

Kyoto Derailed by Financial Crisis

By Dr Fred Hansen

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I always wondered how environmental policies were able to escape the inevitable watering down in political horse-trading. For decades the over ambitious Kyoto targets for cutting carbon emissions have survived unblemished – thanks to powerful green lobbying. Yet finally this exception of the rule seems to be fading. Firstly, many European countries, among them the United Kingdom, are trying to water down their Kyoto targets. They want to raise their allowance for offsetting emissions reductions under the Clean Development Mechanism (CDM) by purchasing carbon credits from developing countries from 30 percent to 50 percent. However, the CDM is already regarded as dodgy because some cheat with the technology transfer to developing countries, which earns them credit points under Kyoto. For it sometimes counts investments that would have been done anyway and are only relabeled under Kyoto, achieving no CO₂ savings whatsoever. [According](#) to the BBC:

Various reports suggest that between 20 percent and 60 percent of CDM projects do not save additional CO₂.

Secondly, a recent revolt against the Kyoto targets has emerged from eight European countries, led by Catholic Italy and Poland. It seems the global financial crisis, as The Times [reported](#), may be achieving what sound arguments against poor efficiency of cap and trade de-carbonizing of our economy failed to do. The whole European climate change push seems now in disarray.

Plans for binding European legislation by December were dropped as the EU watered down the carbon dioxide blueprint that it had announced with a fanfare 18 months ago.

And it is unlikely that the rotating French EU presidency will be able to sort out the mess until before 1 January 2009 when one of the most outspoken opponents of Kyoto policies, Czech president Vaclav Klaus will take over Sarkozy's job. Oh well...