



Making carbon history



**Why offsets make a difference to climate change
and how to use them responsibly**

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Introduction

Global climate change is one of the biggest environmental issues facing society today. Its impacts, including droughts, heavy rainfall and extreme flooding, are already being felt.

The use of verified greenhouse gas (GHG) emissions savings to offset the emissions associated with activities such as manufacturing, flying and driving our children to school provides valuable help in support of green energy and social projects.

Reducing greenhouse gas emissions

In the first instance we must always try to directly reduce and avoid the GHG emissions associated with our activities. There are many opportunities available to reduce emissions including:

- **Changing our behaviour.** There are many small changes in behaviour that can result in a notable reduction in our impact on global climate change. These include: turning off electrical equipment in particular computers and televisions; turning down central heating by a degree or two; walking/ using public transport instead of taking the bus; using the stairs instead of the lift.
- **Technologies.** There are also a variety of technical solutions that can ensure a more efficient utilisation of energy. These range from A rated white goods such as fridges and washing machines through to energy efficient light bulbs and a variety of manufacturing solutions, for example, waste heat recovery.
- **Low carbon energy and materials.** We can choose to use low carbon energy sources such as electricity generated by wind and water. There are also an increasing number of low carbon products entering the market. For example, recycled glass, paper and building materials.

Going further

Many people, businesses and other organisations find that opportunities to directly reduce their GHG emissions are limited. Typically, when an organisation first begins to consider what options it has available it may find that it is able to reduce emissions by between 5% and 50%. Thereafter, it may be able to make ongoing savings in the order of 1% - 5% each year.

More significant reductions in emissions become impossible for a number of reasons. In particular, low carbon options may be unavailable, impractical or simply too expensive.

The problem

Limited opportunities to directly reduce emissions presents a serious problem as it means that cuts in GHG emissions are not being made quickly enough. The most respected global scientific authority on climate change, the Intergovernmental Panel on Climate Change (IPCC) has stated that we need to reduce GHG emissions by around 70% if we are to address the issue and return emissions to safe levels. With direct opportunities to reduce emissions only likely to achieve a 5% to 50% reduction we are in danger of failing to create the necessary savings.

The solution

The solution is two fold:

- **Harness all opportunities available.** GHG emissions are a global pollutant. This means that it does not matter where in the world a reduction in GHG emissions occurs. In the short term it is therefore important that we seek to implement all immediate opportunities available globally.
- **Innovation.** To address the problem it is clear that low carbon innovation is also necessary to ensure that affordable low carbon technical options emerge in the near future. This innovation is necessary to replace the high polluting forms of transport, energy and manufacturing that we currently have.

Offsetting an important part of the solution

The use of offsets created by robust green projects addresses both parts of the solution.

- **Short-term:** Offsets are independently verified units of GHG savings created by green projects. The green projects are not viable unless they are able to sell the offsets. The purchase of offsets therefore gives rise to a reduction in GHG emissions that would not have occurred otherwise thereby helping to harness all immediate GHG reduction opportunities available.
- **Longer-term:** Many offset projects are new technologies that will, in the longer-term, replace the older high polluting forms of manufacture and deliver the emission savings that we need if we are to effectively combat global climate change. In the short-term, as new entrant technologies, they find it difficult to compete with established manufacturing and rely on the ability to sell their emission savings as offsets if they are to survive. Our green cement project provides an important example of the type of low carbon innovation that will be necessary to address the climate change project.



In recognition of the role that offsets play, a number of respected entities are using offsets as part of their carbon neutrality strategies. These include: HSBC, News Corporation, Aviva, Sky, Toyota, Land Rover, Barclays, Yahoo, Google to name but a few.

Responsible offsetting

Independent guidelines have been produced by organisations including the Carbon Trust (www.carbontrust.co.uk) and the Financial Times (www.ft.com) to enable entities to use offsets in a responsible and effective way. At a minimum, as a general guideline, we suggest the following:

- **Avoid/ reduce first.** Develop a carbon footprint and evaluate and implement all feasible opportunities to avoid/ reduce emissions that are available prior to using any offsets
- **Only purchase robust and independently audited offsets.** Only purchase offsets created by “robust” green projects that have the following features:
 - **Additionality.** The projects must be validated as being “additional” to business-as-usual
 - **Best practice and validation.** Projects must be independently validated as being compliant with one of the best practice standards for developing offset projects (e.g. Voluntary Carbon Standard, Gold Standard, CDM or JI)
 - **Verification.** The annual emission savings created by the project must also be independently verified.

CarbonAided

CarbonAided develops and markets Kyoto and voluntary offset projects that deliver real savings in GHG emissions. An ethical business with strict codes of conduct, we take exceptional steps to ensure that our emissions offsets are additional to "business-as-usual" and are independently verified. Each project is compliant with at least one of the key standards for offset projects:

- CDM or JI
- Voluntary Carbon Standard
- Gold Standard

Our projects include activities that improve the standard of living of the World’s poor. We also develop large projects that play a significant role in the global fight against climate change and promote low carbon innovation. See www.carbonaided.com for further information.