Carbon offsetting

An initial guide to carbon offsetting in the voluntary carbon market

The Bar Council has worked with Achill Management and Climate Impact Partners to produce this high-level guide. Look out for more detailed information forthcoming from The Climate Crisis Working Group.

Disclaimer

The purpose of this document is to increase awareness of offsetting. The Bar Council supports **The Oxford Principles for Net Zero Aligned Carbon Offsetting**, which have been developed to offer organisations clear guidelines to navigate offsetting.

There are three main principles to follow, which are:

1. Cut emissions, use high quality offsets, and revise your strategy as best practice evolves.[1]
2. Move from carbon reduction to carbon removal to ensure that your organisation reaches 100% carbon removals by mid-century, further aligning with the Paris Agreement goals.
3. Shift to long term storage, which will include a move away from nature-based solutions to geological storage.

[1] Best practice includes: **Prioritise the reduction of your own emissions** – you should minimise the need and reliance for offsets; **Ensure environmental integrity** – you should only use offsets that are verifiable and correctly accounted for. They should have a low risk of non-additionality, reversal, and creating negative unintended consequences for people and the environment. **Maintain transparency** - Disclose current emissions, accounting practices, targets to reach net zero, and the type of offsets you employ.

We urge chambers to prioritise reducing their own emissions before adopting any offsetting projects. If you are unable to do so, we encourage you to review The Oxford Principles for Net Zero Aligned Carbon Offsetting, and follow their principles to ensure that your offsetting projects are impactful and ethical.

What is a carbon credit?

A carbon credit is a transactable, intangible environmental instrument representing a unit of carbon dioxide-equivalent (CO2e) – typically one metric tonne – created either by regulatory schemes promoted by governments (e.g. cap & trade schemes) or by projects which are validated to a recognized carbon standard.

How are carbon credits generated/operated?

The Voluntary Carbon Market (VCM) is the market for tradable carbon credits that facilitates international cooperation between private actors in developing and developed countries. It enables non-state actors to drive climate benefits beyond their own operations and supply chains.

Carbon offsetting is the act of purchasing a carbon credit and retiring or cancelling the unit to compensate for one tonne of GHG emissions released to the atmosphere elsewhere. When the subject is said to be offset, the unabated emissions associated with the subject are equal to the amount of carbon credits retired or cancelled.

Why offset?

It enables you to address the final element of the carbon emissions hierarchy - those emissions you cannot avoid or reduce - so that you can meet ambitious climate goals. It also puts a price of carbon into your organisation to incentivize greater internal reductions, and provides critical finance to accelerate the world's transition to a low-carbon future.

Source of definitions: **The Carbon Neutral Protocol 2023**

Types of impactful carbon

Explore a comprehensive range of impactful carbon offset projects, which can be categorised into three pivotal groups: nature-based solutions, health and livelihood, and sustainable infrastructure. Additionally, projects can be classified by their approach, whether they avoid, reduce, or remove carbon emissions from the atmosphere.

Nature-based solutions

These projects protect and enhance biodiversity to ensure our planet thrives. They can avoid and reduce emissions through nature conservation and remove emissions through nature restoration.

Health and livelihoods

These projects help households and communities decrease indoor air pollution, access clean water, and raise their incomes, while reducing emissions (although sometimes the emissions reductions can be difficult to measure). They provide sustainable development benefits and climate justice.

Sustainable infrastructure

These projects accelerate the transition to renewable energy and decrease our dependence on fossil fuels. Projects can be located in the most impactful areas, helping developing economies access technologies that do not rely on fossil fuels.

Quality assurance

Quality assurance is fundamental to provide solutions which deliver real, measurable, verified impact and protect your reputation. Projects should be independently verified to meet recognized industry standards. If you work with a commercial provider or some other trusted partner, that organisation should ensure any credits pass their own due diligence and quality requirements.

A good quality carbon credit should have the following characteristics:

Emissions impact

1. Additionality - demonstrated that in the absence of the availability of carbon finance the project activity would not have occurred.
2. Permanence - emissions reductions are permanent; adequate mechanisms that guarantees the GHG reductions will be replaced.

3. Robust quantification of emission reductions and removals.
4. No double counting – credits are held and retired on a registry; no more than one carbon credit can be associated with a single emission reduction.

Governance

5. Effective governance
6. Tracking
7. Transparency
8. Robust independent third-party validation and verification - verified by an expert third party; qualified for use as an external environmental instrument to reduce a subject's GHG emissions.

Sustainable development

9. Sustainable development benefits and safeguards
10. Contribution toward net zero transition

*The 10 Core Carbon Principles

Contact us to work with you and meet your climate action goals.

With thanks to Climate Impact Partners for creating this resource for us.

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