

# A new method for detecting indirect corporate emissions

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As part of its climate change mitigation strategy, the EU is preparing a new directive to regulate corporate sustainability reporting. Meanwhile, the Norwegian government has determined that all companies in the

state portfolio now have a duty to report annually on their direct and indirect greenhouse gas emissions.

This will require [skills development](#) within an entirely new discipline, involving an approach to climate accounting that encompasses the entire value chain by which an end-product is produced, including across national boundaries.

"Providing assistance in connection with sustainability reporting is in the process of becoming an entirely new business in itself, and Norway has great opportunities to make a contribution," says Senior Research Scientist Ulf Johansen, who has recently established himself as an entrepreneur in this new, climate-related business segment.

## **A research-based approach**

Johansen has just recently founded the company MoreScope with the support of his former employer SINTEF. MoreScope's aim is to assist businesses with their climate and sustainability reporting.

"No chain is stronger, or indeed greener, than its weakest link," says Johansen. "A horde of contractors and sub-suppliers all make a contribution to any given product's climate footprint. But only very few companies have the skills in-house to calculate the size of these various contributions. It is here that MoreScope sees an opportunity," he says.

## **Moving boundaries**

MoreScope is a start-up company that makes use of economic models and relevant environmental datasets that have taken SINTEF and NTNU decades to develop, and for which both organizations have harvested much recognition.

"While SINTEF has employed an applied user perspective in this field, NTNU has been moving the research front forward," explains Johansen. "MoreScope has its roots in this collective know-how, he says.

The core of the economic models is based on so-called input-output analysis. This is a well-known approach that in various ways quantifies all exchange of goods and services between different countries and commercial sectors.

"Thanks to the research carried out here in Trondheim, the quantification of the climate-related and sustainability impacts of activities throughout our global value chains is becoming something of a Norwegian specialty," says Johansen.

## **Supplier of new insights**

According to Johansen, a key factor in the establishment of MoreScope is that it is no longer acceptable for a company to make undocumented claims about the sustainability associated with a given product.

"Such claims have to be firmly based in data and a methodology that is testable and transparent," says Johansen. "Our task is to make such tools accessible to companies across all corporate sectors. We're immodest enough to claim that we believe we can supply new insights," he says.

## **A growing global market**

In the first instance, MoreScope is aiming to attract Norwegian clients.

"However, we strongly believe that the know-how we offer will also be of interest to a growing global market in [sustainability](#) reporting," says Johansen.

At present, Johansen is MoreScope's only employee, and is also co-owner together with start-up investors SINTEF Venture VI.

SINTEF TTO, which is SINTEF's own [company](#) dedicated to the commercialisation of research results, is working actively to recruit more professional investors.

"We're considering a number of collaborative constellations with other enterprises in the same segment," says Investment Director Asle Jostein Hovda at SINTEF TTO. "These will enable us to strengthen our position in the market. We expect to be hearing a lot of exciting news from MoreScope in the next six months," he says.

Provided by Norwegian University of Science and Technology

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