

UK Carbon Code of Conduct guidance on Corporate Climate Action

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The Role of the voluntary carbon market

UKCCC supports all climate action that can be accurately measured, reported and verified as real and tangible. Every UKCCC Greenhouse gas removal or reduction offset is equivalent to a tonne of CO₂ removed from the atmosphere or a reduction in emissions through a change in practice and/or the development of a project. Each tonne of CO₂ removed and converted to an offset can be clearly traced back to a UKCCC approved project whose benefits are tracked on a block chain enabled system.

All UKCCC projects that issue offsets themselves achieve net zero CO₂ emissions and are only able to sell the excess net sequestration as offsets, ensuring true additionality.

The UKCCC believe that voluntary carbon offsets are a valuable tool to help companies reach net zero, as long as they follow the best practice guidance laid out below.

The UKCCC believes that good quality offsets offer a robust mechanism to help achieve 2050 net zero targets. It believes that they represent better value for money than compliance market or carbon taxes as the investment in offsets creates significant impact through a clearly defined, approved, measured, reported and verified project.

The UKCCC does not support sales of offsets below a rate of £25 per offset as it is imperative that the investment leads to projects that deliver climate impact, being developed and that they act as an incentive to accelerate emissions reduction plans. This figure will be reviewed by the UKCCC board each year.

Best Practice Guidance to ensure the environmental integrity of voluntary corporate action

- Corporates must measure and publicly report their emissions covering scopes 1,2 and 3 following recognised standards such as ISO/GHG Protocol.
- Corporates must create an emissions reductions plan in line with Science Backed Targets and the Paris Agreement. This needs to culminate in a net zero goal by 2050 at the latest. The reductions plan must include short, medium and long term targets and actual results measured and reported against the targets.
- The UKCCC proactively advocates for corporates to follow one of the independent initiatives that help define Paris aligned decarbonising pathways and the setting of science based climate targets in a transparent, rigorous and accountable way.

- Having followed the steps above, corporates are encouraged to buy UKCCC approved offsets from one of the approved marketplaces. This should only be done to offset residual emissions and as part of a journey to net zero by 2050.