



Press Release: Environmental Groups Call for Extension of Industrial Gas Offsets Ban

Brussels, 15 May 2011. Today, the European Commission's draft Regulation¹ banning the use of credits from industrial gas projects in the EU Emissions Trading Scheme (EU ETS) post-2012 was formally approved. Environmental groups are now calling on EU Member States to extend the ban to sectors not covered by the EU ETS.

As of April 2013, offset credits from industrial gas projects will be banned in the EU Emissions Trading Scheme (ETS). This decision was approved by all 27 EU member states and hailed by environmental campaigners as a shining example of the willingness of Member States to prioritise the integrity of the emissions trading system over the financial interests of a handful of corporate investors.

But the ban does not cover EU Member States' national targets in the non-traded sectors (e.g. agriculture and transport). This is significant given that under the Effort Sharing Decision, up to two-thirds of the total emissions reductions required of EU Member States from 2013-2020 can be met through offsets.

Environmental groups fear that in the absence of a clear commitment, some Member States may continue to use these credits to count towards their national targets, while companies are banned from using them to meet their emissions reduction targets under the EU-ETS.

"Banning these offset credits in the EU ETS while allowing them to count for other climate targets in the EU is like moving food around your plate. It does not fix the problem." said Tomas Wyns of the Climate Action Network Europe.

Alarmed by this existing loophole, the Danish government was the first to launch a voluntary initiative that extends the ban to their national targets. They are expected to ask other Member States to sign a declaration at the upcoming Environment Council in June.

Meanwhile CDM Watch, the Environmental Investigation Agency (EIA) and Sandbag Climate Campaign have called on all EU Member States in open letters to take immediate action to exclude these credits from national registries as soon as is feasible.

"In the absence of a clear commitment, some Member States will continue to use these credits to count towards their national targets, despite banning companies from using them" said Clare Perry, Senior Campaigner with the Environmental Investigation Agency (EIA). *"There cannot be a double standard for what constitutes genuine and responsible emissions policy"* she added.

¹ European Commission: Draft REGULATION of determining, pursuant to Directive 2003/87/EC of the European Parliament and of the Council, certain restrictions applicable to the use of international credits from projects involving industrial gases, available at: http://ec.europa.eu/clima/documentation/ets/docs/qualityreg_en.pdf

A number of EU Member States have indicated they will follow Denmark's direction, including the Irish and the German governments. But remaining governments, including the Swedish and Italians have yet to make commitments.

"It would be hypocritical and a competitive disadvantage if, say, the Swedish government was allowed to keep using the toxic credits while it has endorsed a Regulation that prohibits its energy utility Vattenfall to do so" said Eva Filzmoser, Programme Director of CDM Watch.

"We call upon all 27 EU Member States to take action at the national level in order for the ban on industrial gas offsets to become truly comprehensive" said Sam Van den plas of the WWF European Policy Office.

ENDS.

You can download the Open Letters to EU Member States [here](#).

Press Contact:

Tomas Wyns (CAN Europe)
+32 473 84 03 22
tomas@caneurope.org

Clare Perry (Environmental Investigation Agency)
+447747452026
clareperry@eia-international.org

Eva Filzmoser (CDM Watch)
+32 499 21 20 81
eva.filzmoser@cdm-watch.org

Sam Van den plas (WWF European Policy Office)
+32 485 952201
svandenplas@wwf.eu

**** ** *