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Carbon Neutrality and Carbon Offsetting Team
Department of Energy and Climate Change
3 Whitehall Place
London
SW1A 2HH

21 May 2009

**ADVERTISING STANDARDS AUTHORITY RESPONSE TO THE
DEPARTMENT OF ENERGY AND CLIMATE CHANGE (DECC)
CONSULTATION ON THE TERM 'CARBON NEUTRAL': ITS DEFINITION
AND RECOMMENDATIONS FOR GOOD PRACTICE**

1. Introduction

- 1.1 The Advertising Standards Authority (ASA) is grateful to provide information to the Department of Energy and Climate Change's (DECC) consultation on the definition of carbon neutrality. The ASA is happy for this response to be published.
- 1.2 The ASA is the UK self-regulatory body for ensuring that all advertisements, wherever they appear, are legal, decent, honest and truthful.
- 1.3 The protection of all consumers is at the heart of the ASA's work. The Advertising Codes aim to ensure that advertisements do not mislead or offend.
- 1.4 This response provides:
 - A summary of the UK advertising self-regulatory system. More detailed information can be found on our website www.asa.org.uk.
 - A full response to the questions set out in the DECC consultation paper. As the ASA considers each ad and each issue on a case-by-case basis, our established position evolves over time. Where we have not investigated a particular issue, or where a consultation question relates to general trading practice, the ASA will not submit an answer.
- 1.5 A full explanation of UK advertising regulation is included in Annex 1.
- 1.6 All rulings mentioned in this submission are included in full in Annex 2.

Chairman Rt Hon Lord Smith of Finsbury • **Director General** Christopher Graham
ASA Council Alison Goodman • Andrew Motion • Colin Philpott • David Harker • Diana Whitworth • Elizabeth Fagan • Gareth Jones • James Best • Anthony Wilkes • Louisa Bolch • Neil Watts • Nigel Walmsley • Sally Cartwright • Ruth Sawtell • Susan Murray

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1.7 A copy of the current advice given to advertisers by the Committee of Advertising Practice (CAP) Copy Advice team, on the use of the term 'carbon neutral', can be found in Annex 3.

2. Advertising regulation of environmental claims in the UK

2.1 The ASA is responsible for independently administering five Advertising Codes,¹ and deals with more than 26,000 complaints per year.

2.2 The codes are written by two industry bodies the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP). The CAP and BCAP (Advertising) Codes are principles-based and wide-ranging in order to prevent the creation of any possible loopholes. The Codes require all advertisements to be legal, decent, honest and truthful and prepared with a sense of responsibility to consumers and to society.

2.3 In the event that the ASA upholds a complaint against an advertisement, the advertiser or broadcaster is required to amend, withdraw or schedule the advertisement appropriately.

2.4 The ASA noticed a significant rise in complaints about environmental claims between 2006, when we received 117 complaints about 83 ads and 2007, when we received 561 complaints about 410 ads. More recently there has been a drop in the number of complaints received in 2008, with 369 complaints about 264 ads. In addition, it should be noted that the total number of complaints about environmental claims remain a very small proportion of the total number of complaints.

2.5 A monitoring survey in 2008 by the ASA on environmental claims in advertising showed a reassuring 94% compliance rate with the Codes. Of 195 ads assessed across all media, only 12 ads seemed to breach the codes.²

¹ The Codes are currently out for full public consultation. Further details can be found on the CAP website www.cap.org.uk. The consultation closes on Friday 19 June 2009.

² The report can be found on the ASA website: www.asa.org.uk/asa/news/news/2008/Environmental+Claims+Survey+2008.htm

- 2.6 One possibility why the numbers of complaints are dropping could be due to the rising awareness from the advertisers of what the ASA and consumers expect, through the ASA rulings. Every ruling the ASA makes sets the boundaries for a claim that must be adhered to by all other advertisers.
- 2.7 CAP also offers pre-publication advice for non-broadcast advertisers via its Copy Advice Team and online guidance (Advice Online).
- 2.8 The ASA and CAP have actively embarked on training sessions for advertisers and held a seminar on environmental claims in June 2008.³ This was held in response to rising concern over what consumers and campaigners see as 'greenwash'. Claims about CO₂ emissions such as carbon 'neutral', 'zero' or 'negative' have been particularly open to challenge in the past, as are absolute claims such as '100% recycled' or 'wholly sustainable'. The ASA used the seminar to engage with industry, environmental and consumer groups on establishing where problems arise and setting parameters for environmental and ethical claims.
- 2.9 There are several Advice Online articles for environmental claims in advertisements to help advertisers. These include using previous ASA rulings as a measure of what is and is not acceptable in advertisements. The current article on carbon offsetting and carbon neutral can be found in Annex 3.⁴
- 2.10 The current Advertising Codes are principles-based and the environmental section in the CAP Code focuses on ensuring that claims are not misleading; it does not provide specific definitions for environmental claims. The Advice Online article for general environmental claims references the Defra Green Claims Code.
- 2.11 The BCAP TV Code does not currently have a specific section for environmental claims, with previous rulings made under the general principles that ads must not mislead. It does, however, reference the Defra Green Claims Code in the main body of the BCAP TV Code.

³ The full report 'Environmental Claims in Advertising: Is Green a Grey Area?' can be found on the ASA website www.asa.org.uk.

⁴ The full list of all Advice Online articles can be found at: http://www.cap.org.uk/cap/advice_online/advice_online_database/

2.12 The Codes are currently out for full public consultation. There is a proposed additional clause in the environmental claims section of the CAP Code. It has also been proposed that the BCAP Code should contain a section on environmental claims for TV for the first time, with principles in line with the CAP Code. It is proposed that both Codes will reference the Defra Green Claims Code.

2.13 The current Codes, and the new Codes that are out for consultation, can be accessed at: www.cap.org.uk

3 Full ASA response to the consultation questions

3.1 **Q1: Is it appropriate for Government to produce a definition of the term carbon neutral and recommendations on using the term? If not, why not?**

Guidance on definitions can be useful to ensure consistency of use of particular terms. However, the ASA can administer the Advertising Codes only, but may take Government guidance into account where appropriate.

3.2 **Q2: Do you agree with the Government's broad approach? If not, what alternative would you propose?**

The ASA agrees with the broad approach taken by the Government.

3.3 **Q3: Do you agree that basing the measurement of emissions, including recommendations on good practice, on the GHG Protocol is appropriate? If not, what alternative(s) would you propose?**

The ASA agrees on basing measurement of emissions on the GHG Protocol; however, the ASA would consider the boundaries of claims (i.e. whether they fall within Scope 1, 2 or 3) on a case-by-case basis.

This is underscored by the inclusion of the GHG Protocol in CAP's Advice Online article on Carbon Neutral.⁵

⁵ See Annex 3: Advice Online: Environmental Claims – Carbon Offsetting and Carbon Neutral

3.4 **Q4: Do you agree that users of the term carbon neutral should retain flexibility over exactly which emissions to measure? Should organisations be able to pursue carbon neutrality only for certain parts of the organisation?**

The ASA agrees that users of the term carbon neutral should retain flexibility over exactly which emissions should be measured, as long as this is made clear within an advertisement. For example, an ad for Eurostar claimed they offered 'carbon neutral journeys'. The ASA allowed this claim as it was specifically about the journey, and not claiming that Eurostar was a carbon neutral company.⁶

3.5 **Q5: Are the proposed recommendations on good practice for measuring emissions clear and appropriate? Are recommendations necessary?**

The ASA considers the recommendations to be clear and appropriate, and in line with ASA rulings and CAP Copy Advice.

3.6 **Q6: Do you believe that users of the term should be able to choose whether to measure all Kyoto greenhouse gases (in CO₂e) or only emissions of CO₂? Or should the definition specify measurement of all Kyoto gases?**

The ASA considers whether a carbon neutral claim is based on CO₂e emissions or CO₂ emissions only depending on the market sector and the context for the claim. It may be appropriate for advertisers to indicate in an ad which measure they have used. In a ruling against AirportWatch, the ASA believed the inclusion of all CO₂e emissions in their calculations without clarification was inappropriate. There are many different figures available for aviation's contribution to climate change: global emissions or individual countries' emissions; greenhouse gas emissions; CO₂ emissions (specifically); or CO₂e emissions. To avoid confusion it is important that the basis of the figures quoted in an ad is made clear.⁷

3.7 **Q7: Do you believe the transparency elements on measuring emissions to be correct and/or sufficient?**

The ASA does not ask for substantiation for a carbon neutral claim to be included within an ad; however, the Advertising Codes are clear that an advertiser must hold documentary evidence for any claim capable of

⁶ See Annex 2: Eurostar Group Ltd, 4 June 2008.

⁷ See Annex 2: AirportWatch and enoughsenough.org Ltd, 12 March 2008

objective substantiation prior to making the claim.⁸ In the ASA's experience too much information or small print in an ad can be confusing for consumers. In particular, mandatory information, which is often required to be presented in an inflexible manner, leads to an overall lowering of trust in advertising.

If a consumer or competitor believes that a claim made in an ad cannot be substantiated, then the ASA can require the advertiser to provide the necessary substantiation and we will assess it in the context of the ad and the claim. The only occasion in which an advertiser must provide a signpost in their ad to documentary proof is in relation to comparative claims. In the event that an advertiser explicitly or implicitly identifies a competitor, then the advertiser is required to indicate where and how those claims may be verified. This is an exceptional stipulation in order to be in line with the European Court of Justice.

The ASA has assessed carbon neutral claims by several advertisers, for example, EDF Energy, Sky and Eurostar, and in all these cases the advertisers were able to provide the appropriate substantiation for the claims in their ads.⁹ This system works well for all claims and we cannot think of any reason why 'carbon neutral' claims should be treated differently.

The ASA cannot answer the question in relation to general trading practices.

3.8 **Q8: Do you agree that PAS 2050 (or the full life cycle of the product using ISO 14044) should be used as the basis for calculating the carbon footprint of products for carbon neutrality purposes? If not, what alternative(s) would you propose?**

If a product makes a non-specific claim about being carbon neutral it could be misleading if the advertiser has not considered all aspects of carbon production from the entire life cycle of the product. The ASA therefore agrees that consideration of PAS 2050, ISO 14044, or Scopes 1, 2 and 3 would be necessary for a carbon neutrality claim.

⁸ See Annex 2: British Gas Trading Ltd, 30 January 2008.

⁹ See Annex 2: EDF Energy plc, 4 June 2008; Eurostar Group Ltd, 4 June 2008; British Sky Broadcasting Ltd t/a Sky, 9 July 2008.

3.9 **Q9: Do you agree that emissions reductions form a necessary part of the definition? If not, why not?**

In line with ASA rulings, where scope 1 and 2 emissions are involved in the product or service being marketed, then emissions reductions are a necessary part of a carbon neutral claim. However, the ASA is aware that there may be cases in which the carbon neutral claim may be attached to scope 3 emissions and, in those cases, emissions reductions might not be a necessary part of the claim.

The ASA judges claims on a case by case basis and sees a strong merit in retaining some flexibility in this area.

3.10 **Q10: Should the Government definition and/or good practice recommendations specify a reduction requirement and/or timeframe for delivery of emissions reductions? If so, what would you propose?**

Please see our response in 3.9.

The ASA considers each ad on a case-by-case basis in order to consider whether the overall impression is misleading. While we have not had to assess what level of reductions are an acceptable minimum for a carbon neutral claim, an ad for Shell Oil, which claimed that it used waste carbon dioxide for flowers, was later found to use only 0.325% of its CO₂ emissions. Complaints that the ad implied Shell used all or most of its waste CO₂ emissions to grow flowers were therefore upheld.¹⁰

3.11 **Q11: Are the recommendations on good practice for reducing emissions clear?**

This question is not for the ASA to answer as it does not affect advertising practice.

3.12 **Q12: Do you agree that the emissions reductions can be measured in either absolute or relative terms? If 'no', what would you prefer? If 'yes', do you support the use of the relative measures recommended (per unit turnover, per revenue expenditure and per functional unit) or would you propose other specific measures?**

Regardless of whether absolute or relative emissions reductions are appropriate, the ASA considers that substantiation for an advertising

¹⁰ See Annex 2: Shell Europe Oil Products Ltd, 7 November 2007.

claim depends on the context of its presentation in a specific marketing communication. In the case of our ruling on EDF Energy¹¹ we considered the relative measurement of “carbon intensity” in the ad was not misleading, but only because in that instance absolute emissions were reduced by the same amount. We considered that, without qualification, the meaning of the term “carbon intensity” was likely to be unclear to consumers.

3.13 Q13: Do you believe the transparency elements on reducing emissions to be correct and/or sufficient?

This question is not for the ASA to answer; however, as noted above, ads must not mislead, either directly or by implication.

3.14 Q14: Do you believe that carbon offsetting is a fundamental element of achieving carbon neutral status?

The ASA believes that carbon offsetting is likely to be an element of achieving carbon neutral status when dealing with claims that fall within Scopes 1 and 2, as shown by our ruling on Sky. However, it is possible that claims referring to scope 3 may not be able to assure carbon reductions.

3.15 Q15: Given that the Government currently only feels able to vouch for the quality of Kyoto-compliant credits under the Quality Assurance Scheme, should the definition only include the use of such credits? Or would you propose other types of restrictions on the types of credits allowed?

The ASA has allowed advertisers to claim carbon neutrality after purchasing Certified Emission Reductions (CERs) and Gold Standard Voluntary Emission Reduction offsets (GS VERs). However, the ASA recognised that there were a number of factors that had to be taken into account, such as additionality, validation, verification, project type, timing of credits, leakage and double counting. In each case, the ASA assessed the offsets to ensure that they were of a comparable, or broadly comparable, basis to the Kyoto-compliant offsets.

3.16 Q16: Do you agree that, because of the difficulties inherent with domestic offsetting, such offsetting should not tend to be pursued as part of becoming carbon neutral? If not, why not? Can you

¹¹ See Annex 2: EDF Energy plc, 4 June 2008.

suggest other ways of supporting and encouraging valuable domestic action that does not qualify as carbon offsetting?

This question is not for the ASA to answer.

3.17 Q17: Are the draft recommendations on good practice for offsetting clear?

The draft recommendations on good practice for offsetting are clear and in line with current ASA policy that offsets should be Kyoto-compliant, or of a comparable standard, in order to claim a carbon neutral status.

3.18 Q18: Do you believe the transparency elements on carbon offsetting to be correct and/or sufficient?

This question is not for the ASA to answer.

3.19 Q19: Do you believe the proposed definition and recommendations can work in practice?

The proposed definition has been shown to work within the ASA's practice. Whether other recommendations can work in practice, such as where the carbon offsets should be bought, cannot be answered by the ASA.

3.20 Q20: Do you believe the Government should regulate the use of the term carbon neutral? If so, why and how? How could regulation be enforced?

The ASA is a comprehensive regulatory system. Formal Government regulatory intervention in advertising is unnecessary and would be confusing both to consumers and industry. The general direction of travel for advertising regulation is towards creating a single regulator – the ASA one-stop shop. This is in line with Hampton principles.

The ASA can often implement change more quickly than a formal statutory body and has been at the forefront of regulating environmental claims successfully for several years. Where Government best practice guidance is available in any sector, the ASA considers that guidance as part of its assessments, if appropriate.

3.21 Q21: Do you believe the Government should develop a definition of carbon neutral that would allow more direct comparison between uses of the term? If so, what means of delivering this would you propose?

This is not a question for the ASA to answer.

- 3.22 **Q22: Do you agree that users of the term carbon neutral should retain the flexibility to decide what type of verification is applied? Or should the Government make recommendations on external verification? If so, what should they be?**

The ASA believes that users of the term carbon neutral should retain the flexibility to decide what type of verification is applied, as long as the overall impression is not a misleading one. However, see our response on point 3.15 above.

The ASA is aware that there are many factors to take into account when considering verification. When it comes to advertising claims, it should be noted that the ASA does not need to find the evidence that an offset bought is of a high enough quality to withstand scrutiny; an advertiser must prove that their offsets are of a high enough quality in order to defend their claim.

- 3.23 **In addition to any guidance offered by Government under the Climate Change Act later in 2009, should the Government make recommendations on how to communicate carbon neutrality statements? Or are the transparency recommendations made in Parts 5, 6 and 7 sufficient?**

The ASA believes that since carbon neutral claims must comply with the principles that they are not misleading, either directly or by implication, further guidance would not be necessary.

- 3.24 **Q24: Should Government make specific recommendations for good practice on reviewing carbon neutrality status? If so, what would you propose?**

Advertisers must hold relevant evidence for any claims made. We review each ad on a case-by-case basis. We cannot currently state how old the data could become before we demanded a review of an advertiser's carbon neutral claim. However, the ASA generally expects to see up-to-date relevant data to support all claims capable of objective substantiation.

- 3.25 **Q25: If you agree that the Government should make recommendations on carbon neutrality, (see Q1) should they tend**

towards good practice or best practice? How often should recommendations be reviewed?

The ASA would support best practice recommendations in order to provide greater consistency across all forms of communications. However, the ASA can administer the Advertising Codes only, but will take into account other recommendations where appropriate.

- 3.26 **Q26: Should Government make recommendations on when and how it would be appropriate for individual, communities, organisations to pursue carbon neutrality? Should Government encourage or discourage the pursuit of carbon neutrality?**

This question is not for the ASA to answer.

- 3.27 **Q27: Should carbon neutrality be viewed as a transitional term to be phased out over time? If so, how might this be achieved?**

This question is not for the ASA to answer.

- 3.28 **Q28: Are there any additional carbon-related terms that you believe the Government should define? If so, what approach should Government take i.e. recommendations on good practice or regulation?**

Definitions for other carbon-related terms could be useful in order to maintain consistency across all marketing communications, and the ASA would recommend good practice in line with the Hampton Principles (see answer to Q20). However, as mentioned the ASA can administer the Advertising Codes only.

- 3.29 **Q29: Although the carbon neutral targets set by Government for its own purposes are not the subject of this consultation, do you agree that Government should apply this definition to those targets? Are there other issues relating to those targets for Government to consider?**

This question is not for the ASA to answer.

4. Conclusion

- 4.1 The ASA is UK self-regulatory system for ensuring that all ads, wherever they appear are legal, decent, honest and truthful.

- 4.2 The ASA is bound by the Advertising Codes only; however, it may take into account Government guidance during its assessment on an ad, if appropriate.
- 4.3 The ASA broadly agrees with the current definition of carbon neutral and the recommendations from DECC on what carbon offsets should be considered when making a carbon neutral claim. However, we maintain reservations over how to implement the definition when it comes to claims that include scope 3 emissions.
- 4.4 The ASA is grateful for having been provided with the opportunity to have input into this consultation. If there are any questions arising from this response please do not hesitate to contact me.

Yours sincerely

Lynsay Taffe
Communications and Policy Manager

Annex 1: Advertising regulation in the UK

1. The self-regulatory system is based on a concordat between advertisers, agencies and the media that each will act in support of the highest standards in advertising. Compliance with the Codes and ASA adjudications is binding on all advertisers. It is not a voluntary system.
2. The system is both self-regulatory (for non-broadcast advertising e.g. press, poster, cinema, online) and co-regulatory (for TV and radio advertising). The Codes do sit within a legal framework, which means that, where appropriate, they reflect the standards required in law, e.g. misleading advertising.
3. The Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) are the industry committees responsible for writing and maintaining the Advertising Codes.
4. The Committee members represent the three main parts of the advertising industry, namely the advertising agencies, media owners (e.g. poster site owners, newspapers, broadcasters) and the advertisers themselves.¹² CAP and BCAP also enforce the adjudications of the ASA.
5. CAP writes and updates:
 - the British Code of Advertising, Sales Promotion and Direct Marketing ('the CAP Code'), which governs non-broadcast advertising (e.g. print, poster, cinema, online)
6. BCAP writes and updates:
 - The BCAP TV Advertising Standards Code
 - The BCAP Radio Advertising Standards Code
 - The BCAP Code on Text Services
 - The Rules on the Scheduling of Television Advertisements
7. Although the Codes do reflect the standards required by law, the aspects of the Code covering harm, offence, taste and decency and social responsibility are entirely self-regulatory. The ASA therefore protects consumers from issues not covered by the legal system.

¹² Details of the members of CAP and BCAP can be found at:
<http://www.bcap.org.uk/cap/links/CAP+Members/>.

8. Final adjudications on complaints are decided by the ASA Council and are published on the ASA website. The Council's membership incorporates two-thirds members of the public, one-third advertising experts and is chaired by the Rt Hon the Lord (Chris) Smith of Finsbury.
9. ASA adjudications are enforced through CAP and BCAP. Advertisers that breach the Code face financial loss from having an ad campaign pulled and loss of reputation through the publication of upheld adjudications.
10. For those advertisers who refuse to comply with an adjudication, industry and other pressures can be brought to bear; for example: poster pre-vetting can be imposed and direct marketing companies can have benefits such as Royal Mail bulk-mailing discounts removed. In very serious and extreme cases of non-compliance advertisers can be referred to the OFT and broadcasters can be referred to Ofcom.
11. Aside from CAP's Copy Advice service, for broadcast advertisements, the broadcasters have set up pre-clearance bodies: Clearcast for TV and the Radio Advertising Clearance Centre (RACC) for radio. These bodies work to ensure that the overwhelming majority of broadcast advertisements are within the Codes; however, pre-clearance by these bodies does not prevent the ASA from investigating or upholding a complaint about a broadcast advertisement.
12. Further information can be found on the ASA website: www.asa.org.uk and the CAP website: www.cap.org.uk

Annex 2: ASA adjudications

1. AirportWatch and enoughsenough.org Ltd
2. British Gas Trading Ltd
3. British Sky Broadcasting Ltd t/a Sky
4. EDF Energy plc
5. Eurostar Group Ltd

AirportWatch
Broken Wharf House
London
EC4V 3DT

Date: 12 March 2008
Media: National press
Sector: Non-commercial
Agency: Provokateur

enoughsenough.org Ltd
PO Box 310
Epsom
Surrey
KT17 3YY

Number of complaints: 4

Ad

A national press ad for AirportWatch and enoughsenough.org, two pressure groups in favour of reducing the number of flights taken by UK citizens. The ad showed a photograph of a woman and a child standing on land covered in cattle carcasses; a plane and several vapour trails were shown in the sky. Text across the photograph stated "Just cut down on the flying, that's all we ask". Text underneath stated "Climate change already kills over 160,000 people a year. In Africa, 185 million people will die of diseases directly attributable to climate change. Drought will leave hundreds of millions without food. You may have turned down your thermostat, but did you know aviation is the UK's fastest growing source of greenhouse gas emissions? One person's emissions for a return flight from London to Dublin are the same as leaving your kettle to boil continuously for 6 days... New York is 75 days... Sydney is 272 days. Flights taken by UK citizens already create the equivalent of almost 20% (twenty) of the UK's climate damage. The UK Government wants passenger numbers to double by 2030 and treble by 2050, destroying all other efforts to reduce emissions. Fly less. Take trains when you can. Use video conferencing. Email 'Halt Aviation Expansion' to ... Health Warning - Aviation Growth Will Destroy

Our Chance of Tackling Global Warming".

Issue

1. All four complainants challenged whether the claim "Flights taken by UK citizens already create the equivalent of almost 20% (twenty) of the UK's climate damage" could be substantiated.
2. Two of the four complainants challenged whether the claim "Climate change already kills over 160,000 people a year" could be substantiated.
3. Two of the four complainants challenged whether the claim "In Africa, 185 million people will die of diseases directly attributable to climate change" could be substantiated.
4. Two of the four complainants challenged whether the claim "Drought will leave hundreds of millions without food" could be substantiated.
5. Two of the four complainants challenged whether the ad, particularly the claim "Health Warning - Aviation Growth Will Destroy Our Chance of Tackling Global Warming", misleadingly implied that greenhouse gases and carbon emissions alone were responsible for global warming and climate change.
6. The ASA challenged whether the claim "One person's emissions for a return flight from London to Dublin are the same as leaving your kettle to boil continuously for 6 days ..." could be substantiated.

The CAP Code: 3.1;7.1;49.3;49.1

Response

AirportWatch and enoughsenough.org gave a joint response.

1. AirportWatch and enoughsenough.org asserted that the UK's total 'climate damage' should be measured in annual emissions of million tonnes of carbon dioxide equivalent (CO₂eq). They asserted that CO₂eq was an internationally accepted measure that expressed the amount of global warming a greenhouse gas caused in terms of the amount of CO₂ that would have to be emitted to have the same impact.

They asserted that the Department for Environment Food and Rural Affairs (Defra) statistics showed that, in 2005, CO₂ emissions from fuel taken on board

at UK airports were 37.4 million tonnes. They argued that the amount of fuel taken on board was generally accepted as a guide to aviation CO₂ emissions on a country level, on the assumption that planes refuelled at the destination for the return flight, and CO₂ emissions from international flights were divided on the basis of 50% to the departing country and 50% to the arriving country.

AirportWatch and enoughsenough.org asserted that emissions of nitric oxide, nitrogen dioxide and water vapour by aviation at altitude also contributed to global warming. They said estimates of the extent of the extra warming generated by those things varied. They said, in 1999, the Intergovernmental Panel on Climate Change (IPCC), an international body that examined climate change issues, calculated that up until 1992, the warming caused by aviation was 2.7 times that of the warming caused by its CO₂ emissions alone; it went on to predict that, between 1992 and 2050, the warming caused by aviation would be two to four times greater than the warming caused by aviation's CO₂ emissions alone.

They argued that, if the IPCC figure of 2.7 was used, that meant the CO₂ equivalent was 37.4 multiplied by 2.7, which was 101 million tonnes of CO₂eq. They said the current figures from the Civil Aviation Authority showed that a little over 70% of passengers on flights leaving and arriving in the UK were UK citizens. They argued that, to reflect the proportion of flights taken by UK citizens (as stated in the ad) the figure of 101 million tonnes, which did not account for UK passengers' return flights, needed to be increased by 40% to 141.4 million tonnes of CO₂ equivalent.

AirportWatch and enoughsenough.org asserted that the government stated that the UK produced 656.2 million tonnes of CO₂ equivalent in 2005, but that did not include international aviation and shipping CO₂ emissions, the non-CO₂ effects of international and domestic aviation, or the correcting of aviation figures to take account of the origin of passengers. They argued that, when those were taken into account, the amount of CO₂ equivalent produced was 801.1 million tonnes and flights by UK citizens in 2005 were responsible for 17.7% of the UK's contribution to climate change that year.

They argued that aviation emissions had been growing at a rate of between 5% and 10% a year and therefore the figure was likely to be at least 19.1% per cent in 2007; they sent their own calculations for that figure. They also argued that that figure did not include the warming effect of aviation creating cirrus clouds, which the IPCC did not include in its 2.7 times figure. They believed the

Environmental Change Institute at the University of Oxford had stated "the effects of cirrus clouds ... are now thought to have a bigger impact on the climate than previously". AirportWatch and enoughsenough.org asserted that the claim "almost 20%" was therefore a conservative estimate of the overall climate impact of flights taken by UK citizens.

2. AirportWatch and enoughsenough.org said the figure was based on studies of how climate change had impacted on health. They said, for the year 2000, the World Health Organisation (WHO) had estimated that global climate change caused 150,000 deaths which would not otherwise have occurred and a study by scientists at the London School of Hygiene and Tropical Medicine in 2003 estimated that the annual figure was 160,000. They said a scientific article in 2005 suggested that, for every million people, there were 27.82 deaths globally every year as a result of climate change. They asserted that the world population in 2004 was estimated to be 6,389 million and therefore there were 177,742 deaths a year from the health impacts of climate change. They asserted that those figures did not include any allowance for deaths from increased occurrence of extreme weather events such as floods and storms and argued therefore that the figure of 160,000 was a conservative estimate.

3. AirportWatch and enoughsenough.org said the claim was based on research by Christian Aid and related to the predicted health impacts if climate change was not curbed. They argued that it was clear from the ad as a whole that, if actions to halt climate change occurred, many deaths could be avoided.

4. AirportWatch and enoughsenough.org said the UK Government's Stern Review on the economic impacts of climate change stated that a three degrees Centigrade rise in average global temperature on pre-industrial levels by the end of the century would leave between 150 million and 550 million more people at risk of hunger as a result of drought and lower crop yields, one to three million of whom would die each year from malnutrition.

They said the IPCC summary report on climate impacts said there would be more drought-affected areas and that, by 2020, between 75 million and 250 million people would be facing increased water stress in Africa as a result of climate change. They said the report stated, in some African countries, yields from agriculture dependent on rain could be reduced by up to 50% by 2020. They repeated that the ad clearly conveyed that, if people acted to curb climate change, many deaths could be avoided.

5. AirportWatch and enoughsenough.org said the IPCC had stated "Most of the observed increase in globally averaged temperatures since the mid-20th century is very likely [more than a 90% chance] due to the observed increase in anthropogenic [man-made] greenhouse gas concentrations."

They argued that it was widely reported in the UK media that, based on current growth trends, emissions from aviation were set to take up the bulk of the UK's 'carbon budget' in the coming decades, thereby 'destroying our chances of tackling global warming'.

6. AirportWatch and enoughsenough.org argued that, although the average kettle available to purchase might use 3 kW or more per hour, the calculation should be based on the average power rating of kettles currently in use in people's homes, because people were likely to keep their kettles for several years. They referred to a technical manual published on Ofgem's website that stated that a lifetime of eight years should be assumed for kettles. They said, assuming from a Market Transformation Programme (MTP) report that the typical kettle power rating had been increasing by 0.08 kW per year since 1997, when it was 2.2 kW, and assuming the average kettle in the UK home was four years old, the average power rating of kettles currently in use in people's homes was 2.68 kW per hour. They asserted that, using that 2.68 kW figure, boiling a kettle for 24 hours a day for six days would use 386 kW. They asserted that the average mass of CO₂ released by UK grid electricity was 0.43 kg per kWh and, therefore, the mass of CO₂ released by boiling a kettle for 24 hours a day for six days would be 0.166 tonnes of CO₂.

AirportWatch and enoughsenough.org asserted that, according to a paper published by Defra in June 2007, the suggested figure for an individual's CO₂ emissions for short-haul flights, similar in distance to that from London to Dublin, was 158 g CO₂ per passenger kilometre. They asserted that, using that figure and using a distance of 514.5 km as an average of the flight distance from London to Dublin, a return flight from London to Dublin was equivalent to releasing about 0.163 tonnes of CO₂. They argued that that figure was very close to the 0.166 tonnes of CO₂ released by boiling a kettle for 24 hours a day for six days.

Assessment

1. Upheld

The ASA noted the calculations AirportWatch and enoughsenough.org had used as a basis for the claim were their own and were not officially recognised. Although we noted the IPCC report highlighted the issue of radiative forcing (the warming caused by aviation other than its CO₂ emissions alone), we also noted both that report and the Stern Review stated that its impact was uncertain and there was no internationally agreed method of measuring it. We also noted there was no agreed method of attributing international aviation emissions to specific countries and that international aviation emission figures were not included in the national totals reported to the IPCC as part of the Kyoto Protocol. We nevertheless understood that Defra chose to report international aviation figures separately from the domestic emissions totals and that they based their figures on emissions from domestic flights and on international flights departing from the UK only.

We noted AirportWatch and enoughsenough.org had measured climate damage in CO₂ equivalent, not CO₂ emissions alone. We noted there was no internationally agreed method of measuring radiative forcing and understood figures for the warming effect of aviation were usually based on CO₂ emissions alone, which were lower than CO₂ equivalent measurements. We considered that readers were likely to infer that the claim was based only on CO₂ emissions, not CO₂ equivalent.

We noted the 70% figure for UK passengers on flights leaving and arriving in the UK was not an internationally recognised figure and went beyond the UK government's approach. We also noted the figure for the annual growth rate of aviation emissions was not widely recognised as being between 5% and 10%. We noted many different figures were available for aviation's contribution to climate change, including global emissions or individual countries' emissions, as well as greenhouse gas emissions, CO₂ emissions specifically or the overall impact of aviation emissions on climate change (including the multiplier effect of radiative forcing) and we therefore considered that, to avoid confusion, it was important that the basis of the figures quoted in the ad was made clear. We also considered that readers were likely to infer that the claim was based on widely recognised and accepted figures and methods. Because that was not the case and AirportWatch and enoughsenough.org had instead based their figure on their own research and calculations, which went beyond UK government recognised methods, and because they had not made clear that the claim was based on CO₂ equivalent not CO₂ emissions only, the claim was likely to mislead.

On this point, the ad breached CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.1 and 49.3 (Environmental claims).

2. Not upheld

We noted the claim was based on three different studies, all of which had estimated climate change led to around 160,000 deaths per year. We considered that those estimates came from recognised independent sources. We considered that readers were likely to understand that the quoted figure of 160,000 would not be exact and would be based on independent and recognised estimates. We considered therefore that, because three different independent sources had estimated the figure was around 160,000, the claim was unlikely to mislead.

On this point, we investigated the ad under CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.1 (Environmental claims) but did not find it in breach.

3. Upheld

We noted the claim was based on a report by Christian Aid. We noted, however, the report stated the figure of 185 million was an estimate of the number of deaths that would be caused by climate change associated diseases in sub-Saharan Africa by the end of the century. We also noted the claim was based on the 'middle' United Nations (UN) projection for population rise in sub-Saharan Africa and the IPCC's worst case scenario of the earth's temperature rising by six degrees Centigrade by the end of the century.

We considered that the absolute claim "In Africa, 185 million people will die of diseases directly attributable to climate change" implied that 185 million people would die. Given that the figure was based on estimates and a worst case scenario of a six degrees temperature rise we considered that such an unconditional and unqualified statement was unsupported and therefore misleading.

On this point, the ad breached CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.1 (Environmental claims).

4. Not upheld

We noted the claim was based on the UK government's Stern Review on the economic impacts of climate change, which stated that a three degrees

Centigrade rise in average global temperature on pre-industrial levels by the end of the century could leave between 150 million and 550 million more people at risk of hunger if carbon fertilisation was weak. We also noted the number of people affected was based on the IPCC's population figures for the 2080s. We noted the three degrees rise was one of several potential scenarios and that the Stern Review stated, based on current trends, average global temperatures could rise by two to three degrees within the next 50 years. It further indicated that a two to three degrees temperature rise was moderate.

As the figure, which was not precise, was based on a likely scenario of what could happen we concluded that it was supported. We considered that the claim was not misleading.

On this point, we investigated the ad under CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.1 (Environmental claims) but did not find it in breach.

5. Not upheld

We considered that readers were likely to understand the claim to mean that aviation growth would have an adverse effect on climate change and that cutting the number of flights people took would help to reduce the rate and effects of climate change; we considered readers were unlikely to infer from the ad that greenhouse gases and carbon emissions alone were responsible for global warming and climate change.

We understood it was widely accepted that aviation did make some contribution towards global warming and climate change, although a precise measure of that contribution was difficult to ascertain, and considered therefore that the ad was unlikely to mislead on this point.

On this point, we investigated the ad under CAP Code clause 7.1 (Truthfulness) but did not find it in breach.

6. Not upheld

We recognised that the point of comparing the CO₂ emissions for a return flight from London to Dublin to boiling a kettle continuously for six days was to highlight, in a meaningful way to consumers, the amount of energy used in flying. We checked the calculations used in making the claim to determine whether the claim was exaggerated and could mislead.

We agreed that readers were likely to expect the claim to be based on the average power rating of the kettles currently in use in people's homes and were satisfied with AirportWatch and enoughsenough.org's findings that this was 2.68 kW per hour which equated to 0.166 tonnes of CO₂ emissions for a kettle boiling continuously for six days.

We noted there was no internationally agreed figure for an individual's CO₂ emissions per flight and that AirportWatch and enoughsenough.org had referred to a Defra paper published in June 2007, two months after the ad appeared. We considered, however, that they should have used the figure which was available at the time the ad was published. Using this figure, 150 g CO₂ per passenger kilometre, and AirportWatch and enoughsenough.org's figure of 514.5 km for a flight from London to Dublin, that was equivalent to releasing around 0.154 tonnes of CO₂.

We noted this figure was just less than the figure of 0.163 tonnes calculated by AirportWatch and enoughsenough.org and the figure of 0.166 tonnes for the boiling kettles. Given that the claim would have been substantiated for a comparison to a kettle boiling continuously for 5.5 days, we considered that the claim was not exaggerated and was not misleading.

On this point, we investigated the ad under CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.1 (Environmental claims) but did not find it in breach.

Action

We told AirportWatch and enoughsenough.org to remove the claims "Flights taken by UK citizens already create the equivalent of almost 20% (twenty) of the UK's climate damage" and "In Africa, 185 million people will die of diseases directly attributable to climate change" from their advertising. We also told them to ensure that the basis of future similar claims was made clear and that the claims were based on widely recognised and accepted figures, methods and estimates.

Adjudication of the ASA Council (Non-broadcast)

British Gas Trading Ltd
30 The Causeway
Staines
Middlesex
TW18 3BY

Date: 30 January 2008
Media: National press
Sector: Utilities

Number of complaints: 1

Ad

An advertorial in a national newspaper for British Gas stated "Such is the way of life these days it's virtually impossible to exist without having some kind of negative impact on the planet. To counteract this, it's important for all of us to strive for carbon neutrality. One choice we can make is to use energy from renewable sources that produce less CO2 emissions. To help you do this British Gas has recently launched two new green energy tariffs. British Gas Zero Carbon is the greenest domestic energy tariff when compared to those on the energywatch website, and is available for as little as £7 per month. For every customer on this tariff we will supply an equivalent amount of renewable energy into the national grid as well as offsetting all the carbon emissions from the home's gas and electricity supply".

Issue

Scottish & Southern Energy challenged whether:

1. the claim "British Gas Zero Carbon is the greenest domestic energy tariff compared to those on the energywatch website" was misleading and could be substantiated, because they did not believe there was any independent audit to assess the green credentials of energy services, and because the energywatch website specifically stated that its guide did not assess greenness; and
2. the claim "offsetting all the carbon emissions from the home's gas and electricity supply" was misleading, because it did not make clear how the scheme worked.

The CAP Code: 3.1;7.1;49.1;49.2

Response

1. British Gas Trading Ltd (British Gas) said their claim to have the greenest tariff was based on their comparison of all the current green supply offerings contained within the energywatch website. They said where they made such a claim they included a footnote that stated that the claim was true when compared with the other green tariffs listed on the energywatch website.

British Gas acknowledged that energywatch did not rank the green tariffs in order of greenness and that there was not an industry-wide methodology to undertake such a ranking. They said that, in the absence of a ranking scheme, they were not precluded from making such a comparison themselves. British Gas argued that the green tariff descriptions on the energywatch website contained very explicit product information against which an objective comparison of the tariff features could be made. They said energywatch asked suppliers to provide evidence of 'greenness' as well as details of any audit mechanisms they had used. British Gas explained that their claim to have the greenest domestic energy tariff was based on a comparison of the key attributes of the various green tariffs offered by supply. They said two recent consumer reports from energywatch and the National Consumer Council set out the key features of a green tariff, which were Levy Exemption Certificates (LEC) and Renewable Energy Guarantee of Origin (REGO) backing, Renewable Obligation Certificate (ROC) retirement, carbon offsets and green fund contribution. British Gas argued that existing tariffs from other suppliers contained some but not all of those features, but that their Zero Carbon tariff contained them all. They said no other green tariff on the market today offered all of those factors in combination, and that it was that combination that they were using to substantiate their claim.

British Gas submitted a table that summarised and compared the key attributes of the current green energy tariffs available. They said that each of the tariffs in the table were listed on the energywatch website. British Gas said they had also worked closely with the CAP Copy Advice team on the ad.

2. British Gas said they believed they were not obliged to provide substantiation for how their carbon offsetting scheme worked in the advertorial itself, so long as they were able to make it available on request. They said they did not believe the claim to offset "all the carbon emissions from the home's gas and electricity supply" was misleading because they did offset through Kyoto compliant offsetting schemes. They explained that they offset carbon emissions by purchasing and retiring credits from Certified Emission Reductions (CER) projects accredited under the Kyoto Protocol of the United Nation's Framework

Convention on Climate Change (UNFCCC), which would also meet the forthcoming DEFRA code of best practice for carbon offsetting.

British Gas explained that they assessed the carbon emissions for each customer on their Zero Carbon tariff by monitoring the actual gas and electricity consumption data of those customers, together with the associated volumes of carbon credits that are purchased and retired. British Gas said they did not verify or assess individual carbon offsetting schemes themselves, but relied instead on the governance structure implemented by the UNFCCC for this. They argued that that would give customers confidence that each unit of carbon offset was matched by real emission reductions under the rules of UNFCCC schemes, and not under their own 'standard' or that of another party.

Assessment

1. Upheld

The ASA noted British Gas' claim to have the "greenest domestic energy tariff" was based on a comparison of the key categories of the different energy tariffs listed on the energywatch website. We also noted British Gas' argument that, in the absence of a ranking scheme for green tariffs, they should not be precluded from making their own comparison. Nevertheless, we understood that the energywatch website specifically stated that their guide did "not evaluate a tariff's 'greenness' ... rather it categorises and gives background information about each tariff", and that "there are no independent accreditation or audit schemes for green energy tariffs to give consumers confidence that suppliers claims are true". We considered that the energywatch website made it clear that the information they provided was not a league table of different energy providers. We also considered that most customers would expect British Gas' claim to be ranked as "the greenest domestic energy tariff when compared to those on the energywatch website", would be based on independently authorised material or an accredited ranking system for green tariffs, and not just on British Gas' own interpretation of the available data.

We understood that British Gas had sought guidance on the ad from the CAP Copy Advice team, who had highlighted to British Gas the difficulty of using the 'greenest' claim, because they did not believe it was possible to draw comparisons across the different tariffs listed on the energywatch website. For example, we understood that the Copy Advice team had expressed particular concern about the difficulty of measuring the effect of the tariffs' green fund contributions in reducing carbon emissions and other environmental damage. We considered that it was not possible to establish which tariff had a greater

impact on the environment by comparing, for instance, the impact of one tariff's green fund contribution towards renewable technology projects with the impact of another tariff's retirement of additional ROCs. We acknowledged British Gas' argument that, without taking the green fund category into consideration, they were the only energy supplier to make green supply offerings in all of the other categories. However, we considered that customers would expect all of the information in the energywatch table to be taken into account when assessing an energy supplier's greenness. Because the data from across all of the categories in the table did not prove that British Gas' Zero Carbon tariff provided an overall improvement in environmental terms against the other tariffs in the table, and because that data was not audited by an independent authority, we concluded that on this point the ad was misleading.

On this point the ad breached CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.1 and 49.2 (Environmental claims).

2. Not upheld

We noted British Gas' argument that they were not obliged to provide substantiation regarding how their carbon offsetting schemes worked in the ad itself. We acknowledged that British Gas calculated the carbon emissions of their Zero Carbon tariff customers by monitoring their actual gas and electricity consumption, and that they offset those customers' carbon emissions through Kyoto compliant CER schemes, which were accredited and implemented by the UNFCCC. We recognised that the Kyoto Protocol was the internationally agreed standard for the regulation of carbon offsetting schemes. Because British Gas' carbon offsetting schemes had been properly accredited under the Kyoto Protocol, we considered that it was not necessary for them to provide further details in the ad itself. We therefore concluded that on this point the ad was not misleading.

On this point we investigated the ad under CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.1 (Environmental claims) but did not find it in breach.

Action

We told British Gas not to repeat the ad in its current form.

Adjudication of the ASA Council (Non-broadcast)

British Sky Broadcasting Ltd t/a Sky

7 Centaurs Business Centre
Grant Way
Isleworth
Middlesex
TW7 5QD

Date: 9 July 2008**Media:** Television, National press**Sector:** Leisure**Agency:** WCRS**Number of complaints: 5****Ad**

A TV ad and two national press ads for Sky included the claim "CarbonNeutral".

a. The first national press ad, for Sky digital packages featured small text at the top of the page that stated "Sky is a CarbonNeutral® company".

b. The second national press ad stated "BELIEVE IN BETTER Because the world's a great place, we're trying to keep it that way. CarbonNeutral® since 2006." Text at the foot of the page stated "sky.com/environment".

c. The TV ad featured a cartoon of a tiger walking through a town and fields to an upbeat soundtrack. In one scene, a car drove past the tiger with smoke emanating from its engine. The tiger grabbed the car and 'hugged' it; the scene changed to show the car and tiger in a field, surrounded by flowers. The voice-over stated "Because the world's a great place, we'll carry on doing our bit to keep it that way. Sky. Believe in better". On-screen text included the Sky logo, the text "CarbonNeutral® since 2006" and "sky.com/environment".

Issue

The ASA received four complaints: one about press ad (a), one about press ad (b) and two about the TV ad. All four complainants challenged whether Sky could substantiate that they were carbon neutral. One complainant believed, because the installation of satellite dishes was carried out by engineers travelling in vans that emitted carbon, the company could not possibly be carbon neutral. The other complainants understood that Sky had not included the emissions produced by their set-top boxes in the calculation of their carbon emissions and therefore believed the claim was based on inaccurate figures.

The CAP Code: 3.1;7.1;49.2**BCAP TV Advertising Code:** 5.1;5.2.1;5.2.6

Response

Sky explained that the claim related to their status as a company which had achieved carbon neutrality working with The CarbonNeutral Company (TCNC), a company specialised in carbon consulting and business carbon offsetting.

They said being "CarbonNeutral" meant that they had measured their carbon footprint, taken operational steps to reduce it and purchased offsets to counteract the remaining carbon emissions.

Sky said TCNC helped them to calculate their carbon emissions in accordance with the CarbonNeutral Protocol, which in turn accorded with the agreed international standards for assessing emissions set out in a framework published by the World Resource Institute and World Business Council for Sustainable Development (WRI/WBCSD), the Greenhouse Gas Protocol Initiative (the GHG Protocol). Scope 1 concerned direct emissions from sources a company owned or controlled; Scope 2 concerned emissions from the generation of purchased electricity that a company consumed in its equipment or operations it ran or controlled; Scope 3 concerned emissions that were relevant to the company but not within its direct control. Sky told the ASA that, under the GHG Protocol, companies had to account for all scope 1 and 2 emissions. Accounting for Scope 3 emissions was optional because they were often outside a company's control. Sky nevertheless opted to include emissions from employee business travel, a Scope 3 emission, within their carbon emissions calculation. With regard to the concerns raised by the complainants, Sky explained that carbon emissions generated from company-owned vehicles were included in the calculation of their carbon footprint as Scope 1 emissions, but the emissions from set-top boxes were not included because they were not within Sky's direct control. Sky nevertheless pointed out that they had produced an auto-standby set-top box which automatically switched to standby at certain times.

Sky said the measure of their carbon footprint was verified by two independent third parties, the Edinburgh Centre of Carbon Management (ECCM) and Environmental Resource Management (ERM) Ltd.

Having calculated Skys carbon emissions, TCNC then calculated the rate, in pounds per tonne, of Sky's carbon offset; that figure represented the sum Sky paid to TCNC which it in turn invested in accredited projects. Sky said those projects consisted of a portfolio of energy efficiency and renewable energy products worldwide that offset the amount of carbon the organisation would

produce over the life of their five-year "CarbonNeutral" plan. They said the offsets were either Certified Emissions Reductions (CERs) or Voluntary Emissions Reductions (VERs). CERs were verified to the standard set out in the Clean Development Mechanism (CDM) which was established by the Kyoto Protocol and was seen as the international quality benchmark for carbon offsetting projects. VERs conformed to the standards set out in the Voluntary Gold Standard (VGS) or the Voluntary Carbon Standard (VCS).

Sky explained that, when a company's carbon emissions were reduced to net zero in accordance with the CarbonNeutral Protocol, the organisation was deemed to be carbon neutral and use of the CarbonNeutral registered trademark was awarded. Sky said they used the trademark to show that their carbon neutral status had been conferred on them by an independent third party and to show that they were carbon neutral.

Sky submitted detailed dossiers of evidence including details of their agreement with TCNC and their key offsetting programmes, a copy of the CarbonNeutral Protocol and a copy of their CarbonNeutral certificate.

Clearcast said Sky provided comprehensive substantiation for the claim "CarbonNeutral". They were satisfied that it supported the claim and they endorsed Sky's response.

Assessment

Not upheld

The ASA noted Sky's comments. We considered most viewers and readers were likely to interpret the claim "CarbonNeutral" to mean that Sky had taken steps to reduce to net zero the carbon emissions from its business activities that were within its reasonable control and offset any remaining emissions through robust and verifiable schemes. We noted the complainants were concerned because they believed Sky were unlikely to have taken particular types of emissions into account when setting the boundaries for calculating their carbon footprint.

We understood that there was no generally accepted definition of carbon neutral but that the claim could be evaluated against generally accepted best practice. We therefore took independent expert advice. The expert said the GHG Protocol was an internationally recognised standard which encompassed the variables which needed to be taken into account in assessing a company's carbon footprint. He said it was the most widely used accounting tool for

emissions and was therefore a core element of generally accepted best practice in terms of accounting and reporting GHG emissions as part of a carbon neutrality claim. The expert said Sky had fully employed the principles of the GHG Protocol in the assessment of its emissions and calculation methodologies: Sky had taken into account Scopes 1 and 2 and some Scope 3 emissions - emissions from its premises (gas, oil and fuel), company owned vehicle emissions, emissions from operational electricity consumption and emissions from employee business travel. He concluded that, by including some Scope 3 emissions in its carbon footprint calculations, Sky had in fact sought to go above and beyond generally accepted best practice.

Our expert advised that a number of key factors needed to be taken into account when considering whether an offset was robust. He explained that factors such as additionality, validation, verification, project type, timing of credits, leakage and double counting should be considered. We noted CERs were verified and regulated according to the CDM, established by the Kyoto Protocol and so were verifiable. In relation to the VCS and VGS offsets purchased by Sky to counteract its remaining carbon emissions, the expert advised that the VGS VER was comparable in quality to CERs and that the VCS was broadly comparable in quality, although there was further work to do in one or two areas.

We noted Sky, in calculating its carbon footprint, had taken into account emissions from its vehicles and, although they had not taken into account emissions from their set-top boxes because they were a Scope 3 emission outside of Sky's direct control, we noted they had offset other Scope 3 emissions. We considered that Sky had followed generally accepted best practice methodology in terms of boundary setting and calculation methodologies for emissions accounting and reporting. We noted offsets were to be either certified (CERs) or from projects that complied with one of the Standards (VCS or VGS) within the voluntary market that were evaluated and validated to a sufficiently high level. We therefore concluded Sky had substantiated the claim.

We investigated the national press ads under CAP Code clauses 3.1 (Substantiation), 7.1 (Truthfulness) and 49.2 (Environmental claims) and the TV ad under CAP (Broadcast) TV Advertising Standards Code rules 5.1 (Misleading advertising), 5.2.1 (Evidence) and 5.2.6 (Environmental claims) but did not find them in breach.

Action

No further action necessary.

Adjudication of the ASA Council (Broadcast)

Adjudication of the ASA Council (Non-broadcast)

EDF Energy plc
EDF Energy Customers plc
40 Grosvenor Place
London
SW1X 7EN

Date: 4 June 2008
Media: Television, Internet (display)
Sector: Utilities
Agency: Euro RSCG London

Number of complaints: 7**Ad**

A TV and internet ad for EDF Energy:

- a. a voice-over in the TV ad stated "By 2020 EDF Energy aim to reduce the carbon intensity of CO2 emissions from their electricity productions by 60%". On-screen text stated "Aims based on improvements to EDF Energy's 2006 performance and is subject to change in the event of matters beyond EDF Energy's reasonable control".
- b. the internet ad showed an image of an open book. Various images popped up from the book including trees, a green field with sheep grazing, a corn field and a countryside scene with wind turbines and a hot air balloon. The ad played a song and the words of the song were shown at the top of the ad: "It's not that easy being green. Having to spend each day the colour of the leaves ... But green's the colour of spring. And green can be cool and friendly like. I am green and it'll do fine, it's beautiful. And I think it's what I want to be". Text stated "If we don't save today, we can't save tomorrow ... Find out how EDF Energy is combating climate change".

Issue

1. Five viewers challenged whether the claim "By 2020 EDF Energy aim to reduce the carbon intensity of CO2 emissions from their electricity production by 60%" in ad (a) was misleading, because the vast majority of viewers would not understand the term 'carbon intensity' and would believe EDF intended to reduce their CO2 emissions by 60%.

2. Two complainants, including People & Planet, challenged whether ad (b) misleadingly implied that EDF Energy was a 'green' energy supplier, because they believed they supported and invested in nuclear power and only a small proportion of their electricity was supplied by renewable energy.

The CAP Code: 7.1;49.1;49.2

BCAP TV Advertising Code: 5.1;5.2.2;5.2.6

Response

1. EDF Energy plc (EDF) said the TV ad was part of an ongoing national campaign aimed at raising awareness of EDF's published Climate Commitments. They said a key part of their commitment was to reduce the CO2 intensity of their electricity generation, by which they meant the amount of CO2 they emitted whilst producing a given volume of electricity. They believed that was a more useful measure than 'absolute tonnes' of CO2 because it allowed their company to continue to monitor its performance in the area irrespective of increased generation capacity due to changes in demand. They said an absolute target would not reflect the need to increase their electricity generation if demand increased. EDF said they could not control changes in national demand for electricity, which could increase dramatically by 2020 if, for example, electric cars or some other emerging technology became more common. They said that adopting an 'absolute tonnes' methodology of monitoring CO2 emission reductions would therefore simply not be sustainable or allow for the activities of competing generators to be compared on a truly like for like basis. EDF said, in that respect, not only did all of their main competitors use "carbon intensity" as a measure of CO2 emission reductions from generation but that approach was consistent with how all suppliers were required to give customers information about the energy source fuel mix of the electricity they supplied under the Electricity (Fuel Mix Disclosure) Regulations 2005. They said their approach was also consistent with the way in which suppliers of other products and services were beginning to communicate with their customers about CO2 emissions associated with the delivery of those

products and services, e.g. supermarkets and food manufacturers. EDF said although terms such as 'carbon intensity' might not yet be fully understood by all, they believed that should not prevent them from using such terms to raise awareness of the issues. They said they had ensured that their website contained a full glossary of that and other terms that they realised might be less well understood by their customers.

EDF said the ad was not an attempt to artificially inflate their commitment claim.

They said their analysis actually showed that they could have reasonably justified a claimed carbon intensity reduction of over 67%. However, the key for them was to ensure that they had the most realistic and accurate measure for the target they wanted to achieve. They provided a breakdown of how they would achieve the 60% reduction and the business plan that the aim was based on. They said their commitments in this area were linked to their business plans to replace existing coal fired generation plants with gas fired and nuclear generation plants together with increased development of renewable generation (such as wind) by 2020. They stressed that the business plans were not based on assumptions but actual agreed strategy, elements of which were already in the course of being delivered (for example planning permission for the first gas fired plant had already been granted and the Government had now confirmed its approval to the development of new nuclear generation). EDF said, however, that even based on their conservative analysis, the figures still revealed that EDF would in fact achieve an absolute reduction of 61% of CO₂ emissions from its electricity production compared with 2006 levels. They said that indicated that even if viewers had misinterpreted their TV campaign to mean that they aimed for an absolute reduction in CO₂ emissions of 60% the ad was not misleading.

EDF also pointed out that following consultation with Clearcast the caveat "Aims based on improvements to EDF Energy's 2006 performance and is subject to change in the event of matters beyond EDF Energy's reasonable control" had been included in the ad to make clear to viewers that the claim was subject to matters outside of their control.

Clearcast said due to the complexity of the script and the various elements included within it they had been very cautious in approving the ad. They said they had considered the issue of whether viewers were likely to understand the difference between 'carbon intensity' and 'CO₂ emissions' but following their discussions with EDF they had considered that 'carbon intensity' was a term that was common within the industry and would be understood by the viewer.

They said they were careful to ensure that the ad did not refer to 'carbon intensity' on its own or was used instead of 'CO2 emissions'. They said they also considered that 'carbon intensity' was a more accurate and valid way of assessing EDF's CO2 emissions. They said the claim was based on commitments EDF were undertaking now to achieve in 12 years time and, as the accompanying caveat explained, the comparison was based on 2006 figures but 'matters outside EDF's reasonable control' might make a claim based on CO2 emissions alone irrelevant. For those reasons they said they believed the ad was not misleading.

2. EDF said the internet ad was intended to highlight the need to combat climate change and that that was something that both they and their customers needed to get involved in. They said the ad highlighted that although taking steps to combat climate change might not be easy for either a large company or an individual customer, if people were passionate about securing the future of the planet, everyone needed to demonstrate their intent to tackle climate change head on.

EDF said they were very proud of their record on 'green' issues and they provided details of some of their achievements in that area, for example they believed they were the first energy company to reward customers for reducing their energy consumption. They said, however, they had deliberately avoided making statements such as "greenest energy company" or "greenest supplier" not only because of the problems with substantiating such claims but also because they understood that the term "green supplier" could mean different things to different people. For that reason they had been careful to ensure that the focus throughout their ad was about lowering CO2 emissions and combating climate change. They pointed out that the ad did not state that EDF was a 'green' supplier and the only references to 'green' were to recognise that they appreciated that it was not easy being green. EDF said the ultimate role of the ad was to raise awareness of exactly what action EDF had taken to reduce carbon emissions and tackle climate change and what further action they were planning to take.

Assessment

1. Not upheld

The ASA noted 'carbon intensity' referred to the relative amount of carbon emitted per unit of energy or fuels produced. We noted EDF had qualified the claim to make clear that the 60% reduction was based on a comparison with

their 2006 performance and that it was subject to change in the event of matters outside of EDF's control.

We noted the detailed breakdown of the 60% reduction claim which EDF provided showed that the reduction in their carbon intensity by 2020 would be 68% and that EDF had also modelled the predicted reduction levels that would take place if the amount of electricity increased beyond current expectations and even in that scenario the reduction in carbon intensity would be 67%. We noted their calculations also showed that the reduction in absolute carbon emissions was likely to be 61% or 56% at the extra production level. We noted those calculations were based on planned business strategies and EDF had factored in where some elements of those strategies might not be met.

We noted 'carbon intensity' was a measure that was used within the industry and that it was also used for reporting fuel mix as part of the Electricity (Fuel Mix Disclosure) Regulations 2005. We considered, however, that without qualification to explain its definition, most viewers were unlikely to understand its meaning and were likely to infer that it related to absolute carbon emissions. Nevertheless, we noted EDF had demonstrated that if they achieved their aim they would also reduce their absolute carbon emissions by 60% and we therefore considered that qualification of the term "carbon intensity" was not necessary in this instance because whichever way they interpreted the claim viewers were unlikely to be misled. We considered that because EDF had demonstrated that they had planned business strategies in place to achieve their aim of a 60% reduction in both the carbon intensity of their CO₂ emissions and their absolute CO₂ emissions, the ad was unlikely to mislead.

On this point, we investigated ad (a) under CAP (Broadcast) TV Advertising Standards Code rules 5.1 (Misleading advertising), 5.2.2 (Implications), 5.2.3 (Qualifications) and 5.2.6 (Environmental Claims) but did not find it in breach.

2. Not upheld

We noted ad (b) did not make any direct claims that EDF was a 'green supplier', although we considered several images could be interpreted as "green" references, for example the green fields and the wind turbine, and the references to being 'green' in the song. We considered, however, that consumers were likely to understand that the ad merely highlighted that EDF, although recognising the difficulties involved, wanted to take steps to tackle climate change and was asking consumers to get involved as well. We noted if consumers clicked on the ad they were directed straight to EDF's internet

microsite, which included detailed information about EDF's steps to reduce their carbon intensity, their investment in nuclear power and their intention to increase their investment in renewable energy.

We considered that consumers were unlikely to infer from the ad that EDF were a 'green' supplier and we therefore concluded that the ad was unlikely to mislead.

On this point, we investigated ad (b) under CAP Code clauses 7.1 (Truthfulness), 49.1 and 49.2 (Environmental Claims) but did not find it in breach.

Action

No further action required.

Adjudication of the ASA Council (Broadcast)

Adjudication of the ASA Council (Non-broadcast)

Eurostar Group Ltd
Eurostar House
Waterloo Station
London
SE1 8SE

Date: 4 June 2008
Media: E-mail, National press
Sector: Holidays and travel

Number of complaints: 4

Ad

An e-mail and a national press ad for Eurostar services from St Pancras.

a. The e-mail stated "113 sunrises before a dawn like no other. Book now for the new era of travel. 14.11.07. This significant day in Eurostar's history marks the arrival of high speed rail to the heart of London ... Our first carbon neutral journeys ... Less than 4 months to go ... until carbon neutral journeys ... Our first train out of St Pancras International on 14 November - then every subsequent Eurostar service - will be carbon neutral ...".

b. The national press ad showed an aerial view of St Pancras International

station. The text stated "3 months to go ... until carbon neutral journeys arrive...".

Issue

Four complainants, one of whom represented the Commuter Action Group (CAG), challenged the claim that the service would be "carbon neutral". CAG complained in particular that the claim was misleading because Eurostar trains had to pass through the Channel Tunnel, which produced emissions as a result of its internal refrigeration system. Other complainants were concerned that the energy used in constructing the trains, the track, stations and the tunnels had not been taken into account when offsetting the journeys.

The CAP Code: 3.1;7.1;49.1;49.2

Response

Eurostar said it was committed to reducing its environmental impact and explained that two years of due diligence had been undertaken to allow them to implement an environmental strategy across the whole business. They explained that they had a long term strategy to reduce CO2 emissions per passenger journey and that, where that was not possible, they would invest in a range of schemes in order to offset the remaining emissions. They explained that the Department for Environment, Food and Rural Affairs (Defra) did not have a definition of "carbon neutral" and, because of that, they had undertaken a lot of research to ensure that they complied with the highest possible standard of best practice available in the field. They said they had worked with independent third parties such as Environmental Resource Management Ltd (ERM) and Friends of the Earth. They supplied a copy of a report comparing CO2 emissions from high speed rail and short-haul air travel they had commissioned from an international consultant on energy use and the environment. They explained that the "journey" was the aspect of their customers trip that Eurostar had control over, on a point to point basis, and included: energy use by the train for traction: auxiliary energy used to power lights and heating; and global warming potential of on board refrigerants.

They pointed out that Eurotunnel was a completely separate legal entity and that they were one of the users of the Channel Tunnel only. They explained that it was a common misconception that they were the same company as Eurotunnel. They explained that the use of the tunnel was integral to their business, but they were unable to comment on the energy use of the actual tunnel, including its refrigeration units. They reiterated that they were offsetting

those carbon emissions over which they had control but that would not include auxiliary services provided by Eurotunnel. They explained that they would purchase credits up front, both voluntary emissions reductions (VER) and certified emissions reductions (CER), and that those credits were from offset providers that guaranteed emissions reductions that were quantifiable and third party audited. They believed in that way they could guarantee their customers that their passenger journeys would be neutral from 14 November 2007. They said their own calculations and processes used to offset carbon emissions would be independently audited by ERM on an ongoing basis to ensure they complied with their aim of reducing CO2 emissions overall and offering carbon neutral journeys.

Assessment

Not upheld

The ASA understood that Defra had no accepted definition for "carbon neutral" and what it should account for, for example, whether it should include an organisation's energy use to build its premises or for its workers to get to and from work. We noted the claim in both ads stated "journeys" and considered that readers would be likely to understand that to mean London St Pancras to the corresponding station in France or Belgium. We acknowledged that Eurostar did not control the energy usage of the Channel Tunnel and considered that most people would expect a claim of "carbon neutral journeys" to refer to those aspects of the journey for which Eurostar was responsible. We noted Eurostar planned to offset the traction energy used by a train, the auxiliary energy used to power lights and heating and the global warming potential of the chemicals that leaked from the on-board refrigerants and air conditioning units, but not the energy used in the manufacture of the rolling stock or the track, stations and tunnels. We understood from expert advice that it was generally accepted that transport-related carbon neutrality involved energy consumption or fuel burn of the vehicle in question, with external emissions associated with infrastructure lying outside of the scope.

We took expert advice in relation to the calculation methodologies and data assurance strategies used by Eurostar. We understood that they were sound and used by reputable experts in the field. Our expert advised that Eurostar had demonstrated that they had followed the broadly accepted best practice methodology for carbon neutrality for their train journeys. We understood that Eurostar had purchased the requisite number of CERs to substantiate the offsetting claim at the time the ad appeared and that they planned to purchase both CERs and VERs to offset their energy usage in future.

We noted CERs were certified and regulated within the EU Emissions Trading Scheme or the Kyoto Protocol and so were verifiable. We sought expert advice in relation to the Voluntary Carbon Standard (VCS) and Voluntary Gold Standard (GS VER) offsets that Eurostar intended to purchase from the voluntary market.

Our expert advised that a number of key factors needed to be taken into account when considering whether an offset was robust. He explained that factors such as additionality, validation, verification, project type, timing of credits, leakage and double counting should be considered. He advised that the GS VER was comparable in quality to the Kyoto compliant CER, although coming from the voluntary market; he advised that the VCS was broadly comparable in quality, although there was further work to do in one or two areas.

We considered that consumers would be likely to expect companies wishing to claim carbon neutrality by offsetting their carbon emissions to do so in a robust and verifiable manner. We acknowledged that Eurostar had followed best practice methodology for carbon neutrality and that credits were to be either certified (CERs), or from projects that complied with one of the Standards within the voluntary market that were evaluated and validated to a sufficiently high level. Because Eurostar had demonstrated that the claim "carbon neutral journeys" was based on a robust and verifiable offsetting system, we concluded that they had justified the claim.

We investigated the ads under CAP Code clauses 3.1 and 3.2 (Substantiation), 7.1 (Truthfulness) and 49.1 (Environmental claims) but did not find them in breach.

Action

No further action necessary.

Adjudication of the ASA Council (Non-broadcast)

Annex 3: Advice Online article from the CAP Copy Advice team

AdviceOnline: Environmental Claims: Carbon Offsetting and Carbon Neutral

Note: This advice is given by the CAP Executive about non-broadcast advertising. It does not constitute legal advice. It does not bind CAP, CAP advisory panels or the Advertising Standards Authority.

Carbon offsetting is the process of reducing the net carbon emissions of an individual or organisation, either by their actions or through arrangements with a carbon-offset provider. Carbon-offset providers are companies that either prevent the emission of gases that would otherwise find their way into the atmosphere or companies that absorb carbon dioxide (or other greenhouse gases) that have already been emitted into the atmosphere. They then “sell” that reduction in carbon dioxide (CO₂) or other greenhouse gases to companies that produce greenhouse gases.

Although no universally accepted definition of the concept exists, all definitions follow the same general lines: carbon neutrality involves achieving zero net emissions associated with an organisational unit, product, service or process. The zero net emissions target is generally achieved through a combination of internal emission reduction and external carbon offsetting. The established process to achieve best-practice carbon neutrality is:

- Each stage requires the use of agreed standards and independent verification or oversight.
- Estimating The Amount Of CO₂ Produced
- Estimating the quantity of emissions associated with an activity is contentious.

CAP recommends that advertisers wanting to estimate the amount of CO₂ to claim carbon neutrality should use sound calculation methodologies produced such as the The Greenhouse Gas Protocol (GHG Protocol) developed by the World Resources Institute and the World Business Council for Sustainable Development. To ensure that their data assurance strategies are sound, they should have received advice from reputable experts.

We recommend marketers to make clear in their advertisements the elements

they have included in their calculations. For example, the ASA considered that most people would expect a claim of "carbon neutral journeys" to refer to those aspects of the journey for which the advertiser was responsible: the traction energy used by a train, the auxiliary energy used to power lights and heating and the global warming potential of the chemicals that leaked from the on-board refrigerants and air conditioning units but not the energy used in the manufacture of the rolling stock or the track, stations and tunnels (Eurostar Group Ltd, 4 June 2008).

If the ad had included an unqualified claim such as "Carbon Neutral" that had not made clear that the claim referred only to journeys, the ASA might have decided that the quantity of emissions that had to be offset was larger than for the claim "carbon neutral journeys".

Offsetting The Emissions

The ASA expects companies that claim carbon neutrality to offset their carbon emissions in a robust and verifiable manner. Generally that can be achieved by buying offsets from companies that run emissions-reduction or emission-capture projects that comply with a generally recognised standard.

To date, the ASA has commissioned expert advice on the robustness of three international offsetting standards. The ASA understands that the key factors that need to be taken into account when considering whether an offsetting standard is robust are additionality, validation, verification, project type, timing of credits, leakage and prevention of double counting. It would use the same criteria to consider the robustness of other offsetting standards.

The ASA considered that projects that conformed to the standards of the three schemes listed below had been evaluated and validated to a high enough level to be compatible with a robust and verifiable offsetting system. Marketers who had accurately estimated the amount of carbon that had to be offset and who bought offsets that were certified by any of the three schemes could substantiate that their activities were carbon neutral.

Name of Scheme Carbon credit per tonne of CO₂ equivalent offset
Clean Development Mechanism (CDM) Certified Emissions Reduction (CER)
Voluntary Carbon Standard (VCS) Voluntary Carbon Unit (VCU)
Voluntary Gold Standard
(GS VER) Gold Standard Verified Emission Reduction (GS VER)

Advice on the acceptability of carbon neutral claims in marketing communications is available from the Copy Advice team by telephone on 020 7492 2100, by fax on 020 7404 3404 or by e-mail on copyadvice@cap.org.uk. The CAP website, www.cap.org.uk contains a list of Help Notes as well as access to the AdviceOnline database, which has links to relevant Code clauses and ASA adjudications.