

The Ethics of Carbon Offsets

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“We can all take simple steps to reduce the amount of CO2 we produce...we can also offset the rest. Offsetting means paying someone to reduce CO2 in the atmosphere on your behalf. In that way we can pay for the damage we are causing and the money helps to fund an important transition to a low carbon future for many developing countries”
www.climatecare.com

“Carbon offsets are the modern day indulgences, sold to an increasingly carbon conscious public to absolve their climate sins”.

Kevin Smith 2007 The Carbon Neutral Myth

Outline

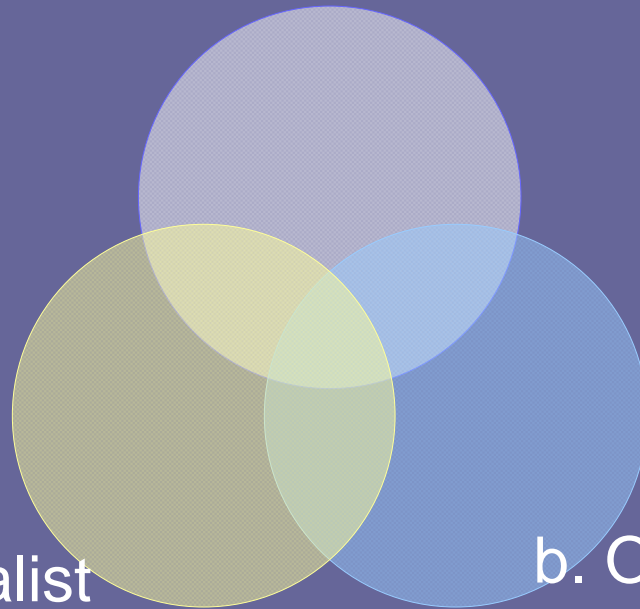
1. Justification for offsets
2. Different types of ethical issues relating to offsets
 - Fundamental objection
 - Outcome dependent
 - Neo-colonialist
3. Attempts to address ethical issues

1. Justification for offsets

- Atmosphere uniformly mixed so greenhouse gas reductions can occur anywhere
- Some people, countries and sectors find full domestic reductions too difficult
- Developing countries should gain some benefits from Kyoto
- Emission reductions are cheaper/easier in developing world
- Projects can have side benefits for sustainable development, biodiversity etc.

2. Types of ethical objection

a. Fundamental moral objection

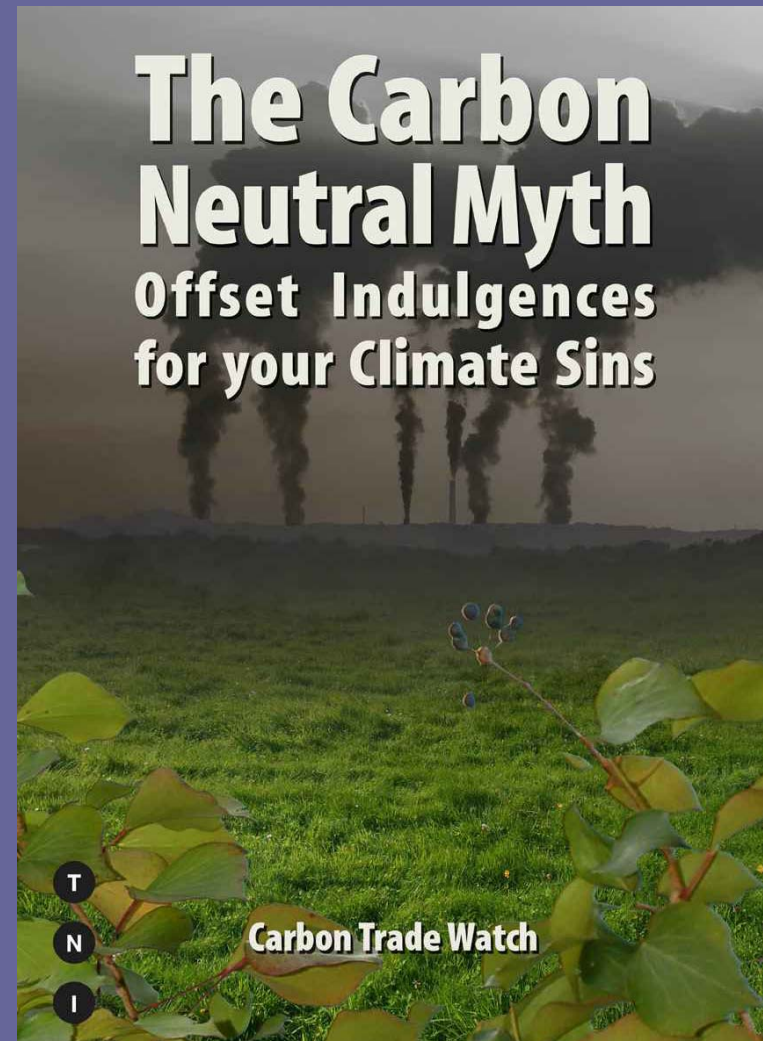


c. Neo-colonialist

b. Outcome dependent

a. fundamental moral objection

- a price should not be put on the environment
- instrumental > intrinsic value
- moral values subsumed & disregarded



b. outcome dependent

- Offsets fine in principle as long as benefits outweigh costs
- Achieving environmental goals
- Potential limitations

1. Scientific uncertainty

Global carbon cycle

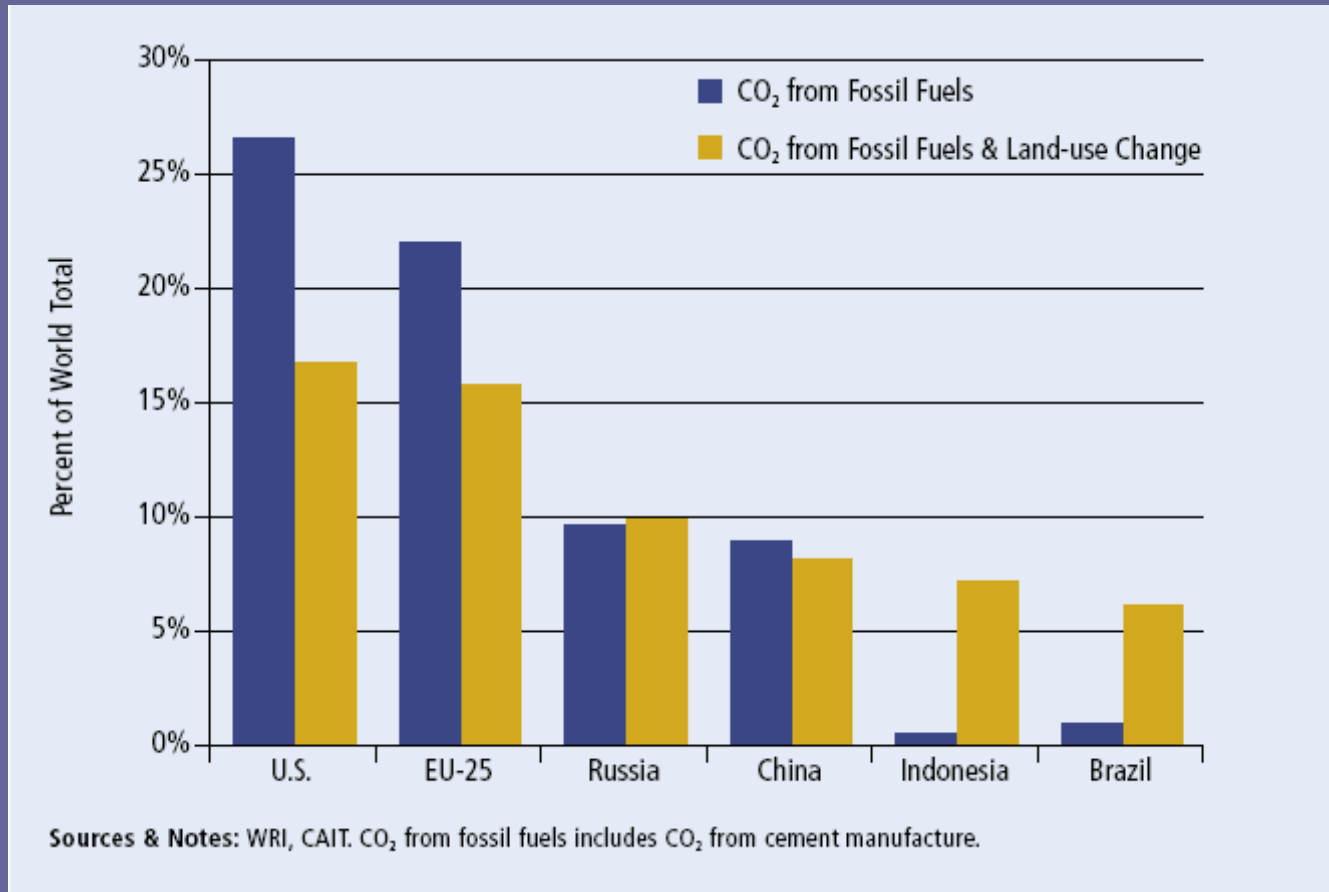
Measurement and monitoring

2. Policy failure

Implementation and design

e.g. additionality – environment, financial

c. neo-colonialist

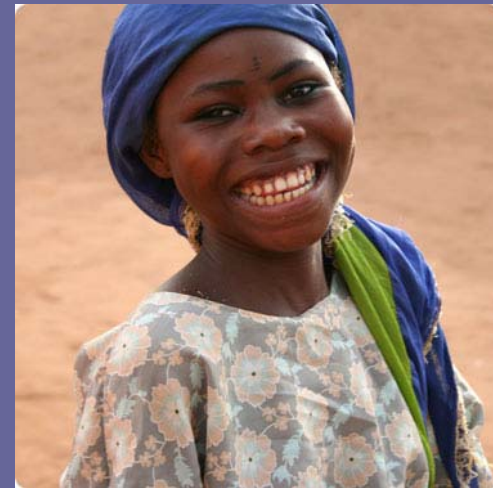


Cumulative CO₂ emissions 1950-2000: *with and without land use change and forestry*

source: http://pdf.wri.org/navigating_numbers_chapter6.pdf

c. project-level issues

- unequal revenue distribution from projects
- corporate profiteering
- lack of local participation
- bias towards large industrial projects
- questionable sustainable development benefits
- carbon > sustainability

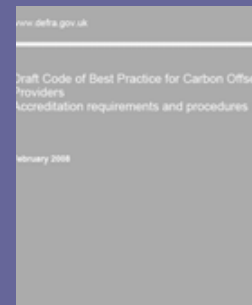


Source: Carbon Clear <http://www.carbon-clear.com> and
Climate Care <http://www.climatecare.org>

3. Attempts to address ethical issues: regulations & standards

- Several new standards in the voluntary offset market launched in 2007
- *Gold Standard*: higher additionality, sustainable development, no forest or HFC
- *Voluntary Carbon Standard*: basic carbon
- *UK DEFRA guidelines*: recommends CDM standard

(see Bumpus and Liverman 2008, WWF 2008)



3. Attempts to address ethical issues: forest offsets

- Bali COP 2007 decision to consider carbon credits for forest protection where countries would receive credit for reducing forest loss
- Challenges include:
 - Measuring the forest and converting to carbon credit
 - Ensuring funds reach local residents
 - Fairness to countries with intact forests
 - Ensuring the value of standing carbon surpasses value of cleared forest (biofuels, soy, timber etc)
 - Adapting CDM rules about timing of offsets so do not penalise forests



Summary

- Different types of ethical objection
- Arguments often conflated
- Complex: politics & policy, science, finance
- Parallels with long-standing debates about development

"If a Member of Parliament were stopped by the police and found to be driving three times over the alcohol limit, they could not give the excuse that although they might be blind drunk at the wheel, they had sponsored a man in Botswana to stay at home sober."

Alan Simpson (Labour MP), Parliamentary debate on UK Climate Change Bill, 9th June 2008.