

Congress of the United States

Washington, DC 20510

August 30, 2022

Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street N.W.
Washington, D.C. 20548

Dear Mr. Dodaro:

There is an urgent need to accelerate actions to address climate change in order to achieve global targets of keeping warming below 1.5°C. One of the most effective mechanisms for mitigation and adaptation are nature-based solutions, including the preservation of healthy ecosystems, including forests, oceans, and other habitats. The Glasgow Climate Pact, an agreement reached at the Conclusion of the 2021 United Nations Climate Change Conference (COP26), calls for immediate action to address climate change, specifically identifying the need to conserve and restore forests for their climate and biodiversity benefits.

The Pact also calls for an increase in private finance and voluntary actions to bolster actions to respond to the climate crisis and its harmful impacts. One such method to increase utilization of effective solutions is to leverage private capital through climate markets. There has been a dramatic increase in demand for voluntary action and private voluntary investments in the natural carbon offsets market, as well as an increase in new voluntary natural climate offset programs. Carbon offsets allow entities to reduce their greenhouse gas emissions by buying credits from projects that reduce or sequester carbon and other pollutants; these projects can encompass a range of initiatives that actively conserve habitats known to store carbon, including forests, grasslands, wetlands, and blue carbon ecosystems.

Metrics to gauge the efficacy of offsets – including measuring, reporting, and verification – vary from program to program, making it difficult for consumers to understand their purchase and for policymakers to quantify the impact of these markets. Markets thrive with transparency, while a lack of transparency carries inherent market risk. Consumers of voluntary climate offsets require transparency and well-defined standards in the natural carbon offsets market given the wide variety and possibility for fraud.

We must do all we can to implement meaningful solutions to the climate crisis. As natural climate carbon offsets gain popularity, it is essential we understand (1) the current market environment and (2) gaps in protocols for assessing market quality and credibility in order to provide clarity for market operators and transparency for offset purchasers.

To that end, we request that the U.S. Government Accountability Office conduct a study on:

1. How, if at all, federal efforts to quantify carbon reductions from offsets and/or assess the quality of natural carbon offsets are coordinated;
2. How, if at all, federal agencies coordinate involvement with natural climate offsets and offset markets;
3. What actions, if any, could federal agencies take to help increase transparency in private voluntary carbon offset markets, such as the development of standard metrics for offsets;
4. How federal agencies can assist in preventing fraud and abuse of voluntary nature-based carbon offsets;
5. What actions, if any, federal agencies can take to help ensure equity and equal access to voluntary markets.

Thank you for your timely attention to this request. We look forward to working with your Office on the information we need to better understand and strengthen voluntary natural climate carbon offsets.

Sincerely,



Jared Huffman
Chair
Subcommittee on Water,
Oceans, and Wildlife



Kathy Castor
Chair
Select Committee on the
Climate Crisis



Raúl Grijalva
Chair
Committee on Natural
Resources