



Businesses need to conduct 'due diligence' on green providers

BUSINESSES need to ensure they adopt rigorous 'due diligence' processes before working with a carbon offset provider, according to South Australian based environmental, not-for-profit group Canopy.

Canopy this week expressed concern that some arrangements between businesses and their offset providers may not stand up to close scrutiny.

"We are keen to encourage businesses to make the important step towards becoming carbon neutral but they need to be careful who they work with and how the arrangement is managed," Mr Noel McArdle, Canopy's

chief executive officer said.

"Reducing and offsetting carbon emissions is a profitable business for a growing number of providers but we fear that profit rather than the environment is too often their motivation."

"In particular, if businesses are using their 'carbon neutral' status to market their products or services then additional caution is required.

"The arrangement needs to be able to stand up to an independent audit and potential scrutiny from, among others, the Australian Competition and Consumer Commission (ACCC)."

The ACCC is looking closely at the 'green' claims being made by companies in their marketing and is currently working towards providing guidelines to help businesses comply fully with the Trade Practices Act.

"The first step is ensuring a correct carbon audit is conducted to measure the carbon footprint created by a business and its activities. This is essential," Mr McArdle said.

"An audit must be based on the Australian Greenhouse Office's 2006 data set and must accurately reflect all the varied carbon inputs and actions of a company."