

# CARBON OFFSETTING

## EXPLAINER GUIDE

**This Explainer Guide** covers the key principles of carbon offsetting in the built environment.

### What is carbon offsetting?

**Carbon offsetting** is a process that **involves** a reduction or removal of emissions from the atmosphere to compensate for emissions that are made elsewhere. It generally involves companies paying other entities to reduce the emissions that they can't currently reduce themselves, often through the form of purchasing verified '**carbon credits**'.

Examples of carbon offsetting projects **include** tree planting, renewable energy development, and the capture and destruction of greenhouse gases. Carbon offsetting often faces **criticism** regarding its quality and effectiveness. Therefore, if carbon offsetting is deemed necessary, it is crucial to select **responsible offsets** and only after exhausting all other efforts towards decarbonisation.

### Why is it important?

Providing that all efforts have been made to minimise carbon emissions, then responsible carbon offsetting can play an **important role** in helping buildings and organisations become **net zero carbon**.

As well as compensating for remaining emissions, responsible carbon offsetting can also produce both social and environmental benefits. Responsible carbon offsetting can be used to drive positive change such as by restoring ecosystems, promoting social equity, or sponsoring development of **renewable energy**.

### What is the role of the built environment?

The built environment provides a major source of carbon emissions throughout the lifecycle of a building, currently contributing to **25%** of the UK's total emissions.

Responsible carbon offsetting has an important role to play in the transition to **net zero buildings** in the built environment. Responsible offsetting can be used as a powerful mechanism to accelerate the decarbonisation of the built environment.



### HAVE YOU READ...

...UKGBC's **Offsetting and Carbon Pricing Guidance?**

This guidance provides comprehensive guidance on voluntary carbon offsetting and pricing strategies that are specifically tailored for built assets (both new and existing) and to better equip those who purchase offsets or make investment decisions at building asset or organisational level to align with their climate goals and accelerate the wider transition of net zero.



### FURTHER RESOURCES

UKGBC **Carbon Offsetting and Pricing Guidance**  
Carbon Offset Guide **Website**

