

THE BOTTOM LINE



The CCC releases voluntary carbon markets and offsetting report

The Climate Change Committee (CCC) has released a Voluntary Carbon Markets and Offsetting report after receiving call for evidence responses from 56 stakeholders. Of these stakeholders, 16 were businesses, 5 were government agencies, 4 were individuals, 25 were NGOs, 2 were carbon offset programme brokers, 1 was in research or academia and 3 were from other sectors.



This report looks into the opportunities and risks presented by voluntary carbon markets in the progress toward net zero targets in the UK and beyond. Voluntary carbon markets are new opportunities for businesses to offset their emissions. These carbon markets allow companies, organisations, and individuals the chance at reducing or mitigating potential environmental

damage by purchasing carbon credits for voluntary use, rather than complying with legally binding carbon emission reduction obligations. These markets are growing substantially due to demand, as more businesses are looking to reach net zero targets, become carbon neutral and offset their carbon emissions.

KEY TAKEAWAYS FROM THE VOLUNTARY CARBON MARKETS AND OFFSETTING REPORT

Carbon credits purchased by businesses and organisations can play a small but vital role in supporting the transition and targets toward net zero emissions. Government must put in place detailed guidance, standards, and regulation to ensure businesses purchasing carbon credits do not do

this as a direct substitute for reducing their carbon emissions. Government must also aim to improve knowledge, transparency and validity of carbon credits within voluntary carbon markets. Without the above, there is a risk that VCMs can slow progress toward net zero goals.

THE REPORT OUTLINES 3 MAIN RECOMMENDATIONS:

- 1) To encourage businesses to support high integrity nature-based and biological solutions and engineered removals, while focusing on achieving direct carbon emissions reduction.
- 2) Continue efforts to protect and raise the integrity of carbon credit projects, in the UK and globally, and to ensure voluntary carbon markets are resulting in lower overall global emissions and positive wider impacts.
- 3) Support the modest but useful role voluntary carbon markets can play in the UK Net Zero pathway, in tandem with other measures.

You can find the full CCC Voluntary Carbon Markets and Offsetting Report here.

<https://www.theccc.org.uk/publication/voluntary-carbon-markets-and-offsetting/>

