

B4NZ SME Data Taskforce- Working Group 7 - March 20th

Meeting Purpose

To discuss progress on the SME sustainability data standard, prepare for the upcoming Net Zero Council presentation, and plan next steps for adoption and reporting, with a focus on aligning efforts across government and industry stakeholders.

Key Takeaways

- The group is nearing completion of Phase 1, with broad consensus achieved on the data standard and supporting documents, including guidance and data sourcing materials.
- Key asks for the Net Zero Council in May have been refined, including formal government backing, assignment of a council member champion, and support for a wider market consultation.
- A comprehensive public report and parliamentary reception are planned for June to formally launch the standard and recommendations, emphasising the pro-growth narrative and SMEcentric approach.
- Productive discussions with the Cabinet Office have opened potential pathways for convergence with PPN06/21, signalling positive momentum for government adoption.

Topics

Omnibus Reflections

- Recent EU omnibus proposals have recognised the unintended consequences of top-down reporting on SMEs, aligning with the task force's messaging.
- The concept of a voluntary SME standard was acknowledged, supporting the group's approach of building consensus and reducing the proliferation of standards.
- Some members suggested potentially including some Social and Governance elements in addition to Environmental factors, whilst maintaining simplicity. This sparked discussion on balancing comprehensiveness with ease of use for SMEs.
- Concerns were raised about the complexity of Scope 3 emissions reporting for SMEs, particularly in areas like downstream transportation and distribution that may be out of their direct control.

Data Standard Updates

 Minor clarifications have been made to the standard to extract primary data more effectively and focus on performance and usage metrics.



- The group has achieved broad consensus on data attributes and phrasing, with only small iterations remaining.
- A significant discussion centred on potentially making five key Scope 3 categories from PPN0621 mandatory, but with a "do not track" option to maintain flexibility for SMEs. This proposal received 80% agreement in initial polling.
- The importance of data quality and validation was emphasised, with suggestions to develop a middle-ground approach between full verification and self-reporting that would be suitable for SMEs.

Net Zero Council Preparation

- Key asks for the council include: a formal statement of support, assignment of a council member champion, positioning government as an early adopter, and backing for a market consultation.
- The team is working to brief council members in advance through the SME working group and a detailed briefing paper.
- While specific timelines for adoption are being approached cautiously, productive discussions with the Cabinet Office have occurred regarding convergence with PPN0621.
- The group aims to showcase alignment between their proposed standard and the government's existing frameworks to strengthen the case for adoption.

Public Report Planning

- The report structure will align closely with the Net Zero Council asks and provide comprehensive market context, methodology details, and a standard overview.
- The team is actively seeking data, quotes, and potential co-authors from working group members to enrich the report's content and credibility.
- There is a strong focus on pro-growth framing, emphasising how the standard can streamline processes, enhance competitiveness, and remove barriers for SMEs.
- The report will highlight how the UK can go "further and faster" whilst maintaining equivalence with EU standards, positioning the initiative as a competitive advantage.

Launch Events

- A parliamentary reception is scheduled for 23rd June, preceded by a high-level executive roundtable focusing on SMEs as drivers of green growth.
- The team is developing a comprehensive amplification strategy, including targeted media outreach to publications like the Financial Times.
- Support is being sought from partner organisations for design and graphics to enhance the visual appeal and accessibility of the report.



Next Steps

- Update the standard based on feedback, particularly regarding the inclusion of key Scope 3 categories.
- Prepare detailed materials for the Net Zero Council presentation in May, including prebriefing key stakeholders.
- Draft the public report for review at the next working group session, incorporating progrowth messaging and SME-centric narratives.
- Finalise plans for the June launch events, including confirming high-profile attendees and refining the media strategy.
- Continue engagement with government departments to progress discussions on adoption timelines and PPN convergence.
- Distribute a follow-up questionnaire to gather any additional reflections on the Omnibus proposals and their implications for the standard.