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## EU May Toughen Emissions Trading Scheme

Finding that member states have exploited the weaknesses of ETS, the commission has asked a group of experts for new ideas

by [Honor Mahony](#)

The European Commission announced on Monday (13 November) that it is looking into tightening the rules on its green Emissions Trading Scheme (ETS) whose weaknesses have been exploited by member states.

It has set up a group of experts to look into the problem areas and come up with new proposals to amend the current law next year.

"We now need to see how we can further improve the scheme. The better its design, the easier it will be for other countries to adopt similar policies," said environment commissioner Stavros Dimas.

Among the proposals being looked into is extending the scope of the current scheme to include other gases such as from ammonia production and methane from coal mines.

Lengthening the time period for national allocation plans - government carbon emission allowances to firms - will also be a point of discussion. At the moment they are just made for five years with green groups arguing that this is unpredictable - 10 and 15-year allocation will instead be examined.

The experts will also look into whether an EU-wide emissions cap should be set for after 2012 and whether monitoring and reporting emissions should be harmonised.

The commission also said it is looking to include airline emissions of carbon dioxide in the scheme and is planning to publish its proposal in a couple of months. The heavily polluting air sector has until now been left out of the ETS.

In a further tightening up of the EU's commitment to the environment, Mr Dimas last week indicated that Brussels may reject allocation plans it believes are too lenient.

The emissions trading scheme, set up in 2005 and running out in 2012, allows industrial polluters to buy and sell pollution allowances, and as the EU's main weapon for fighting climate change was the first of its kind in the world.

However, Brussels was not allowed to reflect long in green glory with the scheme being almost immediately undermined by national governments who either handed in their plans to the commission too late or were too generous in their allowances to industry.

The scheme - designed to help the bloc cut greenhouse gas emissions by 8 per cent below 1990-levels by 2012 - has also been criticised for its weak limits on CO2 emissions and for allowing too much use of imported credits.

The EU's move to crackdown on green sinners and expand the ETS to other countries such as Norway, Liechtenstein and Iceland comes as ongoing international UN talks on climate change in the Kenyan capital, Nairobi, focus on the next steps after the Kyoto Protocol comes to an end in six years' time.

So far, progress has been slow with representatives from the 190 countries at the summit refusing to put their cards on the table and make concrete commitments.

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