

Bangkok, 5 September 2012

Statement by CCAP and CDM Watch on the G77 proposal to address AAU surplus

The Centre for Clean Air Policy (CCAP) and CDM Watch welcome the proposal to address AAU surplus presented yesterday by G77. It is a good step in the right direction because it cancels 13Gt of AAU surplus at the end of the second commitment period (CP2) in 2017 or 2020, depending on the length of the second commitment period.

Although it allows full carryover of AAUs, it does not permit trading. The carried over AAUs can only be used for domestic compliance at the end of CP2 if emissions are greater than the assigned amount of that period.

Anja Kollmuss, carbon market expert at CDM Watch said: *“Carried-over AAUs will not have major consequences since the targets of Parties such as the EU's -20% a relatively unambitious. This means that the EU and most other parties will not need to use this surplus for compliance.”*

Tomas Wyns, Director at CCAP-Europe added: *“We particularly welcome that the proposal aims to avoid another surplus after 2012.”*

This would happen through the cancellation of the difference between the target of second commitment period (CP2) and the actual emissions in 2012 if these emissions are lower than the CP2 target. The cancellation of the possible CP2 surplus would imply that some EU Member State targets need to be strengthened.

**** **

For more information see

- Press Release [“New study shows loopholes could nullify climate commitments”](#), August 2012
- Policy Brief [“The Phantom Menace An introduction to the Kyoto Protocol Allowances surplus”](#), July 2012

Contact:

Eva Filzmoser

eva.filzmoser@cdm-watch.org

+66 (0)890 73 88 25

Tomas Wyns

twyns@ccap.org

+32 (0)473 84 03 22