

## Problems with Carbon Offsets

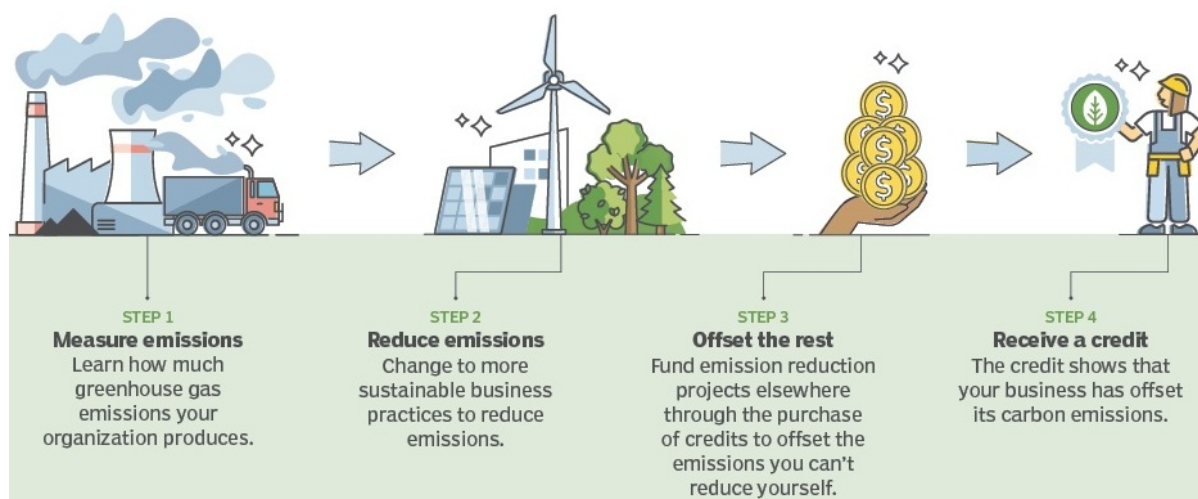
### Why in news?

Offsets have come under fire as a way for companies to compensate for carbon emissions through eco projects elsewhere.

### What is carbon offsets?

- **Carbon offsets** - It is a way to compensate for environmental damage.
- Companies make a financial contribution to projects that reduce the amount of carbon dioxide in the atmosphere and in exchange it can pollute the environment.
- Examples of projects include planting trees and rewetting peatlands, which store huge amounts of carbon in their soil.
- **Kyoto protocol** - It has allowed industrialized countries to use carbon credits, each of which is worth one ton of carbon, to keep within emissions limits.
- Experts have warned that most of the credits on the voluntary carbon market aren't effective.

## How to offset carbon emissions



### What are the problems with carbon offsets?

- **In genuineness** - Most of world's carbon offsets certifier do not represent geniuses in carbon reductions.
- **Lack of alternatives** - Mostly planting trees are considered to reduce emissions and there are only few alternatives to reduce emissions.
- **Same mechanisms for all companies** - Planting trees or other alternatives cannot reduce emissions for all companies.

- **Cheaper carbon credit** - The expense of carbon credit are cheaper than reducing carbon emission so companies mostly prefer carbon credits.
- **Regulation** - Lack of regulation to carbon offsets industry.
- **Lack of technology** - In carbon technologies to capture carbon directly to offset carbon.
- **Greenwashing** - Most companies adhere to the greenwashing via avoidance offsets projects.

*Greenwashing is when an organization spends more time and money on marketing itself as environmentally friendly as on actually minimizing its environmental impact.*

### **What is the way forward**

- The overestimation of the carbon reduction via avoidance offsets needs to be addressed.
- Tighter scrutiny of offsetting claims to regulate [carbon credit market](#).
- Defining standards to carbon credits so that purchasers could use to sort the good from the bad, and filter out low-quality carbon credits.
- Nature-based solutions must be adopted to offset carbon.

### **Reference**

1. [The Indian Express | Problems with carbon offsets](#)

