

**In light of *WORLD EARTH DAY* on 22nd APRIL, the ESG would like to discuss
“Gibraltar and the Emissions Trading Scheme”**

It is increasingly being recognised that climate change is a real and growing threat throughout the world and the potential impacts such as sea level rise and an increase in extreme weather events are as pertinent here in Gibraltar as anywhere else in the world.

Internationally, measures adopted to try and reduce climate change are the United Nations Framework Convention on Climate Change and its associated Kyoto Protocol. The Protocol sets binding limits for emissions of carbon dioxide and other greenhouse gases which are intended to ensure an overall reduction in emissions of 5% below 1990 levels by 2012. Over 160 countries across the World have ratified the protocol, with the notable exceptions being USA and Australia.

In order to help countries to meet their Kyoto targets, several ‘flexible mechanisms’ were introduced. At present, the most developed of these is the emissions trading scheme whereby countries that have ratified the Protocol will be assigned a number of emissions permits and be allowed to trade these internationally. Permits will be assigned to each party on the basis of its carbon emissions limit, but it will then be free to buy or sell permits on the international market. In this way, the total permitted volume of carbon emissions will not be exceeded. This mechanism theoretically reduces the economic burden of reducing emissions and also provides a strong incentive for countries to invest in cleaner technologies in order to allow them to sell more of their permits

The Protocol clearly states, however, that trading must be supplemental to domestic actions to reduce emissions.

Somewhat unbelievably, Gibraltar claims it is not a signatory to the UNFCCC or the Kyoto Protocol yet it intends to participate in the European Emissions Trading Scheme. It is hard to understand how this is even possible but more disturbingly, in its National Allocation Plan, the Government clearly states that it has no intention of investing in cleaner technologies or renewable energy sources and that it intends to pursue a ‘business as usual’ scenario, which will undoubtedly result in increased levels of carbon dioxide.

This apparent intention to take advantage of the economic opportunities presented by emissions trading without taking on any responsibility to reduce Gibraltar’s emissions is absolutely disgraceful and a complete distortion of the spirit of the law in which the scheme was created. Global environmental problems *will* affect Gibraltar and we have as much responsibility to make changes as any other nation.

The ESG calls on Government to review its National Allocation Plan, to give due consideration to the importance of renewable energy sources in Gibraltar’s future and to make a commitment to reduce Gibraltar’s greenhouse gas emissions. In the meantime we urge the public to show their concern over global warming and their commitment to making a difference by participating in Exhaust Free Day on the 22nd of April and leaving their cars and motorbikes at home.