Webinar: Ecosystem Marketplace report launch

2nd August 2016
What is ICROA?

“The International Carbon Reduction and Offset Alliance (ICROA) is an international non-profit industry association”

- A programme within the International Emissions Trading Association (IETA)
- ICROA provides a **unified voice for the voluntary carbon sector**
- ICROA engages with governmental entities and international organizations to **support the development of the voluntary market**

Our aims:

- **Support development** of the market
- **Provide quality** assurance to customers
- **Ensure quality service** by promoting best practice guidance
ICROA is comprised of the leading global service providers.
Ecosystem Marketplace analysis

• We welcome the publication of the new Ecosystem Marketplace report
• Their analysis consistently gives the most detailed overview of developments in the voluntary carbon market
• The new report sheds light on the vital role offsets play in corporate carbon strategies
• The conclusions are very powerful
Companies who offset are sustainability leaders

- “Offset buyers had more ambitious greenhouse gas reduction targets and did more across the board to directly reduce emissions compared to companies that don’t offset”
- “The typical voluntary offset buyer spent more than $1 million on emissions reductions activities in 2014 – about ten times the investment of the typical company that didn’t purchase offsets”

Increasing urgency to reduce emissions

- The average temperature in the first six months of 2016 was 1.3°C warmer than the pre-industrial era
- The impacts of climate change are being felt now
- Companies who offset, (or inset) are increasingly using it as a risk management tool
- There is clearly a need to do more and quickly, if we are to get close to the 1.5°C target
New markets driving growth

• Interest and action in offsetting is growing Post-Paris and is being supported by the development of new national and international schemes such as:
  • A market based mechanism for international aviation
  • A national ETS in China
  • A carbon tax in South Africa that includes the use of offsets
  • Development towards a national carbon price in Canada

• These developments demonstrate confidence in market mechanisms and help to legitimise the use of offsets
Conclusions

• This new report from Ecosystem Marketplace clearly demonstrates that companies using offsetting in carbon management strategies perform better overall in reducing their emissions than companies that don’t offset.

• Therefore, for companies who want to follow best practice in carbon management, offsetting should be an integral part of their strategy.

• As offsetting is clearly part of best practice corporate management, CDP should give more credence to it in their reporting framework – thereby encouraging others to follow the sustainability leaders.
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