

OVERSEAS EXAMPLES OF EMISSIONS TRADING

The following are some emissions trading schemes proposed or in operation overseas:

Country	Description of scheme
Australia <ul style="list-style-type: none"> Australian Emissions Trading Scheme New South Wales GGAS 	<p>Proposed Cap and trade scheme. Aims to be ready to commence in 2011, and will commence not later than 2012. Proposed coverage includes direct emissions from large facilities and upstream fuel suppliers for other energy emissions. May initially exclude agriculture and land use emissions (although energy use in agriculture would be captured). Non-covered sectors may be included via offset projects.</p> <p>State wide benchmarked trading scheme operating since 2003. Covers emissions from electricity generation. Other sectors may be included via crediting of offset projects.</p>
European Union <ul style="list-style-type: none"> EU ETS 	<p>EU wide cap and trade scheme. The world's first and largest mandatory trading scheme for CO₂ emissions. Phase I commenced in 2005 covering CO₂ emissions from major installations in selected sectors, including energy, ferrous metals, mineral industry and pulp and paper. Limited expansion to other sectors (aviation) is proposed for the second phase (2008-2012). The European Commission is soon to release a proposal for expansion of the EU ETS to include other sectors and gases in the third phase of the scheme beginning in 2013.</p>
Japan <ul style="list-style-type: none"> Voluntary Emission Trading Scheme 	<p>Voluntary scheme combined with incentives for participants. First phase launched in 2005 covering CO₂ combustion from participating companies.</p>
New Zealand	<p>Cap and trade ETS announced to commence in 2008. Proposal is for a mandatory scheme that will cover all sectors and all greenhouse gases by 2013.</p>
Norway	<p>Cap and trade scheme for CO₂ emissions from large direct emitters in selected (mainly industry) sectors for 2005 to 2007. Full linkage to the EU ETS is proposed from 2008.</p>
Switzerland	<p>Voluntary scheme in conjunction with an exemption from proposed mandatory CO₂ taxes (targets under the scheme become mandatory from date of introduction of taxes). Trading to commence in 2008. Covers CO₂ emissions from large companies or groups of companies that opt in to the scheme.</p>
United Kingdom <ul style="list-style-type: none"> Carbon Reduction Commitment 	<p>Proposed mandatory auction based cap and trade scheme (following an initial 3 year period with non-capped fixed price sale of allowances). Covers direct and indirect (electricity) CO₂ emissions from large non-energy intensive business and public sector entities. Applies to entities above a threshold for electricity consumption. Emissions covered by UK Climate Change Agreements or direct emissions covered by the EU ETS are excluded.</p>
United States <ul style="list-style-type: none"> Regional Greenhouse Gas Initiative Western Climate Initiative 	<p>Cap and trade for CO₂ emissions from fossil fuel electricity generators above a size threshold of 25MW in 7 Northeastern states. Credits from offsets from other sectors and gasses may be used to comply with obligations. First phase proposed from 2009-2015, second phase proposed from 2016-2020.</p> <p>Collaboration between 6 Western US States and 2 Canadian Provinces. An aggregate goal to reduce emissions to 15% below 2005 levels by 2020 has been set. The design of a market-based, multi-sector mechanism to help achieve that goal is expected by August 2008.</p>

