checklist for business to support corporate organizations in using the GRI Standards for reporting on the implementation of the HLEG recommendations.

It links each checklist criterion included in HLEG recommendations to the relevant GRI Standards. At COP31 in Antalya, GRI published the GRI-HLEG Checklist for Cities and Regions.

2. How to read this document

In this summary, the qualifiers indicate the extent to which the eight initiatives' self-assessments align with the ten recommendations set out in the HLEG's report. ***'Aligned'*** is used when more than 80% (7-8 initiatives) self-assessments align to a recommendation; ***'partially aligned'*** is used when between 20% and 80% (2-6 initiatives) self-assessments align to a recommendation; ***'not aligned'*** is used when below 20% (0-1 initiative) self-assessments align to a recommendation. ***'Majority'*** refers to more than 50% (5–8 initiatives); ***'Some'*** to 30–50% (3–4 initiatives); ***'a few'*** to 10–30% (1–2 initiatives); and ***'one'*** to a single initiative.

3. Analysis of HLEG alignment across Eligible Net-Zero Initiatives (ENZIs)

1. **Announcing a net zero pledge.** The majority of initiatives require signatories to pursue net-zero emissions pledges in alignment with 1.5°C pathway. However, only some initiatives require pledges to be public, only some initiatives ask for interim targets and only one initiative asks for interim targets every five years. One initiative that represents SMEs highlighted that setting interim targets is not realistic for SMEs due to limited capacity for reviewing their targets this frequently.	**Partially aligned**
2. **Setting net zero targets.** The majority of initiatives require net-zero targets to be aligned with a 1.5°C pathway or with Science based targets initiative (SBTi) provisions. Some initiatives require targets to cover all GHG emissions, including Scope 3, while the lack of available guidance on Scope 3 targets for subnational governments was raised as a challenge by others. Some initiatives require long-term net-zero targets, while a few require short-term targets and only one initiative requires a medium-term target.	**Partially aligned**
3. **Using voluntary credits.** All initiatives prioritize direct emissions reductions over offsets, and the majority explicitly restrict offsets to counterbalance residual emissions (defined as less than 10% of total emissions of an entity).	**Aligned**

4. **Creating a transition plan.** The majority of initiatives require the disclosure transition plans' annual progress. Half of the initiatives require to publicly disclose transition plans and some require to update the plan every three or five years. Some initiatives require to disclose how capital expenditure (CapEx), research and development plans, and investments align with transition plans while also allowing some information on financial plans and business strategy to remain confidential. Some initiatives include governance information, but none of the initiatives explicitly link progress towards near- and long-term targets to executive compensation. One initiative that includes SMEs deems requiring a full transition plan a disproportionate request for SMEs.	**Partially aligned**
5. **Phasing out fossil fuels and scaling up renewables.** The majority do not mandate standalone fossil-fuel phase-out targets. Only one initiative includes targets to phase out coal, while the majority of initiatives do not set explicit coal phase-out requirements by 2030 or 2040, as recommended by the HLEG *Integrity Matters* Report. Similarly, the majority of initiatives do not address new oil and gas exploration, reserve expansion, and production. No initiatives explain how the transition away from fossil fuels should be just for affected communities, workers and consumers, to ensure access to energy and avoid transfer of fossil fuels assets to new owners, and no initiatives explain how the transition away from fossil fuels will be matched by a fully funded transition toward renewable energy. One initiative that includes SMEs highlights that requiring SMEs to fund renewable energy can be difficult due to lack of financial capacity and access to renewable energy infrastructure. Similarly, ensuring a just transition for affected communities is often beyond the direct influence of SMEs.	**Not aligned**
6. **Aligning lobbying and advocacy.** The majority of initiatives encourage associations to advocate for positive climate action. Some initiatives contribute to investor, supplier, consumer and employee engagement and work with peers. Only one initiative requires public disclosure of trade association affiliations, One initiative representing SMEs, notes that SMEs can find this difficult as they usually participate through sector-specific affiliations and rely on larger organizations to advocate on their behalf. Another initiative representing subnational governments (states and regions) highlighted that this recommendation is challenging, as lobbying alignment is more commonly assessed for corporations and it is difficult to measure subnational government's lobbying and engagement efforts, and many of these activities may not be public. One sectoral initiative also considers this recommendation inapplicable to their circumstances.	**Partially aligned**

7. **People and nature in the just transition.** The majority of initiatives include just-transition considerations, social impacts and impacts on the environment. On impacts on nature, initiatives do not consistently address the need to avoid deforestation, peatland loss, and the loss of other ecosystems by 2030.	**Partially aligned**
8. **Increasing transparency and accountability.** Only some initiatives explicitly require public disclosure of organizations' full GHG data, targets, transition-plan documents, and progress. The majority of initiatives do not mandate independent third-party verification, often citing the financial burden for SMEs. Some accept limited assurance while others provide guidance for obtaining accurate data or applying their own verification methodology.	**Partially aligned**
9. **Investing in just transitions.** Some initiatives commit to local economic development initiatives, such as providing funding to support climate action in developing and emerging economies and provide some relevant evidence on equity and justice. However, the evidence is generally indirect and does not consistently demonstrate how these elements are integrated into the organization's transition plan. Moreover, the alignment to this recommendation varies: in some cases, just transition is an explicit objective, while in others it is a broader principle or indirect contribution. One initiative states that just transition is not an explicit commitment.	**Partially aligned**
10. **Accelerating the road to regulation.** Initiatives generally support developing and aligning net-zero regulations, including requirements consistent with international frameworks. Their contribution is mainly political advocacy for stronger frameworks rather than direct regulatory action. Nevertheless, some initiatives consider this recommendation not applicable because the recommendation is for regulators, cities and regions and standard-setters.	**Partially aligned**

4. Takeaways and recommendations

Good progress made against net-zero target setting

The majority of initiatives require their signatory entities to pursue net-zero emissions pledges and targets in alignment with 1.5°C, while most initiatives require members to set net-zero targets for all GHG emissions including Scope 3. All initiatives prioritize direct emissions reduction over offset and restrict offset to neutralize residual emissions.

The majority of initiatives require its members to report transition plans progress annually, while encouraging associations to advocate for positive climate action. Some initiatives address just transition considerations, as well as the environmental and social impacts of the transition. Initiatives generally advocate for net-zero regulations.

Detailed and specific transition plans are often lacking

Further progress is needed across net-zero pledges and target-setting, particularly in ensuring public disclosure of net-zero pledges, establishing interim net-zero targets and separate targets for non-CO2 emissions, in particular methane. More actions are needed to ensure that transition plans are publicly disclosed, updated every five years, that CapEx, investments and research and development plans align with transition plans, and to link executive remuneration to measurable progress towards net-zero targets.

Information gaps to be addressed

Further action is needed to set fossil fuel phase-out targets, including coal phase out targets by 2030 in OECD countries and by 2040 elsewhere, as well as targets to phase out new oil and gas exploration, reserve expansion and production. Moreover, further efforts are required to ensure a just fossil fuel phase out transition that protects workers and communities and maintains energy access.

Initiatives do not consistently address deforestation, peatland loss and the loss of other natural ecosystems by 2030. There is also little to no evidence of gender considerations being addressed.

Improving disclosure and action

In terms of increasing transparency and accountability, further efforts are needed to require public disclosure of comprehensive GHG data, targets and transition plans, alongside independent evaluation of annual progress and robust internal controls for GHG reporting and verification. GRI provides a strong reporting framework to improve transparency and accountability, when used to report on HLEG recommendations as shown in the GRI-HLEG checklists for business and for cities and regions. Furthermore, strengthened actions are needed to ensure investment in just transition measures and the systematic integration of just transition principles into transition plans.

Enabling SME participation through targeted support

Support for SMEs is needed across most recommendations, including the disclosure of comprehensive transition plans and setting net-zero interim targets and their review every five years, which may place a disproportionate burden on smaller businesses, and can be challenging due to limited resources and expertise. Requiring a full transition plan can be disproportionate for SMEs.

The full phase-out of fossil fuels in favor of renewable energy can be challenging for SMEs due to limited financial resources and inadequate access to renewable energy infrastructure. Similarly, SMEs often have limited influence over the broader social and economic factors needed to ensure a just transition for affected communities. Third-party verification can represent a significant financial burden for SMEs. Targeted support and proportionate requirements are therefore essential to enable SMEs to make progress towards these recommendations.

Challenges for subnational governments

For subnational governments, setting Scope 3 emissions targets can be particularly difficult due to the limited availability of guidance tailored to them. Assessing the alignment of lobbying and advocacy activities with climate commitments also presents challenges, as these activities are more commonly assessed in the corporate context. Such activities can be challenging to measure for subnational governments, and relevant information may not always be publicly available. Further guidance and context-specific approaches are therefore needed to support subnational governments in addressing these recommendations.


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