

# Offsetting the carbon in your weekly shop

German challenger bank Tomorrow will offer a carbon emissions calculator on its banking app, in partnership with the fintech ecolytiq and Visa. The carbon footprint of Tomorrow customers' Visa transactions will be calculated by ecolytiq, based on the Open Standard for Payment Transactions from the Organisation for Sustainable Consumption.

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The calculation uses 25 transaction categories and more than 1,200 subcategories, along with emissions data. ([ecolytiq](#))

When picking products off the shelf, it's easy to forget the journey they've been on. Whether it's the resources they have consumer, conditions for workers or transportation, different elements contribute to a product's supply chain. These can then be used to inform carbon footprint calculations and determine the sustainability of production.

Across industries, companies are under pressure to reduce their environmental impact. Consumers, however, also possess a growing awareness and are supporting actions such as [carbon labelling](#) to encourage responsible purchases - meaning apps like Tomorrow's should have wide appeal. These apps are also starting to allow users to purchase carbon offsets, providing a more direct avenue through which consumers can contribute to climate efforts.

# What are carbon offsets again?

To compensate for putting carbon into the atmosphere, companies and individuals can invest money into projects around the world that work to reduce emissions or improve carbon storage capacity – through planting trees, for example. Buy some strawberries, then donate £8 to a verified scheme to offset the carbon. Simple. (Find a longer explanation [here](#)).

## Are they effective?

Engaging people with carbon footprints and offering a way to help reduce their impact is obviously a positive step. Offsets do, however, remain a controversial topic among *activists*, many of whom consider them a poor substitute for direct emission-reducing action. What's more effective than offsetting a flight? Not taking one. This would reduce emissions drastically but, arguably, remains an unrealistic scenario and so action at a consumer level is a step in the right direction as long as larger commitments from governments and corporates persist.

## Can apps really know the carbon footprint of what you're buying?

Tomorrow and ecolytiq outline – for privacy reasons – that neither company can see what product has been purchased and that *calculations* are based on the item's price and where it was bought. With so few variables involved, it must be difficult to provide accurate CO2 readings, suggesting greater user data transparency might be required to produce greater accuracy.

## What's next?

An increasing number of consumer-focused offsetting *initiatives* have been launched this year, indicating that emissions accountability could become more of a factor in daily life. Will we need to begin offsetting commutes or any carbon-related activity? Whatever happens, reliance on offsets is limited – as there's only so many trees you can plant – highlighting the need to stop emissions from being produced in the first place.

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