

# Reducing Emissions: Offsetting Emissions



## Offsetting Emissions

Emissions offsets allow you to pay another entity to reduce their emissions in lieu of you making the same reductions directly. Offsets are often used by organisations to bridge the gap between cost-effective emission reduction options and targets.

## When to Consider Offsetting Emissions

There are many ways to directly reduce vehicle emissions, broadly grouped into a few categories:

- Improving fleet management;
- Improving vehicle efficiency (including vehicle selection, electrification, ecodriving and proper maintenance); and
- Selecting low emission fuels.

Many individual measures offer cost savings and, therefore, make financial sense to pursue as a priority over purchasing emissions offsets.

Other direct emissions reduction measures have a net cost, and must be considered in light of other organisational or personal values – that is, how much do you value reducing emissions and are there other

equivalent emissions reductions could be secured externally, more cost-effectively?

Buying offsets is an option if:

- You have achieved all direct emissions reductions that can be realised at a lower cost than the purchase of the emissions offset; and
- You or your organisation is committed to a certain emissions reduction target that you can't reasonably achieve internally (which may be net zero emissions).

Buying offsets is less advisable for individuals and organisations that have not assessed what cost-effective emission reduction strategies could be undertaken internally. Buying offsets is, however, a simple thing to do by comparison – it may just be more expensive.



## Further information:

Email: [DPTI.LowEmissionVehicles@sa.gov.au](mailto:DPTI.LowEmissionVehicles@sa.gov.au)

Web: [www.lowemissionvehicles.sa.gov.au](http://www.lowemissionvehicles.sa.gov.au)



Government of South Australia

Department of Planning,  
Transport and Infrastructure

## Offset Validity

It is important to be sure that emissions offsets you purchase are legitimate and persistent.

The Australian Government's Clean Energy Future Plan or its National Carbon Offset Standard support robust emissions offset purchase options.

## Clean Energy Future Plan

Under the Clean Energy Future Plan, during the carbon pricing mechanism's flexible price period, carbon permit holders may voluntarily cancel their permits. This effectively reduces the emissions cap for liable entities by making fewer permits available.

A tax-deductible Pledge Fund will be established to help individuals buy and cancel carbon permits.

For more details, visit the link at the footer of this page.<sup>∞</sup>

## National Carbon Offset Standard

The National Carbon Offset Standard supports the purchase of a range of verified and accredited emissions offsets such as:

- Australian Carbon Credit Units issued under the Carbon Farming Initiative;
- Credits issued under the former Greenhouse Friendly Program;
- Carbon Units issued under the Carbon Price Mechanism (from 1 July 2015);
- International units issued under the Kyoto Protocol; and
- Credits issued under the Gold Standard and Verified Carbon Standard.

For more details, visit the link at the footer of this page.<sup>∞</sup>



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## See Also:

- [Reducing Emissions](#)
- [Reducing Emissions: Vehicle Emission Types](#)
- [Reducing Emissions: Why Reduce Emissions?](#)
- [Reducing Emissions: Vehicle Selection](#)
- [Reducing Emissions: Vehicle Use and Operation](#)
- [Reducing Emissions: Refuelling / Recharging](#)
- [Reducing Emissions: Maintenance and Tyres](#)
- [Reducing Emissions: Aerodynamics and Loading](#)
- [Reducing Emissions: Low Emissions at Low Cost](#)

## External Links:

- [Clean Energy Future Plan](#)
- [National Carbon Offset Standard](#)

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