

# Carbon offset providers - how they compare

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## Company Profiles

**AgCert International plc** floated on the stock market for 90.9 million euros in June 2005. The company lost points for having no environmental report or code of conduct for workers on its Brazilian and Mexican sites. The company receives a greenwash warning for providing offsets to BP's TargetNeutral offset scheme, aimed at UK consumers. AgCert runs [www.drivinggreen.com](http://www.drivinggreen.com).

**Atmosfair** receives a bonus point as a non-profit organization. Atmosfair is a joint initiative of Forum Anders Reisen, an association of travel operators which promotes sustainable tourism, and the environment and development organisation Germanwatch. The agencies associated with Forum Anders Reisen refuse to book flights for less than 700 kilometers, the main segment for budget airlines, on the assumption that such journeys are better made over land and sea.

**The CarbonNeutral Company (TCNC)**. TCNC's two leading shareholders are Zouk Ventures and Triodos Bank. Zouk Ventures manages over \$100 million in investments, much of it 'Clean Technology'. Triodos Bank invests in enterprises

creating social, environmental or cultural added value. Around 20% of the company is owned by founders and employees. TCNC loses points for misleading environmental claims relating to climate change and for supply chain policy. Although the Edinburgh Centre for Carbon Management (ECCM) act as external verifiers for projects, TCNC continued to promote sales for one project years after ECCM warned the project partner was "unable to make the anticipated progress."<sup>24</sup> TCNC receives a greenwash warning for promoting Silverjet.

**Carbon Offsets Ltd.** At the time of writing the website sells offsets generated through a "Low Smoke Fuel" educational project conducted by South Africa's Department of Minerals and Energy and offers Kyoto credits and EU Allowances on request. It claims that future projects will be certified under CDM Gold Standard and the proposed Voluntary Carbon Standard.

**Climate Care Trust Ltd. (CCTL)** Ethical Consumer did not consider CCTL a not-for-profit, due to its unusual relationship with limited companies in the Group. Climate Care lost points for criticisms of its Kibale project for a living wage, and access to forest resources; for supply

chain policy and for misleading environmental claims. Ethical Consumer was concerned with issues of transparency. Climate Care's 2005 Annual Report stated that in that year 30% of emissions offset were through forestry. Comparing the figures of "CO2 Savings" for individual projects showed that the figure for forestry as a proportion of total project figures in 2005 was 46%. The company receives a greenwash warning for involvement with British Airways and Landrover.

**The Climate Trust** was established as the entity that new power plant developers in Oregon could use to meet their emissions limits.

**Climate Friendly Pty Ltd** invests in wind power projects in Australia, one of which is Gold Standard certified. It should be noted that UK offset companies do not claim offset rights from renewable energy projects in the UK.

**CO<sup>2</sup>balanced Ltd.** guarantees financial additionality by only funding projects 100%.

**Ebico** is a not-for-profit Christian social enterprise set up to provide equitable gas and electricity prices for lower income families. Phil Levermore, director of Ebico, said that while a fair price for customers was Ebico's main aim,

as an energy provider the company was looking into offering a green tariff.

**The Global Cool Foundation UK** has received funding from industry for a campaign calling on one billion people to reduce their carbon emissions by one tonne a year, for the next 10 years. The Foundation is raising money by selling "A Tonne of Cool" for £20. Donations are eligible for Gift Aid. Of this £20, £10 goes to Kyoto approved alternative energy and energy reduction projects; £4 is invested in alternative energy technology companies; £3 goes to Global Cool Productions Ltd (GCPL) to promote the campaign

through pop concerts; £2 goes to climate change charities and campaigns; £1 on administration. GCPL is a limited company. GCPL commits to give 85% of its net profits each year to the Global Cool Foundation UK.

**The MyClimate Foundation** lost marks for misleading environmental claims on its website that offsetting guaranteed that flights and large events, such as the 2006 World Cup, were 'climate neutral'. MyClimate also lost points because it did not have a supply chain policy for its projects.

**NativeEnergy** is a privately owned Native American renewable energy company, with majority ownership in the hands of the Intertribal Council On Utility Policy - COUP ([www.intertribalcoup.org](http://www.intertribalcoup.org)). COUP is a non-profit which seeks to develop decentralised wind power generation in tribal communities. Member tribes earn a portion of revenues. CoolDriver.org is run in partnership with Clean Air-Cool Planet, a leading US non-profit promoting solutions to climate change.

**The Pure Trust** retires Kyoto credits.

**Notes: Greenwash Warning:** denotes a company's offsets act as greenwash for a company that is in a high climate change impact sector (respectively: Silverjet, BA, BP). **Accuracy:** of air travel emissions calculator as recommended by The Tufts Climate Initiative research; of those companies not assessed by Tufts Co2balance, Carbon Offsetters and DrivingGreen would receive a poor rating for RFI of 1, PURE for not using actual distance. Global Cool does not calculate emissions. Equiclimates calculates gas and electric only. **RFI**=Radiative Forcing Index' - a multiplier applied to the CO2 emissions of planes to account for the extra global warming effect due to emissions at high altitude (Intergovernmental Panel on Climate Change usual RFI is 2.7) **Project types:** F=Forestry (time horizon), EE=Energy efficiency, RE=Renewable energy, M=methane capture, CER='Certified Emissions Reduction' - offset credits under Kyoto mechanism, VER='Voluntary Emissions Reduction' - offsets outside of Kyoto mechanism, EUA='EU Allowances' under the EU Emissions Trading Scheme

\*See Companies Section for fuller explanation @ calculated daily from carbon market @@ Before Gift Aid \*\* This figure does not directly equate to actual delivery of CO2 reductions, which is dependent on the quality of implementation and monitoring. Average invested for 30 for-profit companies reviewed by Tufts Climate Initiative report (2006) = 43.4% Sources: websites and personal communication

Organisation	URL	Est.	For profit	Greenwash Warning	Accuracy	RFI	Price per tonne	% invested**	Project Types	Gold Standard Projects	Ethiscore	Base
Atmosfair	<a href="http://www.atmosfair.de">www.atmosfair.de</a>	2005	No		Excellent	2.7	£12	80%	RE, EE - CER	All	15	Germany
CarbonNeutral	<a href="http://www.carbonneutral.com">www.carbonneutral.com</a>	1997	Yes	Yes	Poor	1	£9- £14	60% to 85%	F(?) RE, EE- VER (CER pending)	Pending	13	UK
Carbon Offsets	<a href="http://www.carbon-offsets.com">www.carbon-offsets.com</a>	2006	Yes		Poor	1	£7	70% target	F (?) RE, EE -VER, CER, EUAs	Pending	14	UK
Climate Care	<a href="http://www.climatecare.org">www.climatecare.org</a>	1998	Yes*	Yes	Poor	2	£7.50	60%	F (100), RE, EE - VER (CER pending)	Pending	11	UK
Climate Friendly	<a href="http://www.climatefriendly.com">www.climatefriendly.com</a>	2004	Yes		Excellent	2.7	£12.70	65%	R - VER	Can choose	14	Australia
Climate Trust	<a href="http://www.carboncounter.org">www.carboncounter.org</a>	1997	No		Poor	2	£4.80	92%+	F (50 \ 100) RE, EE-VER	No	15	US
co2balance	<a href="http://www.co2balance.com">www.co2balance.com</a>	2003	Yes		Poor	1 pending change	£9	90%	F (50), RE -VER, CER	No	14	UK
DrivingGreen	<a href="http://www.drivinggreen.com">www.drivinggreen.com</a>	2002	Yes	Yes	Poor	1	£4.20	?	M -VER	No	12	Ireland
Equiclimates	<a href="http://www.ebico.co.uk">www.ebico.co.uk</a>	2005	No		N/A	N/A	£3.01@	Approx 100%	EUA - VER pending	No	15	UK
Global Cool	<a href="http://www.global-cool.com">www.global-cool.com</a>	2007	No*		N/A	N/A	£14*	95%*	RE,EE, CER, EUA	No	15	UK
MyClimate	<a href="http://www.myclimate.org">www.myclimate.org</a>	2002	No		Good	2	£14.50	80%	RE,EE, CER VER	All	13.5	Switzerland
NativeEnergy	<a href="http://www.nativeenergy.com">www.nativeenergy.com</a>	2001	Yes*		Good	N/A	£5.70	?	M, RE, VER	No	14	US
Pure	<a href="http://www.puretrust.org.uk">www.puretrust.org.uk</a>	2006	No		Poor	-	£14 @@	78%@@/100%	RE, EE CER	Some	14	UK