

Greenhouse gas reporting Third-party Disposal Industry Consensus Approach

Many National Waste & Recycling Association (NWRA) members' primary service is to collect and transport waste and recycling for customers. Companies providing this service are known as "haulers." In the case of waste, the process typically entails collecting waste from customers' homes or businesses and delivering it to another facility (e.g., a materials recovery facility, compost operation, transfer station, landfill or waste-to-energy facility). The activity of a hauler delivering waste or recycling to a site that it neither owns nor operates is referred to as third-party disposal.

The Greenhouse Gas Protocol (GHG-P) is clear that the entity responsible for a final disposal site is ultimately responsible for end-of-life management of that waste and should include the associated end-of-life GHG emissions in their own scope 1 inventory. The entity responsible for the transportation of the waste (the hauler) should include associated vehicle emissions in their own scope 1 inventory.

The GHG-P also makes clear that customers – waste generators (e.g., consumers, manufacturers, etc.) – should report emissions from disposal in scope 3, category 5 (waste generated in operations) and category 12 (end-of-life treatment of sold products).

In consultation with external advisory partners, the sustainability working group of NWRA assessed the validity of including third-party end-of-life emissions in a hauler's own scope 3, category 1 (purchased goods and services) and considered the following factors:

- As a hauler the "value" provided by services is in the movement of materials. Waste is not a product a hauler creates nor sells.
- While haulers often pay a tipping fee at third-party disposal sites, this is functionally a pass-through cost from the waste generator, who is the entity purchasing end-of-life disposal services.

These factors inform the industry consensus position that, beginning with the reporting of 2022 emissions, NWRA member companies will exclude end-of-life emissions from third-party disposal from their own GHG inventories.