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Guidance for Purchasing Carbon Offsets

Below are some guidelines to help navigate the world of carbon offsets. It's important to do your homework because there are many considerations when choosing carbon offsets and carbon offset providers.

This guidance is intended to be used for:

- Project leaders seeking to execute carbon neutral projects that have already taken steps to specify low embodied carbon materials and need a bridge strategy to get to carbon neutral today.
- Project leaders intending to advocate that the manufacturer of the procured material purchase high quality offsets to enable the project to achieve carbon neutrality.
- Manufacturers that have developed strategies to lower the embodied carbon of their products and would like to use offsets as a bridge strategy while implementing or innovating.

1 Choosing Credible Carbon Offsets

- There are a wide variety of carbon offsets available sourced from various projects with a range of prices. Some of these projects focus on just providing carbon reduced or avoided while others have added benefits that can include community employment opportunities, enhanced water quality, biodiversity and habitat conservation.
- You should always choose projects that are validated and verified to a public standard such as VCS (Verified Carbon Standard) (preferred), Gold Standard, American Carbon Registry, Climate Action Reserve, or Plan Vivo to ensure that your carbon offsets come from reputable projects. Also, choose projects that you would be proud to tell your stakeholders that you use, as you will likely be asked what projects your carbon offsets are sourced from.
- Offsets verified to meet the VCS process go through five key stages: scoping, project description validation, emissions reduction verification (this is a big one!), project registration, and offset retirement. Without verification to this type of standard, you risk investing in project that don't have documented, actual reductions, or that have already been 'used' and weren't properly retired.





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2 Carbon Offset Retirement

• If you want to claim the environmental benefit from the carbon offsets you purchased, you must 'retire' the carbon offsets. A registry is a good place to retire carbon offsets because you can choose to make the retirement public, so others can see and verify how you have used your offsets. Often sellers will retire carbon offsets on your behalf.

3 Choosing credible carbon offset providers

- There are many sellers of carbon offsets in the market today offering carbon offsets from a variety of projects and offering various levels of customer support included in your purchase. Some sellers provide only a transactional purchase of a carbon offset where the purchase comes with little marketing collateral support.
- Other carbon offset sellers provide more support and services like building a portfolio, providing marketing support materials and retiring purchases in a public registry. Using a retail provider is more expensive but is best for the inexperienced carbon offset purchaser.
- Regardless of which particular company you buy carbon offsets from, always purchase carbon offsets that are validated and verified to a public standard. These carbon offsets should be listed and retired in a public registry to ensure that they are real (have happened) and unique (are not claimed by another entity).

Additional information can be found at:

GHG MANAGEMENT INSTITUTE – Carbon Offset Guide Second Nature: Carbon Markets & offsets Guidance

NRDC Guide: 'Should You Buy Carbon Offsets?'