# Climate Activists and NGOs Challenge Carbon Credits Amid Growing Debate



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The market for carbon credits is under renewed scrutiny as over 80 nonprofits, including ClientEarth, ShareAction, Oxfam, Amnesty International, and Greenpeace, call for a comprehensive ban on these financial instruments. The groups argue that carbon offsets undermine genuine net zero efforts by allowing companies to claim emission reductions without actual reductions in greenhouse gases.

In a recent statement, these organizations highlighted that using carbon credits can slow down global emission reductions and detract from the necessary development of large-scale climate mechanisms like "polluter pays" fees. They advocate excluding offsetting from all voluntary and regulatory climate transition frameworks.

This coalition's position counters a growing movement to normalize carbon offsets, illustrated by an April statement from the Science Based Targets initiative (SBTi) endorsing credit use for supply chain emissions. Critics argue that carbon credits are prone to inflated claims of impact and create a false sense of progress.

The U.S. government recently supported integrating credits into climate finance. However, concerns persist about the true effectiveness of carbon credits, with scientific literature pointing out significant quality issues in many crediting programs.

Johnson Controls, a leading company for smart and sustainable buildings, has been named to the Financial Times Europe Climate Leaders list for 2024, marking its fourth consecutive year on the list. This recognition is based on the company's substantial reduction in emissions and transparency regarding Scope 3 emissions.

Katie McGinty, Vice President and Chief Sustainability Officer at Johnson Controls, emphasized the importance of energy-efficient technology, electrification, and digital optimization in mitigating building-related emissions, which account for nearly 40% of global totals. The company reported a 44% reduction in Scope 1 and 2 emissions and a 27% reduction in Scope 3 emissions since 2017, ahead of its 2030 targets.

Johnson Controls continues to invest significantly in climate-related R&D, focusing on low-carbon steel production and minimizing embodied carbon through the use of recycled materials in their manufacturing processes.