

Climate Active - Northmore Gordon

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Climate Active

Climate Active is an Australian government-backed accreditation program that certifies organisations, products, services, events, buildings or precincts as carbon neutral. The program requires companies to measure their Scope 1, 2 and material Scope 3 emissions, reduce emissions where technically and economically feasible, and offset remaining emissions through purchasing and retiring eligible offsets. Certification provides credible third-party validation of carbon-neutral claims, which can support market positioning, customer commitments and stakeholder accountability. Companies pursuing certification need robust emissions measurement, verified reduction strategies and documented offset procurement. In July 2026 the Australian Government announced that certification will end, with 30 June 2027 proposed after a transition period. Check the current Climate Active notice before making a new certification plan.

Related guidance

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[Scope 1, 2 and 3 emissions](#)

[Certificates](#)

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[Certificate trading](#)

[Measurement and verification](#)

What is Climate Active and why should Australian companies consider certification?

Climate Active is an Australian government-backed accreditation program that certifies organisations, products, services, events, buildings or precincts as carbon neutral. The program requires companies to measure their Scope 1, 2 and material Scope 3 emissions, reduce emissions where technically and economically feasible, and offset remaining emissions through purchasing and retiring eligible offsets. Certification provides credible third-party validation of carbon-neutral claims, which can support market positioning, customer commitments and stakeholder accountability. Companies pursuing certification need robust emissions measurement, verified reduction strategies and documented offset procurement.

What emissions must be measured and reported for Climate Active certification?

Climate Active requires measurement of Scope 1 emissions (direct greenhouse gas emissions from sources controlled by the organisation), Scope 2 emissions (indirect emissions from purchased electricity and other acquired energy), and material Scope 3 emissions (indirect emissions from value-chain sources not controlled by the organisation). The requirement to include Scope 3 depends on materiality assessment. Accurate boundary definition, data collection and conversion factor selection are essential. We offer emissions inventory services, Scope 1, 2 and 3 inventory work, and diagnostic workshops to establish reporting boundaries and identify data gaps before certification

assessment.

What are the different offsets allowed under Climate Active for different emission scopes?

Climate Active specifies different eligible offsets by emission scope. For Scope 2 emissions (purchased electricity), Large-scale Generation Certificates (LGCs) are the allowed offsets. For Scope 1 or Scope 3 emissions, eligible offsets are Australian Carbon Credit Units (ACCUs), Certified Emission Reductions (CERs), Removal Units (RMs), Verified Carbon Units (VCUs) or Verified Emission Reductions (VERs). The distinction reflects different accounting frameworks and environmental integrity standards. Organisations must source offsets that match their emission categories and retire them through appropriate registries. We provide environmental-attribute due diligence and offset procurement support to help organisations select quality instruments and manage retirement evidence.

How do LGCs and ACCUs differ in their role within Climate Active certification?

LGCs (Large-scale Generation Certificates) and ACCUs (Australian Carbon Credit Units) serve different purposes in Climate Active certification. LGCs represent renewable electricity generation and are the specified offset instrument for Scope 2 (purchased electricity) emissions. ACCUs represent one tonne of carbon dioxide equivalent stored or avoided through eligible abatement projects and are used for Scope 1 and Scope 3 emissions. The separation reflects GHG Protocol accounting principles: Scope 2 addresses purchased energy attributes, while Scope 1 and 3 offsets address direct and value-chain reductions. Both must be retired through appropriate registries as part of the certification process. We can advise on instrument selection, due diligence and retirement strategy for both types.

What role does emissions reduction play in Climate Active certification, and what support is available?

Climate Active certification requires organisations to reduce emissions where possible before purchasing offsets for the remainder. This means identifying and implementing technically feasible and economically viable emission-reduction opportunities across operations before relying on offset purchases. Reduction activities may include energy efficiency improvements, renewable energy adoption, process changes or procurement decisions. We support this phase through opportunity assessment, transition planning, feasibility studies and investment-case development. Our carbon advisory services, energy optimisation work and environmental certificate assessment help organisations evaluate reduction pathways and their commercial implications before designing an offset strategy.

Is annual reporting required under Climate Active, and what are the implications?

Yes, annual reporting is mandatory under Climate Active certification. Reports documenting emissions measurement, reduction activities, offset purchases and retirement must be submitted and published on the Climate Active website. Annual reporting creates ongoing compliance obligations and public accountability for carbon-neutral claims. Organisations must maintain consistent measurement boundaries, data quality and documentation standards year after year. This requires establishing reliable emissions-data collection processes, measurement ownership and governance structures. We offer reporting-support services, emissions-inventory documentation, data-readiness reviews and governance assistance to help organisations meet annual reporting requirements and maintain certification compliance across multiple reporting periods.

Can Northmore Gordon help with the complete Climate Active certification process?

We offer services aligned with Climate Active requirements across multiple phases. We provide diagnostic carbon-management workshops to establish the starting position, comprehensive Scope 1, 2 and 3 inventory services to measure organisational emissions accurately, opportunity assessment and transition planning to identify feasible reduction pathways, environmental-attribute due diligence for offset procurement and quality assurance, and ongoing reporting support for annual Climate Active

submissions. While we do not administer Climate Active certification itself, our carbon advisory capabilities—including emissions measurement, reduction strategy development and offset instrument management—address the core requirements organisations must meet for certification. An initial carbon-management diagnostic can clarify specific needs and next steps.

How should organisations approach Scope 3 emissions for Climate Active certification?

Scope 3 emissions represent indirect value-chain impacts from suppliers, customers, business travel and waste. Climate Active requires measurement of material Scope 3 emissions, which means organisations must first identify which categories are significant to their operations. Materiality assessment determines scope boundaries and data-collection priorities. Scope 3 measurement often involves supplier engagement, secondary data sources and estimation methods, making data quality and transparency important. Organisations may face challenges obtaining complete supplier emissions data, requiring documented assumptions and uncertainty handling. We provide separate Scope 3 advisory services, including inventory development, supplier assessment frameworks and transition pathway planning. These services help organisations establish defensible Scope 3 boundaries and measurement approaches suitable for Climate Active reporting.