



Envision Energy delivers low-carbon Ammonia certificates to PepsiCo for APAC operations

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The agreement extends PepsiCo's low-carbon fertilizer strategy into Asia-Pacific, using environmental attribute certificates to support Scope 3 emissions reduction across its agricultural supply chain



Envision Energy has delivered low-carbon ammonia environmental attribute certificates (EACs) to PepsiCo for use across its Asia-Pacific operations, extending the food and beverage company's growing network of low-carbon fertilizer partnerships into the region.

The agreement provides PepsiCo with a market-based mechanism for accounting for emissions associated with ammonia-based fertilizers used across its agricultural supply chain. Under the EAC model, the certificates verify that an equivalent volume of ammonia has been produced using lower-carbon production methods, without requiring the physical low-carbon product to be delivered to each agricultural end user.

The arrangement could provide food companies with greater flexibility in addressing Scope 3 emissions, particularly in markets where supplies of physically delivered low-carbon ammonia and fertilizer remain limited.

Low-carbon fertilizer strategy expands into APAC

The agreement with Envision Energy adds to a series of low-carbon fertilizer arrangements PepsiCo has entered into during 2026 as the company works to reduce emissions associated with agricultural inputs.

In April, PepsiCo partnered with CF Industries for certified low-carbon UAN for its US potato supply chain. The company has also signed offtake agreements with TalusAg for 30,000 metric tonnes per year of low-carbon ammonia, alongside agreements with Fertiberia and Yara covering similar low-carbon fertilizer supply across European and Latin American markets.

Taken together, PepsiCo expects these agreements to cover approximately 50% of its global fertilizer usage by 2030.

The latest agreement extends this strategy to Asia-Pacific, where agricultural supply chains span diverse markets and where access to low-carbon fertilizer infrastructure remains uneven.

EACs offer flexible decarbonisation pathway

Environmental attribute certificates are designed to separate the environmental characteristics of a product from its physical delivery.

For PepsiCo, this means the company can use certificates to support emissions accounting for fertilizer used by farmers in its supply chain, even where the corresponding low-carbon ammonia is produced elsewhere.

The model could become increasingly relevant for agricultural companies seeking to address Scope 3 emissions from fertilizer use without waiting for low-carbon ammonia production, transportation and distribution infrastructure to become available in every market.

Ammonia is a major component of nitrogen fertilizer production, while the manufacture of conventional ammonia is energy-intensive and associated with significant greenhouse gas emissions. Lower-carbon production pathways therefore represent an important opportunity for reducing the emissions footprint of agricultural inputs.

Envision expands into green ammonia

Envision Energy, headquartered in China, is one of the world's major wind turbine manufacturers and has expanded beyond renewable energy equipment into green hydrogen and ammonia through its Envision Green Technology business.

The company operates renewable energy projects across Asia and Europe and has been developing technologies and projects linked to the emerging clean hydrogen and ammonia economy.

The PepsiCo agreement provides another example of how renewable energy and low-carbon fertilizer markets are increasingly converging.

For Envision, the transaction expands the potential commercial application of its low-carbon ammonia activities beyond direct physical fertilizer supply. For PepsiCo, EACs provide an additional tool for addressing emissions embedded in agricultural inputs across geographically dispersed supply chains.

A new model for agricultural decarbonisation

The agreement highlights the growing role of market-based instruments in agricultural decarbonisation.

Physical low-carbon ammonia supply remains constrained by production capacity, infrastructure, transportation economics and regional market development. EACs can provide an interim mechanism that allows companies to begin accounting for and addressing emissions reductions while physical supply chains develop.

For large food companies with global agricultural sourcing networks, such flexibility could be particularly valuable.

As PepsiCo expands its portfolio of low-carbon fertilizer agreements, the company is effectively building a multi-region procurement strategy that combines physical low-carbon fertilizer supply with certificate-based approaches.

The Envision agreement therefore marks another step in the evolution of low-carbon fertilizer markets, where renewable ammonia, certification systems and corporate Scope 3 strategies are increasingly becoming interconnected.