



Press Release  
The Sustainable Energy Forum Inc  
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### **Emissions trading is ineffective in reducing gross greenhouse gas emissions**

Available evidence internationally suggests that the current emissions trading scheme (ETS) will be an almost completely ineffective means of reducing New Zealand's gross greenhouse gas emissions. In a written answer to a Parliamentary question last August, the previous Climate Change Minister, David Parker, stated that the ETS then being proposed was estimated to reduce our gross greenhouse gas emissions by only 1% by 2012, which is such a small reduction that it is of no real consequence.

In an editorial in the latest issue of EnergyWatch, the journal of the Sustainable Energy Forum, the editor, John Blakeley, notes that an ETS must be seen primarily as a revenue generation exercise to cover the cost of purchasing carbon credits, rather than as a likely way of reducing our gross greenhouse gas emissions.

"If the present Government is going to rely on a proposed ETS to try and substantially trim New Zealand's gross greenhouse gas emissions by 2012, it will be making a very big mistake" Mr Blakeley said.

Recently (15 April) a report released by the Ministry for the Environment showed that the previous liability under the Kyoto Protocol had now shifted to an estimated surplus of \$241 million up to the end of 2012. However, an analysis of the figures shows that the present economic recession has had remarkably little impact so far on the figures for estimated gross carbon dioxide emissions in areas such as energy, transport and industrial emissions. The change from a liability to a surplus has come about mainly from two biological sources.

1. A reduction of methane emissions nationally as a result of significantly reduced livestock numbers caused by the recent drought; and
2. New ways of measuring carbon storage and tree-felling patterns, have pushed up the amount of carbon that we can claim is being stored in our forests.

"But the drought has already gone away and livestock numbers will increase again. Also those carbon-storing trees will eventually be felled. Therefore it is likely that this temporary change in estimated liability will have no longer-term impact on New Zealand's increasing greenhouse gas emissions" Mr Blakeley said. "We must

substantially reduce the carbon dioxide emissions generated by the burning of fossil fuels, in order to reduce these emissions."

"If New Zealand really does want to take action to reduce its gross greenhouse gas emissions down to a level which is internationally acceptable, then it should be considering measures which directly reduce emissions in the key areas of their growth" Mr Blakeley said.

The latest (April 2009) issue of EnergyWatch can soon be viewed at [www.energywatch.org.nz](http://www.energywatch.org.nz)

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