

## Schemes to offset carbon 'overpriced and unfair'

By Cahal Milmo, Chief Reporter  
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Britain's booming carbon offset industry is riddled with inconsistencies and clashes of interest that have caused a "crisis of legitimacy" which threatens to dissuade consumers from contributing to cutting their greenhouse gas emissions, leading academics claim today.

The rapid growth in the offsetting market, which last year more than doubled its global income to in excess of £165m from individuals and companies paying to reduce the impact of activities such as flying, has produced an unregulated and at times overpriced industry. There are wide disparities in the way the amount of carbon dioxide produced is calculated and the charge demanded from consumers.

An authoritative study by Omega, a coalition of experts on aviation and the environment based at leading British universities, found the potential benefits of offsetting in mitigating some of the effects of climate change were being undermined by a failure to produce uniform prices, and difficulties with proving how much CO2 is saved by schemes in developing countries.

The report, obtained by The Independent, found dramatic differences in the prices that consumers were paying to offset some of the most heavily used international routes. The cost of offsetting a flight from London Heathrow to Paris Charles de Gaulle varies from 31p to £12.95, while a return trip from London to Sydney ranges from £15 to £78.

Researchers at Manchester Metropolitan University concluded offsetting should be considered a "last resort". The study said: "Offsetting schemes are now widely acknowledged to be problematic responses to the challenge of climate change. Most significantly, in offsetting schemes, commercial advantage and environmental benefits have become entangled to the extent that a crisis of legitimacy has occurred.

"Offsetting schemes are conceptually problematic: they have arisen not from attempts by environmentalists and climate scientists to design an appropriate response [to climate change], but from politicians and business executives trying to meet the demands for action while preserving the commercial status quo."

Since its advent less than a decade ago, voluntary carbon offsetting has become one of the most popular – and lucrative – methods for the public and businesses to contribute to efforts to mitigate global warming but it has been dogged by allegations of ineffective spending of donated money, profiteering and poor quality control.

Millions of air travellers have paid a sum based on the amount of CO2 generated by a flight which is then channelled into a project designed to recover that CO2. Schemes range from planting trees, now widely considered to be an unreliable method of carbon sequestration, burning animal methane to funding clean-burning stoves and low-energy light bulbs in the developing world.

The worldwide market grew from £60m in 2006 to £165.5m in 2007, with the UK industry worth in excess of

£50m. Experts believe a fully fledged voluntary carbon offsetting market could eventually be worth £18bn globally.

The Omega study claimed such progress is being undermined by a lack of transparency in the schemes available. Researchers said there was an urgent need for a single "carbon calculator".

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