



Project: Land-Use for Sustainable Transactions (LST)

Objective: Accelerate a cross-sectoral response to *LSRS* while contributing to development of a sustainable fuels passport

Project Leader: Tristan Brown

Project Secondaries: Gerard Ostheimer & Sam Lehr

Timeframe: September 2026 – December 2028

Radical New Framework Threatens Sustainable Fuels and Products

The WRI's Greenhouse Gas Protocol (GHGP) has altered its approach to carbon accounting in a framework (the Land Sector Removals Standard or *LSRS*)¹ that is *radically different* from consensus biogenic carbon life cycle assessment principles.² Whereas consensus principles emphasize data granularity and accuracy, the *LSRS* instead embraces the precautionary principle through its foundational assumption that biofuels production always results in the loss of natural carbon stocks.

Thousands of companies globally use GHGP to report greenhouse gas emissions inventories. Once implemented, *the LSRS will create a major hurdle* to the production and use of sustainable biofuels, e-fuels, chemicals and products that use biogenic carbon as a feedstock or fuel.

Molecule Group's Two-Phase Action Plan to Combat the Threat

Sustainable industries must respond to the GHGP *LSRS* with a new level of urgency. Molecule Group is well poised to accelerate across-sectoral and global response.

To date, our *ILUC Reconsidered* and *Impact Accounting* working groups engaged WRI with targeted advocacy and written comments to the "Actions and Market Instruments Standard" (AMI) and the "Land Sector and Removals Standard" (*LSRS*). We convened formal and informal consultations with the International Energy Agency (IEA) and the broader Clean Energy Ministerial (CEM) community, and we rallied broad global industry support for the Belém 4X Pledge on Sustainable Fuels.

¹ In the recently finalized *Land Sector and Removals Standard* (*LSRS*) GHGP is advancing a "Carbon Opportunity Cost" methodology that assigns novel and harmful land-use penalties.

² As represented by the International Organization for Standardization (ISO) and the Intergovernmental Panel on Climate Change (IPCC) and other bodies.

Based upon feedback from industry and government alike, an effective response must include (Phase 1) immediate defensive action to highlight the adverse effects of the upcoming implementation of the LSRS, and (Phase 2) a longer-term, thoughtful alternative approach that builds mutual recognition of sustainable fuels and products (i.e. a *Sustainable Fuels Passport*).

Accordingly, Molecule Group is convening a cross-sector, multi-stakeholder coalition (“Land-Use Coalition”) of the willing to:

Phase I: Accelerate an immediate and effective cross-sectoral response to the LSRS.

- 1) **Document areas of global industry consensus** with respect to best practices in the quantification of fuel and chemical sustainability using life cycle assessment (LCA), including their climate benefits;
- 2) **Specify issues within the LSRS and the likely impact** it will have on all bio-based and bio-adjacent industry including food and beverage, textiles and fashion, sustainable fuels and chemicals, and pulp and paper;
- 3) **Communicate these issues and stakeholder recommendations** to governments and international organizations such that they can assist in drawing attention to the detrimental impacts resulting from the adoption of the counter-productive GHGP standards. International organizations shall include the Clean Energy Ministerial, International Energy Agency, International Civil Aviation Organization, International Organization for Standardization, and the International Maritime Organization, among others.

Phase II: Develop a framework and criteria for a “sustainable fuels passport”, based on scientific LCA principles, that supports interoperability required for international trade.

1. **Map the sectors impacted by the LSRS**, actively engaging sectors and stakeholders unfamiliar with the GHGP LSRS and its impending impacts;
2. **Host a series of critical stakeholder dialogs**, crossing borders and sectors - including liquid biofuels, biogases, low-emissions hydrogen and hydrogen-based fuels, agriculture, forestry, chemicals, materials and products.
3. **Identify areas of global industry consensus** with respect to best practices in the quantification of fuel sustainability using life cycle accounting (LCA);
4. **Develop consensus for the framework of a sustainable fuels passport** that supports the mutual recognition of sustainable fuels, products, chemicals and materials as a minimum standard for presumptive global recognition to facilitate interoperable carbon accounting across regions and jurisdictions;

5. **Develop consensus for “scorecard” criteria** for consensus best practices that can be “stamped” in a global passport, and potential “above and beyond” benchmarks that countries can look to for “visa-like” additions or incentives.

Details of this work plan and timeline are elaborated below.

Stakeholders

To ensure a robust and inclusive process, Molecule Group will engage organizations from a variety of sectors and geographies, including:

1. Industry Participants

- Producers of feedstocks for sustainable fuels
- Producers of sustainable fuels
- Midstream processors and technology developers
- End users in aviation, shipping, manufacturing, and heavy industry
- Marketers and suppliers across the supply chain

2. Academic Experts

- LCA and GHG accounting experts from USA, EU, Asia, and South America

3. Governmental Observers & Intergovernmental Bodies

- Relevant policy agencies, multilateral institutions (e.g., IEA), and multilateral policy entities (e.g., G20, CEM)

4. Non-Governmental Organizations

- At the appropriate time, feedback and peer review will be provided by representatives from the NGO sector. Currently, this inclusion is advised after the group has had a chance to formulate initial positions to discuss.

Tasks and Timeline

Molecule Group will produce the following core outputs:

Phase 1: Response to GHGP LSRS Guidance

- Task 1.1: Draft white paper based on outputs from Molecule Group’s 2026 *ILUC Reconsidered* and *Impact Accounting* workstreams, summarizing (1) where the latest GHGP standards diverge from industry-consensus best practices on sustainable fuel assessment and (2) the consequences that the new standards will have on agriculture- and forestry-adjacent sectors, including the achievement of the Belem 4X Pledge.

- Task 1.2: Develop a joint response to problematic elements of the LSRS and its associated Guidance, including a large umbrella of participants from agriculture and forestry adjacent industry. Perform a full stakeholder mapping and recruitment. Begin stakeholder engagement during Climate Week New York (21 – 25 September in NYC).
- Task 1.3: Deliver and discuss the Molecule Group White Paper to government and international organizations at Molecule Group-adjacent events in late 2026 and early 2027).

- Task 2.1: Begin operations of the Land-Use Coalition. Foster discussions of what the mature coalition will look like, e.g., governance, operations, etc. Fundraising. Communications strategy, etc.
- Task 2.2: Molecule Group to foster discussions of interoperability within the Clean Energy Ministerial carbon accounting workstream, which builds on the Molecule Group LCA workshop held at CEM16 (Busan, ROK) and the Biogenic Carbon side event to be held during CEM17 (Riyadh, KSA).
- Task 2.3: Translate industry-consensus sustainable fuels scorecard criteria into signatory-consensus interoperable LCA framework criteria. Develop sustainable fuels passport based on consensus scorecard and interoperable LCA criteria.
- Task 2.4: Present sustainable fuels passport at COP33 in Q4 2028.