

Are you carbon fit? And do you like jogging in the woods?

(Johannes Ebeling, Green Monday – Carbon Neutrality stream, 3 Nov 08)

Are you in shape regarding the management of your carbon footprint? Have you cut junk food out of your diet and increased the share of low-carbon inputs? And, are you exercising enough to compensate for the treats and the “unavoidable” business meals with your international clients?

There have been a great many discussions around the phrases “carbon neutral” and “carbon offsets”. Both expressions have faced criticism in terms of and whether there can ever be such a thing as “neutralising” one’s carbon footprint, or even the moral aspects of “offsetting” your luxury first-world emissions elsewhere. However, there have also been suggestions that both terms struggle to convey the meaning behind carbon management and that they are too technical and not very appealing for a general audience, hence limiting their usefulness as a communication and PR tool.

During this week’s round-table discussion on Carbon Neutrality, the idea was brought forward to compare carbon management to what people are doing to stay healthy. This is because health issues generally generate much interest with the public and are easy to relate to, and because good health is a much more appealing and communicable notion than carbon neutrality. In managing a carbon footprint, both elements of improving your diet and cutting back on unhealthy, high-calorie foods (reducing emissions) and exercising to burn off excessive intakes (offsetting) are essential.

The other theme of this Green Monday’s meeting was that of forestry carbon offsets. Forestry has generated much interest and made many headlines throughout the history of offsetting and climate change. Forestry offsets are still seen by many as the classic offset type (and currently make up about 20% of voluntary carbon markets), and emissions from deforestation have – again – become a focus of international climate change mitigation efforts and policy discussions.

As the voluntary carbon markets mature, standards are being developed, and all stakeholders begin to look behind the abstract concept of carbon credits and offsets, forestry offsets can be expected to become a more “standardised” product and lose some of the emotional and difficult-to-grasp image that has surrounded them. At the same time, however, as people scrutinise offsets and companies have to defend their approach to carbon management, many old concerns about carbon forestry seem to re-emerge. This comprises uncertainties about:

- (a) the ability to measure carbon stocks in forests, as well as carbon benefits from conserving and restoring forests, and
- (b) the permanence of these carbon benefits and the risk of merely displacing deforestation pressures (“leakage”).

These concerns were shared by some participants in our round-table, reaffirming the fact that forestry is still seen as a somehow “special” offset type. At the same time, other participants pointed out that many of the old concerns voiced against carbon forestry have since been effectively addressed through standards like the Clean Development Mechanism (CDM) and the Voluntary Carbon Standard (VCS). Add-on standards, such as the Climate, Community and Biodiversity Standard (CCBS), have furthermore emerged to ensure the significant co-benefits of reforestation and forest conservation that make this sector so attractive to many.

Apart from the existence of these quality-insurance standards, it was pointed out that there are alternative ways of backing up the value of forestry offsets, e.g. by maintaining a reserve or simultaneously retiring other types of credits, possibly cheap and less appealing ones from industrial process improvements which nonetheless represent indisputable emission reductions. Finally, it was suggested that Reducing Emissions from Deforestation (RED) really is not so different from reducing fossil fuel emissions and both share many benefits and drawbacks (such as merely delaying emissions, or risking leakage through market and pricing effects and international displacements).

Individual opinions and preferences aside, it seemed clear to all participants that carbon forestry will receive extensive media coverage in the run-up to the COP in Copenhagen next year and most likely for the years to come. This makes it indispensable for most offset providers but also for companies with comprehensive carbon management strategies to develop a position towards forestry offsets and work out how to integrate them in a smart way that capitalises on their appeal and unique co-benefits while managing any perceived climatic or reputational risks.