



4.5 Other practices

Case study 11: Voluntary programmes for GHG reduction and offsetting (Catalonia, Spain)

Description of the policy instrument

Catalonia is an autonomous Spanish region with the second largest population and highest GDP in the country.²⁵⁹ It is highly committed to reaching climate neutrality by 2050. Two successful voluntary programmes have been launched to support progress towards this objective at regional levels, with one aiming to reduce GHG emissions (launched in 2010) and another to create an opportunity to offset emissions (launched in 2015).^{260,261}

The aforementioned voluntary programmes are called the 'Program of Voluntary Agreements for the Reduction of GHG Emissions'²⁶² and 'Voluntary Offsetting Programme'.²⁶³ The first is intended to help smaller enterprises take GHG inventories by providing tools, support and recognition. This can help them to estimate their own carbon footprint and identify potential methods to mitigate their emissions. It also gives companies the opportunity to publicly share their achievements and targets for carbon neutrality.

In 2019, 199 companies had joined the initiative, primarily from the private sector, with the most representatives from the consultancy, engineering and food industry sectors.²⁶⁴ Following the success of the voluntary scheme, the Catalan Law on Climate Change now requires large companies with more than 250 employees to create a vulnerability analysis of climate change, take GHG emissions inventories and deliver an emissions reduction action plan.²⁶⁵

The Voluntary Offsetting Programme has been introduced to support the GHG mitigation goals of the reduction plan. There are some activities which cannot be carbon neutral, therefore, the remaining emissions need to be compensated. For this purpose, an external platform has been created where local compensation is paid. As a result, initiatives which absorb carbon emissions have been financed.

A publicly available inventory has been launched for participants to report their annual GHG emissions and propose and implement mitigation measures for the following years. The offsetting programme finance projects, which generate measurable and verifiable GHG reduction, are developed in Catalonia and follow strict regulations. The first round of carbon credits was sold in 2019.²⁶⁶

Why did it work or not work?

It can be concluded that the Catalan voluntary programmes have been a big success, to the surprise of critics. In particular, they have raised climate awareness among small enterprises, many of which are now participating in these programmes.



This success can be attributed to several factors. First of all, stakeholder engagement was important during the planning and implementation of both programmes. The Catalan government responded to companies' requests for an offsetting programme: the Voluntary Offsetting Programme was created following business demand for it.

Keeping the focus local was also a key element. The verification process and carbon credit buying and selling processes are accredited by a third party. Many companies that are not participating in the voluntary programmes apply a similar methodology to calculate their own emissions inventory. Drawing up but not sharing this inventory may be explained by several reasons. Firstly, the Climate Change Law has already introduced several pollution-related taxes and the largest companies must create action plans. Secondly, if it is not compulsory, some companies may not want to report their emissions publicly but want to be prepared for a potential extension of compulsory GHG reduction programmes. Thirdly, these companies and other entities may not be ready for mitigation and, therefore, avoid sharing their inventory – yet having mechanisms in place to calculate them can still be useful.

One of the main factors enhancing the programmes' positive impact is that they were created as bespoke initiatives for Catalonia. Despite using internationally accepted standards, the regional requirements were considered when calculating carbon credits. Before the introduction of the programmes, several meetings were held to incorporate stakeholder views. Capacity building was also a key factor driving success as small businesses often lack sufficient knowledge and tools to calculate their own GHG emissions and set climate goals. Support from the regional government addressed this capacity issue.

The programmes were also well publicised and contextualised. The Catalan government spoke publicly about climate change, raised awareness among small enterprises and guided them, in part by providing information and examples from larger companies. Content was published in three languages (Catalan, Spanish, English) and grants were made available to implement energy efficiency measures.²⁶⁷ The opinions of stakeholder organisations were also promoted to further enhance the engagement of small and medium-sized enterprises (SMEs).²⁶⁸

It is also important to note that some activities cannot be mitigated internally. These include indirect emissions if green options are not available. In such cases, offsetting can be the only way to reduce environmental impact. The regional government countered against the public perception that offsetting allows businesses to pollute, successfully encouraging more to sign up.²⁶⁹

Key learnings

The Catalan government was able to launch two successful voluntary programmes: one aimed to reduce GHG emissions and one to offset the remaining emissions. These programmes were, against all expectations, hugely successful. There are four main contributors to this: (1) Extensive consultations prior to implementation; (2) Keeping local; (3) Clarity and explicit focus; (4) Altering public perception. Moreover, they focused on small businesses which have fewer resources to calculate their emissions and offsets by providing simplified methodology of GHG estimation, potential tools of mitigation and making financial support and capacity building available to them.

The business case study below discusses how local delivery with national funding can support context-appropriate implementation.

