

# Carbon offsetting in transport A call for evidence

**Moving Britain Ahead** 



The Department for Transport has actively considered the needs of blind and partially sighted people in accessing this document. The text will be made available in full on the Department's website. The text may be freely downloaded and translated by individuals or organisations for conversion into other accessible formats. If you have other needs in this regard please contact the Department.

Department for Transport Great Minster House 33 Horseferry Road London SW1P 4DR Telephone 0300 330 3000 Website www.gov.uk/dft

General enquiries: https://forms.dft.gov.uk



© Crown copyright 2019

Copyright in the typographical arrangement rests with the Crown.

You may re-use this information (not including logos or third-party material) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <a href="http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/">http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/</a> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or e-mail: psi@nationalarchives.gsi.gov.uk

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

# Contents

Executive summary	4
Scope of the call for evidence	5
How to respond	5
What will happen next	5
Freedom of information	5
Confidentiality and data protection	6
Understanding carbon emissions from your journey	7
Consumer information and the environment	8
Scope for change	9
Questions	10
2. The role of carbon offsetting	11
What is carbon offsetting?	11
UK action on carbon offsetting	11
Principles for carbon offsetting	12
Questions	14
Offsetting ticketed travel	15
Questions	16
4. Offsetting carbon emissions from non-ticketed road transport	17
Questions	17
About you	18

## **Executive summary**

Climate change is the largest environmental challenge we face.

The UK was the first country to introduce legally binding long-term emission reduction targets through the Climate Change Act and, between 1990 and 2017, reduced its emissions by 42% while growing the economy by more than two thirds - decarbonising our economy faster than any other G20 economy since 2000.

The UK became the first major economy to legislate for a net zero greenhouse gas emission target by 2050, as announced by the Prime Minister in June 2019<sup>1</sup>. This commitment has been set in legislation through an amendment to the Climate Change Act 2008. It requires all sectors to deliver substantial emissions reductions, building on the ambitious frameworks set out in the Industrial Strategy and the Clean Growth Strategy.

The transport sector accounts for the greatest share of UK greenhouse gas emissions, rising to 27 per cent in 2017. The Government has set out its ambitions on decarbonising the transport sector in the Road to Zero strategy, the Aviation 2050 consultation, the Maritime 2050 strategy and Clean Maritime Plan, and through our ambition to remove all diesel-only trains from the rail network by 2040. These have put the UK on a pathway to make substantial reductions.

But we are not complacent, and the scale and importance of the challenge we face was made clear in the work of the Committee on Climate Change on 'net zero'. We recognise the need to increase our ambition and step up our pace of progress.

As we speed up the transition to 'net zero' emission transport, we want to ensure that consumers have clearer information on the emissions from their journeys, as well as the ability to reduce the carbon impact from their travel where possible.

In the Spring Statement 2019, the Chancellor announced the Government would launch a call for evidence on whether all passenger carriers should be required to offer genuinely additional carbon offsets, providing customers with the option of 'zero carbon travel'. This call for evidence asks if we can improve consumer understanding of the carbon emissions from their journeys and their options to offset them, and if travel providers should be required to offer voluntary carbon offsets to their customers.

We are seeking views and evidence on the role that greater consumer information and carbon offsetting can play in mitigating emissions from ticketed travel across all transport modes such as train travel, bus and coach travel, flights and ferries. We are also interested in any evidence that could improve our understanding of the role that carbon offsetting can play in non-ticketed road transport, recognising the contribution from this sub-sector to the overall UK transport emissions.

<sup>&</sup>lt;sup>1</sup> https://www.gov.uk/government/news/uk-becomes-first-major-economy-to-pass-net-zero-emissions-law

The first chapter highlights the role of environmental information in driving consumer choices towards more sustainable travel alternatives. The second chapter explores the role of carbon offsetting in mitigating carbon impacts. The third chapter focuses on offsetting carbon emissions in ticketed travel. Finally, the fourth chapter introduces the potential role of offsetting emissions in non-ticketed travel.

## Scope of the call for evidence

This call for evidence is primarily focused on ticketed travel, including train travel, bus and coach travel, flights and ferries, as well as holiday packages and cruises. However, we are also interested in non-ticketed road transport (e.g. private car journeys and deliveries to customers), a transport sub-sector responsible for around 90 per cent of total UK domestic transport emissions. We intend to use this call for evidence to explore opportunities to enhance public awareness on the carbon impact of each travel option, improving our understanding of how to drive individual consumer choices towards more sustainable travel and, where this is not possible, offset travel emissions.

## How to respond

The consultation period will run between 18 July 2019 and 26 September 2019. You are invited to send your response by email to: environmental.strategy@dft.gov.uk. Please ensure that your response reaches us before the closing date. If you would like further copies of this document you can request copies by e-mailing environmental.strategy@dft.gov.uk.

A summary of responses, including the next steps, will be published within three months of the close of the call for evidence. Paper copies will be available on request. The call for evidence is being conducted in line with the Government's key consultation principles. Further information is available at: https://www.gov.uk/government/publications/consultation-principles-guidance.

If you have any comments about the call for evidence process please contact the Consultation Co-ordinator at consultation@dft.gsi.gov.uk. Please do not send call for evidence responses to this address.

## What will happen next

This call seeks ideas and evidence from those with expertise or interest in the role that carbon offsetting can play in enabling consumers action to tackle climate change. It is intended to be a catalyst for policy and innovation.

Analysis of responses will inform the Department for Transport of what may be possible, the limitations of possible solutions and how we can move forward.

#### Freedom of information

Information provided in response to this call for evidence may be subject to publication or disclosure in accordance with the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004. If you want information

that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

## Confidentiality and data protection

The Department for Transport (DfT) is carrying out this call for evidence to gather evidence on carbon offsetting in transport. This call for evidence and the processing of personal data that it entails is necessary for the exercise of our functions as a Government Department. If your answers contain any information that allows you to be identified, DfT will, under data protection law, be the Controller for this information.

As part of this call for evidence we're asking for your name and email address. This is in case we need to ask you follow-up questions about any of your responses. You do not have to give us this personal information. If you do provide it, we will use it only for the purpose of asking follow-up questions.

DfT's privacy policy has more information about your rights in relation to your personal data, how to complain and how to contact the Data Protection Officer. You can view it at https://www.gov.uk/government/organisations/department-for-transport/about/personal-information-charter.

Your information will be kept securely on an IT system within DfT and destroyed within 24 months after the call for evidence has been completed.

# 1. Understanding carbon emissions from your journey

- 1.1 Transport is the greatest single contributor to climate change in the UK, representing 27% of the UK's total greenhouse gas emissions in 2017. The Government has set out substantial plans across transport modes to reduce emissions, including in last year's Road to Zero strategy for road transport, our recently published Aviation 2050 consultation and Maritime 2050 strategy, and our ambition to remove all diesel-only trains from the rail network by 2040.
- 1.2 The Road to Zero strategy, published last year, sets a clear pathway to zero emissions. Our mission is to put the UK at the forefront of the design and manufacturing of zero emission vehicles, and for all new cars and vans to be effectively zero emission by 2040. As set out in the NO2 plan, we will end the sale of new conventional petrol and diesel cars and vans by 2040. By then, we expect the majority of new cars and vans sold to be 100% zero emission and all new cars and vans to have significant zero emission capability.
- 1.3 In 2018 we introduced legislation to increase the supply of low carbon fuels in the UK, doubling their use in transport to 9.75 per cent in 2020, and increasing this further to 12.4 per cent in 2032.
- 1.4 In aviation the UK played a key role in achieving in 2016 an international agreement of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), the first worldwide scheme to address CO<sub>2</sub> emissions in any single sector. Following a public consultation, we are developing the new Aviation 2050 strategy, setting direction for reducing emissions to 2050 and beyond, ensuring that UK aviation contributes to tackle climate change. This strategy will be published later this year.
- 1.5 Our Maritime 2050 strategy, published this year, sets our ambition for the UK to become a world leader in the move to clean maritime, reducing environmental impacts and building growth opportunities for UK businesses. The Clean Maritime Plan, the environment route map for Maritime 2050, includes detailed measures to deliver the ambitions in the Maritime 2050 strategy.
- 1.6 We have set our ambition to remove all diesel-only trains from the rail network by 2040. An industry taskforce has published an interim report to determine a response to this challenge, and we will consider findings from their final report later this year.
- 1.7 However, fully decarbonising transport will take time. During this major transition, we want to ensure that consumers have the information they need to understand the emissions from different travel options and make informed choices.
- 1.8 Where specific journey types cannot be avoided, one option already made available by some travel operators is to offset the carbon emissions associated with each journey. We believe that it is possible to go further and explore the option to provide every passenger with comprehensive information on the environmental impact of different travel choices, as well as the opportunity to offset carbon emissions from their preferred travel option, should they wish to do so.

#### Consumer information and the environment

#### The role of environmental consumer information

- 1.9 Ensuring the provision of effective consumer information is important to support passenger choice and ensure that customers can make informed decisions.
- 1.10 Evidence from the National Travel Survey shows that the use of public and private transport has changed over time. Most trips in 2017 (61%) were by car, but the number of trips per person per year has decreased by 12% since 2002. The public transport picture is mixed. Surface rail usage has increased noticeably over time, with the number of trips per person per year increasing by 56% since 2002, whilst trips on buses outside London have decreased by 19%. The number of trips per person per year for London buses is around the same level as 2002, whilst trips on the London Underground have decreased slightly.
- 1.11 Providing consumers with information on the environmental impact of different travel options could help change consumer behaviour, assisting in influencing passenger choices towards more sustainable journey types.

#### The development of environmental consumer information

- 1.12 Consumer protection and information policies have been developed for a variety of purposes, including to establish common rules in the event of disruption and protect the rights of disabled people while traveling. However, consumers are increasingly environmentally aware, and many ask for more information on the environmental impact of transport services and products, influencing their purchasing decisions<sup>2</sup>.
- 1.13 Businesses are also increasingly engaged in voluntary environmental reporting standards, and all quoted and large UK companies and Limited Liability Partnerships (LLPs) are required to annually report on energy and emissions resulting from transport they are responsible for, under the Streamlined Energy and Carbon Reporting (SECR) framework that came into force on 1 April 2019.
- 1.14 In the transport sector, some operators provide environmental information to customers, including the amount of emissions from certain journeys. An overview of the environmental information provided today to passengers across modes is outlined below.

#### **Environmental information currently provided**

#### **Buses and coaches**

- Information on carbon emissions for large bus operators is published annually, and can include carbon emissions per passenger journey. Consumers are not currently provided with information on carbon emissions for individual journeys, and do not routinely have the option to offset emissions from their travel.
- For coaches, information on carbon emissions for larger operators such as National Express is published annually. Consumers are not currently provided with information on carbon emissions for individual journeys, and do not routinely have the option to offset emissions from their travel.

<sup>&</sup>lt;sup>2</sup> Borin, Norm, and Krishnan, Ram, 'Consumer effects of environmental impact in product labelling', Journal of Consumer Marketing, January 2011

#### Rail passenger transport

- Data published by ORR includes estimates of total annual normalised passenger and freight CO<sub>2</sub> emissions, and estimates of total annual passenger and freight energy consumption and CO<sub>2</sub> emissions.
- Some franchise agreements contain obligations on the franchisee to publish its performance against environmental targets in its Customer Report and on its website. However, there are no obligations to provide carbon emissions information at the point of sale.

#### Maritime passenger transport

There are no current requirements to provide emission information to customers.
 Larger vessels are required to have onboard a Ship Energy Efficiency
 Management Plan. There is a requirement for internationally trading ships to
 collect data for the use of port and flag State on greenhouse gas emissions.

#### Commercial aviation

• The Civil Aviation Authority has a duty under the Civil Aviation Act 2012 to publish information about the environmental effects of civil aviation in the UK. Some airlines already provide information on CO<sub>2</sub> emissions from journeys.

## Scope for change

- 1.15 The timely provision of environmental information on the *comparative* level of carbon emissions across different journey types could help drive consumer choices towards less polluting journey options. But to do so, we believe that such information needs to be as accurate, easy to understand, and directly comparable as possible.
- 1.16 We also believe that increased transparency around the publication and accessibility of such information could encourage operators to reduce the emissions from the journeys they provide for instance where their emissions can be seen to be higher than other operators.
- 1.17 We are interested in views and evidence regarding the provision of individual journey emission information by operators i.e. the CO<sub>2</sub> emitted per passenger for a particular journey. Potential ticketed journey types could include buses and coaches, rail passenger transport, maritime passenger transport (including cruises and other passenger travel as well as ferry transport), and commercial aviation.
- 1.18 The below provides an outline of potential options for the provision of environmental consumer information, detailing possible additional information per mode, for illustrative purposes only.

#### Potential options for the provision of environmental consumer information

#### **Buses and coaches:**

- CO<sub>2</sub> emissions produced per passenger for an individual journey;
- Information on CO<sub>2</sub> emissions per mile per bus route;
- Highlighting of the journeys that emit fewest CO<sub>2</sub> emissions between two places.

#### Rail passenger transport:

CO<sub>2</sub> emissions produced per passenger for an individual journey;

- CO<sub>2</sub> emissions avoided as a result of making the journey by rail rather than by other travel options such as passenger cars;
- Highlighting of the journeys that emit fewest CO<sub>2</sub> emissions between two places.

#### Maritime passenger transport:

- CO<sub>2</sub> emissions produced per passenger for an individual journey;
- Ship Energy Efficiency Design Index compared to reference vessels.

#### Commercial aviation

- CO<sub>2</sub> emissions produced per passenger for an individual journey;
- Information on the level of CO<sub>2</sub> emissions produced by different models/ages of aircraft.

#### Questions

- Q1. Do you believe that greater information provision on journeys' carbon emissions would affect consumer behaviours? Would this lead to lower carbon choices? What evidence can you provide?
- Q2. What information regarding carbon emissions do you believe consumers should be provided with? How should this be provided? Where/when in the customer booking process should this be provided? Do you have evidence to support your view?
- Q3. Are travel providers already collecting information on the carbon emissions associated with journeys? If so, how is this information collected and reported? Does this vary across modes of transportation? Are they providing this information to passengers?
- Q4. To what extent are current energy use and emissions reporting and audit requirements sufficient in ensuring that travel companies have the right data to provide journey (and product) specific emissions information? Where they are not, what would be required?

# 2. The role of carbon offsetting

## What is carbon offsetting?

- 2.1 Carbon offsetting enables individuals and organisations to compensate for any emissions they cannot avoid or reduce, by paying for an equivalent amount of emissions to be reduced or removed elsewhere. These emissions savings are generated through the implementation of a wide variety of projects, which range from planting trees to installing solar panels. These projects are often located in developing countries, but not exclusively. For instance, the Woodland Carbon Code generates carbon offsets from emissions removed from the atmosphere through trees planted in the UK.
- 2.2 There are a number of reasons why individuals and organisations might choose to offset their carbon emissions. Primary among these is a desire to reduce the environmental impact of their activities. In some cases, supporting projects that produce carbon offsets can also provide other benefits: for example, switching to cleaner forms of cooking fuel and using more efficient stoves not only reduces emissions but also improves health outcomes through reducing indoor air pollution<sup>3</sup>. A number of transport providers already offer consumers the opportunity to offset their emissions, such as Ryanair, who in 2018 started offering an option to offset within the booking process<sup>4</sup>.

## UK action on carbon offsetting

- 2.3 At the domestic level, the Government previously introduced its own offsetting scheme. The Carbon Offsetting Facility (GCOF) was introduced following a commitment in the 2005 UK Sustainable Development Strategy. The Facility, which ran from 2006-13, aimed to offset participant Government Departments' air travel emissions through the purchase of Certified Emissions Reductions (CERs), which are offsets generated through the Clean Development Mechanism (see para 2.7).
- 2.4 The Government also previously introduced the Quality Assurance Scheme for Carbon Offsetting (QAS), which ran from 2009 to 2011. The QAS aimed to increase consumers' understanding of the role of offsetting in tackling climate change by helping them make informed purchases of good-quality offsets through a quality mark. Any future offsetting scheme will differ from this and not aim to set any new standards.
- 2.5 The Government has also helped to develop the Woodland Carbon Code and the Peatland Carbon Code, which are domestic mechanisms for carbon offsetting through woodland creation and peat restoration. The Environmental Reporting Guidance allows these domestic units to be used like international offsets, meaning

<sup>&</sup>lt;sup>3</sup> Clean Cooking Alliance June 2019 Research Update

<sup>4</sup> https://corporate.ryanair.com/wp-content/uploads/2018/03/Enviromental-Policy-Doc.pdf

that companies can use them as an alternative to international offsets in their emission reporting.

- 2.6 At the international level, the UK is involved in the implementation of:
  - The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) under the International Civil Aviation Organisation (ICAO). CORSIA aims for carbon neutral growth in international aviation by requiring airlines to offset the growth of their emissions after 2020.
  - The IMO 2018 Greenhouse Gas Strategy, which commits international shipping to at least 50% reductions in emissions (from 2008 levels) by 2050 and commits to phasing out such emissions completely as soon as possible this century.
- 2.7 The UK also participates in international negotiations under the United Nations Framework Convention on Climate Change (UNFCCC) to develop guidance for international market-based cooperation under Article 6 of the Paris Agreement, including the use of carbon offsets. The Paris Agreement provides a new context for international carbon markets, in which the avoidance of double counting of emissions reductions between mitigation targets is a fundamental element. This in turn will affect the role and design of carbon offsetting through the voluntary carbon market. Article 6 is expected to replace existing mechanisms established under the Kyoto Protocol:
  - The Clean Development Mechanism, which allows industrialised countries with a
    greenhouse gas reduction commitment to invest in projects that reduce emissions
    in developing countries. The offsets generated by these projects can then be used
    to comply with their targets; and
  - The Joint Implementation Mechanism, which allows industrialised countries to meet part of their required cuts in greenhouse gas emissions by paying for projects that reduce emissions in other industrialised countries.
- 2.8 At the EU level, British businesses participating in the EU Emissions Trading System (EU ETS) can use international credits from the Clean Development Mechanism and Joint Implementation Mechanism to fulfil part of their obligations under the EU ETS until 2020, subject to certain quantitative and qualitative restrictions. On 2 May 2019, the UK Government and Devolved Administrations published a consultation document: The Future of UK Carbon Pricing. As part of this consultation, stakeholders were asked whether they consider there to be potential in the future for the use of offsets by operators to meet their compliance obligations in a UK Emissions Trading System.
- 2.9 The Government is aware that our involvement in existing environmental policies or schemes, including those such as CORSIA, that relate to offsetting, will need to be aligned with any future policy. This is needed to avoid duplication with existing schemes, minimising administrative burdens for businesses and ensuring that consumers do not pay twice for the emissions associated with their journeys.

## Principles for carbon offsetting

2.10 The Government believes that any carbon offsets must have strong environmental integrity and represent real, additional, verifiable and permanent emission reductions. The Government's Environmental Reporting Guidelines, contain a set of 'good

quality' criteria<sup>5</sup>. Offsets must meet these criteria for potential inclusion in the Greenhouse Gas inventory data. There is currently no obligation for businesses to report on their use of offsetting, although many organisations do so on a voluntary basis.

- 2.11 The 'good quality' criteria reflect international practice regarding carbon offsets, and credits must have the following features:
  - Additional Projects must demonstrate that they have produced a saving in carbon that would not have happened otherwise and must not be required by legislation or to demonstrate compliance against legally binding targets;
  - Avoiding leakage Projects must demonstrate that they have not caused an increased in carbon emissions elsewhere:
  - Permanence If projects are at risk of being impermanent, this must be addressed by the project developer or offset providers, who should undertake a risk assessment and identify actions to minimise and compensate for loss;
  - Validation and verification Projects must receive independent verification from an accredited and recognised independent third party, while purchases of credits should ensure that robust, independent validation and verification procedures were in place;
  - Timing Carbon credits should be ex-post, that is they must only have been issued after the emissions reduction has taken place;
  - Avoiding double counting A registry must be used to register, track and
    permanently cancel credits to avoid double counting or double selling. Projects
    must not be double counted against another policy or mandatory targets;
  - Transparency Credits should be supported by publicly-available information on a registry to set out the underlying projects, quantification methodology applied, independent validation and verification procedures, project documentation, proof of credit ownership and date of retirement of credits.
- 2.12 In the context of aviation, the ICAO adopted the 'Emissions Unit Eligibility Criteria' in March 2019. These criteria will be used to determine the eligibility of offsetting programmes to sell carbon offsets to airlines for compliance under CORSIA<sup>6</sup>. While not identical, the criteria are in many respects similar to those under the UK's Environmental Reporting Guidelines and aim to ensure the environmental integrity of the offsets.

#### **Project location**

- 2.13 A further consideration is the geographic origin of carbon offsets. At present, most carbon offsets available for purchase are generated by activities taking place in countries other than the UK. Carbon offsets from international activities can offer particular benefits: they tend to be lower cost than abatement options in the UK, maximising the value of each pound spent on climate change mitigation, and can also support wider sustainable development goals.
- 2.14 The UK strongly supports the continued development of international market mechanisms. The Clean Growth Strategy also signalled a commitment to set up a stronger and more attractive domestic carbon offset market. This can encourage more businesses to support cost-effective emission reductions, such as planting

<sup>&</sup>lt;sup>5</sup> HM Government (2019) Environmental Reporting Guidelines

<sup>&</sup>lt;sup>6</sup> ICAO (2019) CORSIA Emissions Unit Eligibility Criteria

trees. In light of this, at the 2018 Autumn Budget the Government announced the creation of a Woodland Carbon Guarantee, which will support the planting of around 10 million trees by purchasing up to £50m of Woodland Carbon Credits over 30 years for qualifying tree planting. This is due to open in summer 2019. Any future offsetting scheme for domestic passenger travel would need to carefully consider the benefits of focusing on domestic or international carbon offset markets.

#### Reporting requirements

2.15 Transparency regarding offsets purchased and cancelled will be important for consumer confidence in any future offsetting scheme. This is in line with requirements in the Environmental Reporting Guidelines. Transparency would be particularly important were limits to be included around certain types of offsets, in which case businesses may need to provide evidence that their offsets meet the eligibility criteria. As such, reporting on actions undertaken in relation to the scheme may be necessary.

#### Questions

- Q5. Do you agree that offsetting journeys could play a role in tackling emissions, whilst transport is decarbonised? Can you provide evidence supporting your view?
- **Q6.** Do you agree with the offsetting principles outlined in the 'good quality' criteria within the UK's Environmental Reporting Guidelines? Are there any further elements for instance with respect to geographic origin, eligible project types or the date that the offset was generated that should be included to further strengthen the environmental integrity of any future scheme?
- Q7. How should any future carbon offsetting scheme correspond with existing schemes under which carbon emissions are accounted for, or reported, such as CORSIA or the EU ETS?
- Q8. What reporting requirements would be needed for any future scheme? How
  can these be designed so as to minimise additional burdens? Who should be in
  scope of requirements?
- Q9. How should any future carbon offsetting scheme be designed in order to support the objectives and requirements of the Paris Agreement, including the requirement to avoid the double counting of emission reductions?

# 3. Offsetting ticketed travel

- 3.1 The Government wants consumers to have the opportunity to mitigate the climate change impact of their journeys, whilst the deployment of zero emission technologies ramps up. As described, this could include ensuring that they are provided with a sufficient level of information to make decisions as to their preferred travel choice, and providing consumers with the option to take action and offset the carbon emissions from their travel.
- 3.2 There are various points in the consumer decision-making process where better environmental information and the option to offset could be offered. For ticketed travel, one approach to offsetting is to place an obligation on travel operators and others selling travel tickets to provide consumers with the offer of voluntary offsets at the point of sale, through a "tick box" or similar. This is currently offered by a number of airlines.
- 3.3 Companies would need to calculate the emissions associated with a journey, the cost of offsetting those emissions, and where consumers wish to offset their emissions ensure that this meets sufficient environmental standards, via an independent reporting and verification mechanism.
- 3.4 Amongst the schemes already in existence, there is evidence that uptake from consumers is generally limited, also because of a lack of public awareness concerning their availability and purpose<sup>7</sup>. While we believe that any such scheme, were it to be implemented, should be voluntary to customers we are interested in views and evidence in how to maximise uptake, particularly from specific groups such as business travellers. For instance, one way to increase uptake could be to follow an opt-out rather than opt-in model, under which the cost of offsetting carbon emissions would be automatically included for consumers, unless they selected not to pay to offset their emissions.
- 3.5 In order for any carbon offsetting scheme for ticketed travel to be effective, it should also look to address potential issues, including those set out below.

#### Potential issues of new carbon offsetting schemes

#### **Buses and coaches**

- Calculating carbon emissions per individual journey for buses due to use of zonal daily/weekly tickets;
- Calculating individual emissions for those using bus passes;
- Providing offsetting options for non-online ticket sales;
- Ensuring the effective provision of carbon offsetting schemes on international routes.

<sup>&</sup>lt;sup>7</sup> http://www.cate.mmu.ac.uk/wp-content/uploads/2012/06/5-Final-Report-Potential-Carbon-Offsetting-to-Mitigate-Clima.pdf

#### Rail passenger transport

- Providing offsetting options for non-online ticket sales;
- Ensuring the effective provision of carbon offsetting schemes on international routes.

#### Maritime passenger transport

- Management of 'walk on' and 'drive up' fares on passenger ferries;
- Addressing allocation where vessels serve in both cargo and passenger roles;
- Allocating emissions on seasonally variable routes;
- Providing offsetting options for non-online ticket sales;
- Accounting for other potential offsetting market based schemes;
- Ensuring the effective provision of carbon offsetting schemes on international routes.

#### Commercial aviation

- Accounting for emissions that are already addressed through the EU ETS and/or CORSIA;
- Providing offsetting options for non-online ticket sales;
- Ensuring the effective provision of carbon offsetting schemes on international routes.

#### Questions

- Q10. What examples currently exist to offset emissions from travel at the point where tickets are purchased? Can you provide examples of where this works well and where it does not?
- Q11. To what extent is there a role for Government in increasing the uptake of/mandating ticket providers offering offsets?
- Q12. More generally, how can the proportion of consumers taking up the option to
  offset emissions from their travel be maximised? Are there any other models for
  offsetting that should be considered?
- Q13. What role could behavioural insights<sup>8</sup> have in improving the uptake of carbon offsetting options by passengers?
- Q14. How could the mentioned potential issues of new carbon offsetting schemes be addressed? Are there any other issues in implementing the provision of carbon offsetting options at the ticket sale point? Please provide evidence.

<sup>&</sup>lt;sup>8</sup> Behavioural insights or behavioural science approaches apply insights based on an understanding of people's behaviours to real world issues to facilitate better public policy. Behavioural insight projects have been used across the public services to improve service outcomes.

# 4. Offsetting carbon emissions from non-ticketed road transport

- 4.1 This call for evidence is primarily focused on ticketed travel in its most extensive sense, including train travel, bus and coach travel, flights and ferries, as well as holiday packages and cruises.
- 4.2 However, around 90% of the UK domestic transport emissions are today produced by road transport, almost two thirds of which are generated by passenger cars, HGVs and vans (including commercial deliveries) accounting for 18% and 17% respectively. Buses and coaches represent only 3% of the total emissions produced by the whole road transport segment.
- 4.3 Therefore, we are also interested in views and evidence that could improve consumer information on emissions produced by non-ticketed road transport, as well as offsetting options, recognising the significance of road transport in the overall reduction of transport emissions in the UK.

#### Questions

 Q15. Do you have views or evidence on the provision of carbon emissions information for non-ticketed travel? Do you have views or evidence on offsetting non-ticketed travel?

# About you

- Q16. Please tell us in what context you are responding:
  - a. As an individual;
  - b. As a representative of a business or firm;
  - c. As a representative for a trade body;
  - d. As a representative of an academic or research organisation.
  - e. Other (please specify)
- Q17. Please tell us about your area(s) of particular expertise. Mark all that apply in order of priority, with 1 being the highest/most important:
  - a. Buses and coaches;
  - b. Rail passenger transport;
  - c. Maritime passenger transport;
  - d. Commercial aviation;
  - e. Non-ticketed road transport;
  - f. Other transport.
- Q18. If you are responding on behalf of an organisation please give us an indication of the following:
  - a. The size of the organisation or, if more applicable, the number of people or companies you are responding on behalf of;
  - b. The main business or activity of the organisation;
  - c. The region(s) of the UK in which your activity is predominately based (if you are active across the whole country then please answer 'UK'. If not based in the UK please let us know in which country you are based).