

Carbon Offsetting

Carbon offsetting in context – Net Zero

What does it mean

How does it work

What do you need to ask



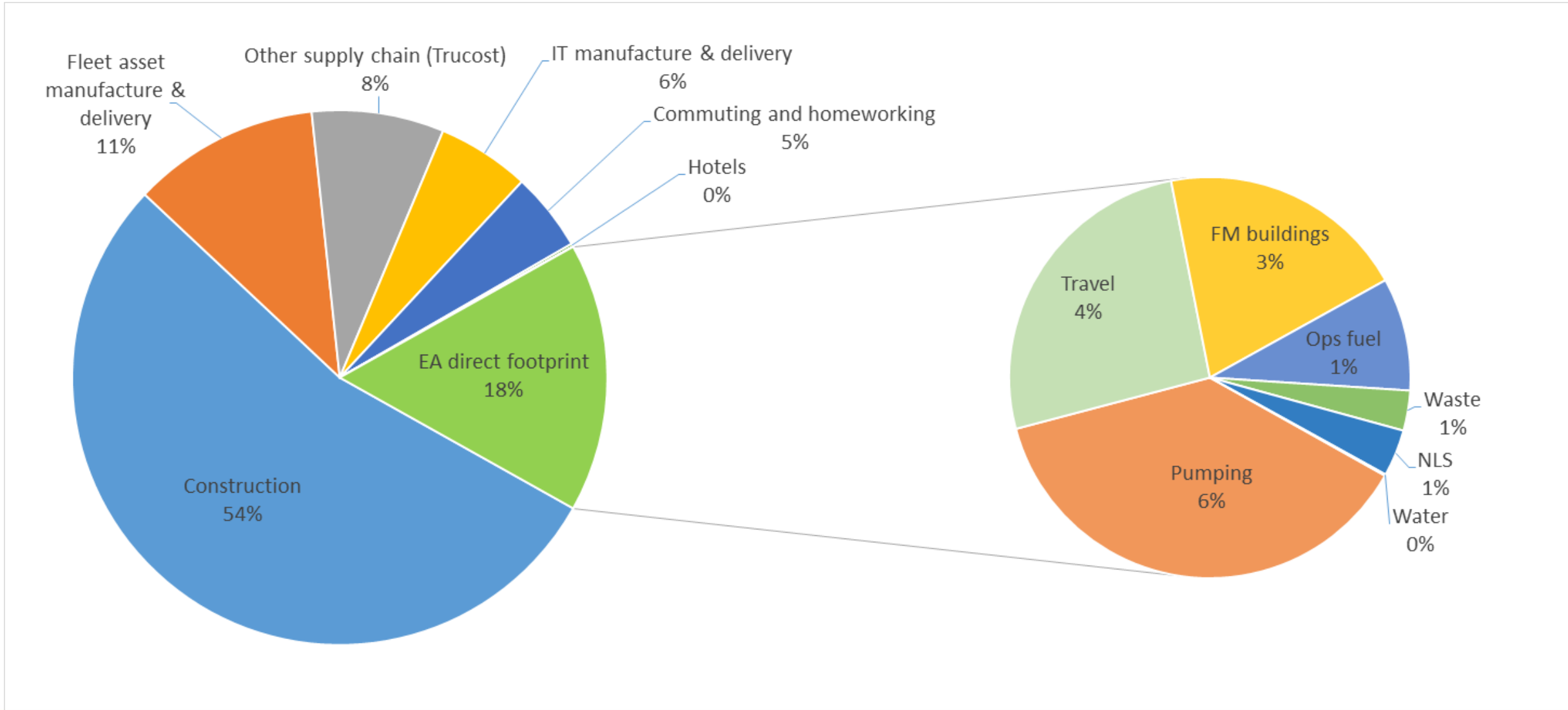
Simon Dawes – Head of Sustainable Business Strategy –
Environment Agency
@SimonDawesEA

Our Net Zero Journey

“The main thing is to keep the main thing, the main thing – and the main thing is the climate emergency”

- Just one part of our wider sustainability strategy – eMission 2030
- 2019 Board agreement – “Net Zero” By 2030
- Net Zero – SBTi aligned
- We will reduce our emissions by at least 45% and deliver projects that lock up / sequester the remaining emissions aka “Offset”
- Developed a plan – a “Roadmap”

Revised baseline



Time for a “C Change” – The four C



Concrete

Cars

Computers

Commuting

Plan headlines

Circa 90 Actions

Direct Action + Corporate Enabling action like HR, Finance

Engagement Plan

Director owned and agreed

Includes offset

What is it (offsetting)?

An offset – used to mitigate residual unavoidable emissions, not to justify business as usual

Offsets can be either REMOVALS (absorbs CO2 from the atmosphere) or AVOIDANCE (reduces emissions outside of your value chain)

Net Zero claims vary in terms of whether avoidance or removals are used

SBTi rules only allow removals

How does it work? Offset approaches

3 broad approaches:

1. Deliver offset projects yourself – gives you control but exposes you to risk, more expensive, good CSR credentials
2. Buy domestic carbon offsets (woodland or peatland code – approx £15-25/tonne) – you are buying a UK verified product, keeping benefits local. Supply of credits is low currently, price expected to increase
3. Buy internationally (approx. £2-10/tonne) – lots available, potential to invest in places that suffer most from climate change impacts, money leaves UK, variable quality, bad reputation



What do you need to ask - What makes a good offset?

- Additionality – project would not have happened without carbon finance
- Permanence – Project has the longevity required (important for nature based removals when comparing to fossil fuel consumption)
- Quality – quality of project design, and accurate reporting of credits
- Verified by a suitably qualified third party
- High quality market offsets will meet this criteria

And.... Things to be aware of....

- **Claiming credits – credits claimed as they sequester carbon, not in advance**
 - **Spurious claims – not all offset schemes are equal, do your research (e.g. compliance with social and environmental best practice)**
 - **Wider benefits – different offset approaches deliver different benefits (e.g. House insulation scheme Vs nature based)**
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Questions



[The Environment Agency: Reaching net zero by 2030
\(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

[@SimonDawesEA](https://twitter.com/SimonDawesEA)