

CARBON LAW

Welcome

Welcome to the Summer issue of our **Carbon Law Newsletter**, a bulletin which is intended to keep you informed of key climate change and emissions trading issues.

Burges Salmon acts for clients on a national and international basis in the emissions trading sector, including the UK Government. Chambers 2006-7 noted that *"Burges Salmon has emerged as one of only a few firms who can demonstrate genuine experience in this area."*

If you would like further details on any of the areas covered in this Newsletter, please request more detailed briefings by returning the faxback form enclosed with this edition.

If you would like others in your organisation to be added to this bi-annual briefing please email georgie.messent@burgessalmon.com

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Climate Change and Emissions Trading



As Sir Nicholas Stern's report confirmed and as further supported by the conclusions of the Fourth Assessment Report from the Intergovernmental Panel on Climate Change that identified global warming caused by human activities since 1750, climate change is the most serious long term threat to our prosperity and way of life.

Climate change is likely to directly impact on the public and private sector through changing international, European and domestic legislation, greater public awareness and climate-related events such as flooding, landslips and more severe storms.

Many people agree that emissions trading is a key

tool in reducing emissions in a cost-effective manner and an important contributor to the battle against climate change. In practice, however, companies are currently finding that, because of the very low price of EU Allowances (EUAs) in Phase I of the EU Emissions Trading Scheme (EU ETS), energy efficiency drivers are far greater instigators of changes leading to emissions reductions.

This Newsletter summarises some of the key emissions trading and climate change issues and this edition, together with future bi-annual newsletters, will help keep you informed of changes in this area.

Report on 2nd year of Phase I EU ETS

The European Commission has now published preliminary data regarding CO₂ emissions from industrial plants for 2006, the second year of Phase I of the EU ETS (which runs from 2005-2007). The data show that aggregate emissions across the EU rose in 2006, with increased emissions being reported by the EU's three largest emitting countries, the UK, Germany and Poland, while emissions fell in France, Spain and the Czech Republic.

Despite the rise, emissions were still below the

aggregate EU cap for 2006 established by the Member States' National Allocation Plans (NAPs) for Phase I. The data would therefore appear to confirm previous indications of an overall surplus of allowances for Phase I. Whilst market analysts have urged caution in reaching such a conclusion, citing the incomplete nature of the data, the Commission itself has been swift to acknowledge an over-allocation of allowances in Phase I and is now looking to create real scarcity in Phase II by taking a robust approach to its review of draft Phase II NAPs.

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Update on Phase II National Allocation Plans

EUA Prices

Phase I EUAs have proved highly disappointing as a driver towards emissions reductions, with prices dropping from a peak of over €30 in April 2006 to €0.29 as at 18 May 2007. Critics have attributed the collapse in prices primarily to the Member States' over-allocation of allowances in their Phase I NAPs. The Commission's tough line on Phase II NAPs has however contributed to a much healthier price for Phase II EUAs.

The Commission has now issued decisions on the large majority of the NAPs for Phase II of the EU ETS, which will run from 2008 to 2012. Following the decision regarding Italy's NAP (published on 15 May 2007), only decisions regarding Bulgaria, Cyprus, Denmark, Finland, Portugal and Romania were outstanding. Of these countries, only Bulgaria has not as yet submitted its draft NAP to the Commission.

After heavy criticism of the lack of scarcity created by its decisions on the NAPs for Phase I, the Commission has adopted a much more hardline approach to the Phase II NAPs. Most of the decisions require significant reductions in the caps for 2008-2012 from the levels proposed by the Member States – for example, Poland's proposed cap was cut by 27%. Unlike many others, the UK NAP survived unscathed, subject to the UK including Gibraltar in its plan.

Slovakia has decided to challenge the Commission's decision to cut its cap by 25% and filed papers with the European Court of Justice on 7 February 2007. Poland and the Czech Republic also announced on 25 May their intention to take the Commission to court over the reductions imposed on their caps. Several

other countries have expressed dissatisfaction with their revised allocation, but have decided against mounting legal challenges.

Various companies have also decided to sue the Commission. British company Cemex filed papers on 12 January, while two cases were filed on the same day that Slovakia filed its case: one by Slovakia-based US Steel Kosice concerning its allocation under the Slovakian NAP; and a joint filing by chalk- and lime-producer Fels-Werke GmbH and Saint-Gobain Glass Deutschland, concerning their allocations under the German NAP.

In response, the Commission noted that challenges, whether by a Member State or a company, do not suspend the NAP, which continues to have full force and effect unless and until the ECJ makes a decision.

In a separate development, the Commission is taking legal action against seven Member States for not providing important technical information relating to their greenhouse gas emissions targets under the Kyoto Protocol, or for failing to provide complete reports on their progress in limiting or cutting emissions.

Proposed extension of emissions trading to public and private sectors in the UK

The Government has just closed its time for Consultation responses on measures to reduce carbon emissions in the large non-energy intensive business and private sectors. The Consultation invited views on proposals for an Energy Performance Commitment (EPC), that will function as an auction-based "cap-and-trade" programme. After publication of the Energy White Paper, the EPC is now known as the Carbon Reduction Commitment (CRC). Participants would be required to purchase allowances corresponding to their emissions from energy use and then surrender them to a coordinator.

The types of organisations potentially covered by the CRC will include those with mandatory half-hourly metered electricity consumption exceeding 6,000 MWh per year, and will exclude organisations in the EU ETS, in Climate Change Agreements or which have more than 25% of their energy use emissions covered in Climate Change Agreements.

We understand from Defra that approximately 4,000-5,000 organisations are likely to be covered by the revised CRC threshold of 6,000 MWh, which was raised from the EPC proposal and consultation threshold of 3,000 MWh. Furthermore, Government has left open the door for expanding the CRC below

the proposed 6,000 MWh threshold, by stating in the Energy White Paper that the experience gained from the first phase of the CRC will be used to determine if it is cost-effective and proportionate to extend the scheme to organisations with lower energy consumption.

Organisations affected by the CRC could include: large retailers and supermarkets, hotel chains, fitness centre chains, multiplex cinemas, mobile phone network operators, rail transport operators, large commercial laundry services, large office-based service organisations, light industry and manufacturing, government departments, hospitals, universities and local authorities.

Our understanding is that the general consensus from the Defra workshops was for a mandatory system and that the CRC is essential – this has, at least in part, triggered the proposals for a mandatory CRC proposed by the Government in the Energy White Paper. Current proposals are for the CRC to commence with an introductory phase in January 2010. Two detailed articles on the CRC, for public and private sectors generally, and for rail operators specifically, can be obtained using the enclosed faxback form.

Emissions Trading Post 2012

Businesses and EU Member States have for some time been pushing for negotiations on a deal for post-Kyoto and clear guidance on what will happen post-2012 at the EU level. Much to the frustration of the UK Government, as well as public and private sector companies:

- the future of the EU ETS beyond the second phase (which finishes in 2012) remains uncertain;
- international targets under the Kyoto Protocol are also set to end in 2012, with no decision on what measures will be in place post-2012; and
- long-term investment in emissions reduction projects is also being affected by the lack of a European Commission guarantee that credits from JI and CDM projects, or similar mechanisms, will be valid for compliance beyond 2012.

Companies are crying out for confirmation of the likely regulatory environment and their potential costs in relation to emissions – this, they state, is essential to create a stable value of carbon and inform decisions on replacement or modification of plant and equipment that will have a lifespan and payback period well beyond 2012.

At an international level, it is hoped that June's G8 summit will provide a crucial signal that negotiations on a broad and comprehensive agreement will be launched by December 2007 (when the parties to the UN Framework Convention on Climate Change and

the Kyoto Protocol hold their annual conference, in Bali) and concluded by December 2009. However, the US and large developing nations remain reluctant to take on absolute cuts for fear it might restrain their respective economies.

At a European level, the European Parliament announced at the end of April that it is setting up a temporary committee on climate change to advance proposals on climate change policy for the EU. The committee will be asked to formulate proposals on the EU's future climate change policy and coordinate the Parliament's position in the negotiations on an international framework to take effect when the Kyoto Protocol's first commitment period, and the second phase of the EU ETS, runs out in 2012.

The review of the EU ETS is entering a decisive phase, with the European Commission's announcement that it will table formal proposals in the second half of 2007. At the time of writing, it is expected that the Commission will propose changes to the Directive that will help improve the design and functionality of the Scheme. The Commission has also begun the delicate task of drawing up a new "burden-sharing" agreement, which will allocate the responsibilities for achieving the EU's 20% reduction target between the 27 Member States. It is expected that the Mediterranean countries, who escaped lightly in the EU's existing burden-sharing agreement (put in place to implement the EU's Kyoto obligations), will be hardest hit.

Carbon Offsetting and VERs

Government is currently trying to encourage offsetting for emissions produced by particular everyday activities, such as flying or heating a home, through an equivalent carbon saving that can be obtained from projects that have reduced carbon emissions. Against this backdrop and as part of a package of measures to help tackle climate change, Defra launched a consultation on a voluntary Code of Best Practice for carbon offsetting on 18 January 2007. A summary of responses was due by May 2007 and the Code of Best Practice is expected to become operational from Autumn 2007.

Many of the offsetting schemes currently available to consumers come from the unregulated market, i.e. purchasing non-certified credits known as voluntary emissions reductions (VERs). Although there is a voluntary international standard for VERs, the sector is essentially unregulated.

The Code of Practice proposed by Defra is intended to provide a framework that offset providers can sign up to, which in turn will support the development of robust, transparent, reliable and timely carbon offset products that offer genuine value for money to consumers. However, the Code proposes that best practice in carbon offsetting requires use of verified certified credits such as CERs¹, EUAs² or ERUs³ and will not allow use of VERs.

Burges Salmon is advising Defra on the UK's flagship Government Carbon Offsetting Fund, to meet the commitment to offset carbon dioxide emissions arising from central Government air travel from April 2006 to April 2009 and is tracking developments in this area very carefully. For further information please contact Georgie Messent on georgie.messent@burges-salmon.com or 0117 902 7732 or Graham Soar on graham.soar@burges-salmon.com or 0117 902 6347.

¹ Certified emission reductions (CERs) from Kyoto Protocol clean development mechanism projects.

² EU Allowances (EUAs) from the EU Emissions Trading Scheme.

³ Emission reduction units (ERUs) from Kyoto Protocol joint implementation projects, which are less readily available.



“The Defra Code of Practice is intended to support the development of robust, transparent reliable and timely carbon offset products”

Proposals to tackle emissions from the transport sector

In January 2007, the European Commission published a paper called "Limiting Global Climate Change to 2°C – The Way Ahead for 2020 and Beyond", which noted that EU transport emissions have continued to grow, cancelling out a large part of the reductions achieved in other sectors. In response, the Commission has published a much more comprehensive strategy to limit emissions from the various transport sectors and emissions trading is central to many of its proposals.

This section of the Newsletter summarises the current proposals for regulation of emissions from the car transport, aviation, rail and shipping sectors.

Car Transport

In February 2007, the Commission adopted a comprehensive new strategy to reduce CO₂ emissions from new cars and vans. The new strategy will operate alongside the revision of fuel quality standards proposed the previous month and is designed to enable the EU to reach its objective of limiting average emissions from new cars to 120 grams per km (g/km) by 2012.

The German government, current holder of the EU Presidency, has already indicated that it will endorse the Commission's plans for binding legislation to limit emissions to 130 g/km (with the other 10g/km to come from softer, "complementary measures" such as increased use of biofuels) and will ask other Member States to back a resolution to that effect at the June Council meeting.

The 130g/km target has, predictably, been criticised as arbitrary and far too stringent by European carmakers and as disappointingly unambitious by environmental groups and the new chair of the European Parliament's Environment Committee. Both carmakers and the Committee are, however, agreed that the deadline of 2012 is unrealistic.

In the UK, meanwhile, a raft of fiscal initiatives have been introduced over the last few years to drive motorists towards more environmentally friendly vehicles, as have requirements for minimum percentages of biofuels in petrol and diesel.

Aviation

International aviation is not yet covered by the Kyoto Protocol and, while the EU's total greenhouse gas emissions fell by 3% from 1990 to 2002, emissions from international aviation rose by 70% in the same period. The Commission's response to this startling statistic was to draw up (in December 2006) a proposal on including aviation within the EU ETS, which it claims would constitute the most cost-effective way for the sector to control its emissions.

The proposal provides for incorporation of aviation in two steps. From the start of 2011, emissions from all domestic and international flights between EU airports would be covered. From the beginning of 2012, the scope would be expanded to cover emissions from all international flights that arrive at or depart from an EU airport.

The proposal is now with the European Parliament for discussion and the first debate has already been held. There was support for introducing aviation into the EU ETS in 2010 instead of 2011, but also for delaying the introduction until either a new global climate policy is in place or a global aviation emissions trading scheme is introduced. Adoption as a directive will take 1-2 years.

Initial projections were that including aviation in the EU ETS would have no significant impact on EUA prices, but commentators have warned that prices could increase by 5 Euros per tonne if the massive increase in demand for credits from airlines is not accounted for.

In the UK, the Government has launched its own consultation, which seeks views not only on the proposal itself but also on the UK government's initial analysis of the changes required to the proposal. The consultation closed on 1 June 2007.

Rail

While there is little in the way of EU action to limit carbon emissions from rail transport (the Commission tending to view rail as a low carbon alternative to aviation and car transport), a UK initiative will (if enacted) draw rail operators into a new national "cap-and-trade" emissions trading scheme.

The Carbon Reduction Commitment (CRC, see above), on which the UK Government consulted early in 2007, will apply to organisations with mandatory half-hourly metered electricity consumption exceeding 6000 MW per year (equivalent to an annual electricity bill of £500,000). Most, if not all, rail operators in the UK are likely to fall within the scheme.

Ultimately, the Environment Secretary, David Miliband, is keen to see an expansion of the EU ETS to include road and rail transport in the next phase, particularly as transport emissions emerge as the fastest growing area and will make it difficult for the Government to meet its target of 20% CO₂ reduction by 2010.

Shipping

Carbon emissions from shipping (which transports 90% of goods globally) account for around 5% of the global total and are growing fast – researchers warn that such emissions may rise by 75% in the next 15 to 20 years. But shipping's carbon emissions are currently unregulated, falling outside both the Kyoto Protocol and



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the EU ETS, with Directive 2005/33 only covering sulphur emissions.

However, after a recent report from a consortium of experts⁴ recommended that including CO₂ emissions from shipping in the EU ETS would be the most effective way to reduce the sector's climate impact, the Commission has confirmed that the shipping sector will be brought into the EU ETS and proposes consultation in the autumn on potential legislative proposals. The Commission's decision has already encountered stiff opposition from the shipping industry. At a global level, the International Maritime Organisation (IMO) has developed policies and

⁴Greenhouse Gas Emissions for Shipping and Implementation Guidance for the Marine Fuel Sulphur Directive, by CE Delft, Germanischer Lloyd, MARINTEK and Det Norske Veritas, December 2006

practices on the reduction of greenhouse gases, introducing regulations to limit NO_x and SO_x emissions (e.g. requiring use of scrubbers, low-sulphur fuels, etc). But the Commission feels that the IMO has not made sufficient or fast enough progress to cut carbon emissions, and has concluded it is now necessary to bring shipping within the EU ETS.

Burges Salmon will continue to monitor the development of emissions trading and related proposals for the transport sector, which will have important consequences for designers, manufacturers, retailers, purchasers and passengers in these sectors.

Norway to join EU ETS

Norway announced in March 2007 that, despite not being a member of the EU, its domestic emissions trading scheme will conform to the requirements of the EU directive governing the EU ETS. It will also establish a trading scheme for the 2008-2012 period, to coincide with the second trading period under the EU ETS. The linking of the two schemes will permit EUAs to be transferred between Norwegian companies and companies in the EU. Iceland, Liechtenstein and Switzerland (the remaining countries in the European Free Trade Area) have also agreed in principle to join the EU scheme in due course.

National Emissions Reduction Plan for large combustion plant

Following hard on the heels of the first two years of Phase I of the EU Emissions Trading Scheme and the Government's proposals for a Carbon Reduction Commitment (as described above), the Government has proposed a National Emissions Reduction Plan for Large Combustion Plants (LCP).

The NERP is intended to enable LCP operators to trade emission allowances for sulphur dioxide, nitrogen oxides and particulates, while preventing

them from emitting an amount of these pollutants that is greater than that for which they hold emission allowances.

The Consultation on the NERP was launched on 27 February 2007 and closed on 22 May 2007. A more detailed article on the proposed National Emissions Reduction Plan can be obtained using the enclosed faxback form.

Climate Change Bill

Defra published its long awaited Draft Climate Change Bill on 13 March 2007. The Bill is intended to set out a clear, long-term legal framework for the UK to achieve its goals of reducing carbon dioxide emissions and to ensure that appropriate steps are taken towards adapting to the impacts of climate change. The aim is to introduce the Bill into Parliament in Autumn 2007, so the eventual contents of the Bill may change. The key features of the Bill as published are:

- A legal duty on the Secretary of State to ensure that the 'net UK carbon account' in 2050 is at least 60% lower than the 1990 baseline of carbon dioxide emissions;
- Five yearly carbon budgets for the UK, to be set 5 years ahead in what are called 'budgetary periods';
- A legal commitment to reduce carbon dioxide emissions by 2020 to between 26% and 32% lower than 1990 levels;
- Enhanced duties on Ministers to report to Parliament on carbon dioxide emissions, and on adaptation to climate change and current and predicted climate change impacts;

- Emissions from aviation and shipping are outside this system at the outset, but may be added by later regulations;
- Powers to make regulations recording 'carbon credits' and 'carbon debits';
- A Committee on Climate Change to advise the Secretary of State; and
- New powers to make regulations establishing domestic trading schemes for limiting activities contributing to greenhouse gas emissions or encouraging activities which reduce such emissions.

While the wording of the draft Bill requires any allowances allocated under any new scheme to be allocated free of charge, it is now obvious from the Energy White Paper (see below) that the Government has acknowledged that auctioning can be an important component of such schemes. It is now proposing that, after an initial period during which CRC allowances will be sold at a fixed price, allowances will thereafter be auctioned. (Please see the above article for further information on the CRC.)



"The Climate Change Bill includes a legal commitment to reduce CO₂ emissions by 2020 to between 26% and 30% lower than 1990 levels."

Climate Change Bill continued

The Climate Change Strategic Framework document, published by Defra at the same time as the Bill, tries to set the Bill in the context of other major policy statements expected from the government and the European Union in the coming months.

The Climate Change Strategic framework document also trails proposals to be expected in the Planning

White Paper on proposals to remove planning barriers to low-carbon energy such as wind farms, the Energy White Paper and the forthcoming Waste Strategy. We expect to be advising Burges Salmon clients on these areas in the coming months and will update you in our next Newsletter.

Emissions reductions and the planning system

The other articles in this briefing have concentrated on the emerging mechanisms by which regulation is being extended to bring more activities within the ambit of emissions trading, with the objective of promoting the reduction of carbon emissions. Here we briefly describe how the planning system is responding in a number of ways to the drive to reduce emissions.

Planning Policy

The Town and Country Planning system has been steadily moving its focus toward sustainable development for many years, with planning policy especially having been used as a tool to encourage such development. Principles such as new development minimising reliance on car use and encouraging public transport are now firmly established throughout the development control process.

Most recently, however, the aim of achieving emissions reductions through new developments has resulted in more measurable targets being introduced into development control policies.

Existing and emerging targets like this include a ten per cent renewable or low-carbon energy target for major schemes, the requirement via the planning system to meet a code for sustainable homes with ratings for new homes covering matters such as energy, water, materials, waste, pollution, and ecology, with minimum energy and water standards at each code level and similar requirements in respect of commercial buildings which are delivered through compliance with a BREEAM rating.

Community Benefit

One area that may provide a direct link between emissions trading and the planning system would be the ability to allow the community affected by new development to share any financial benefits that may be achieved through emissions trading associated with new development.

The provision of community benefit structures associated with new development is an emerging area of planning practice. Whilst in no way a mandatory requirement, developers of new energy generation developments, for example, now regularly offer community benefit packages to recompense local communities for the impact those communities will bear for the benefit of wider society.

The challenge is to offer benefit structures that are ideally self financing and which can be seen to have a meaningful link between the impact the development will cause and the mechanism suggested to compensate for it.

We are seeing a rapid expansion of the types of developments that will be required to participate in emissions trading and a growing acceptance that activities not so regulated can seek green credentials by offsetting their activities by investment in local, national and overseas projects that reduce emissions.

These factors combine to provide growing opportunities for a whole range of new developments to offer community groups the ability to share in the financial benefits that can be achieved through the market in emissions trading. An example might include a new development offering financial support to local microgeneration projects to offset its carbon footprint, funded through that new development's emissions trading performance. Revenue generated through such a source may be seen to be "greener" than simple cash contributions from a developer, may be perceived by the community as a closer participation by it in global emissions reduction and allows a community to accept that it is sharing some risk in the success of the development it is supporting.

For more information on planning issues please contact Patrick Robinson at patrick.robinson@burges-salmon.com or 0117 902 2740 or Elizabeth Dunn at elizabeth.dunn@burges-salmon.com or 0117 902 2738.



“Developers of new energy generation developments... regularly offer community benefit packages.”

Energy Performance of Buildings

The Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 were laid before Parliament on 29 March 2007. They come into force in stages, on various dates between 19 April 2007 and 1 October 2008. Under the 2007 Regulations, sellers and prospective landlords of commercial and residential properties will be required to make energy performance certificates available to prospective buyers and tenants. A more detailed article on the 2007 Regulations can be obtained using the enclosed faxback form.

Stern Review on the economics of climate change

On 30 October 2006 the UK Government published a report by Sir Nicholas Stern, Head of the UK Government Economics Service and former Chief Economist to the World Bank, on the economics of climate change.

In summary, the Review sets out the political and economic context to major policy and legislative developments internationally, regionally at the EU level and nationally for at least the next 10 years. It has already been used by the UK Government in preparatory meetings for the next round of

discussions on plans for the period after the first phase of the EU ETS comes to an end in 2012.

The Review's findings are also being used by the UK Government to inform policy decisions and drafting of new legislation, as well as being influential in international discussions on the actions which should be taken to tackle climate change. The detail of the Review is not covered here as it has already been widely publicised. A longer briefing can be requested using the enclosed faxback form.

IPCC Report on climate change

The Intergovernmental Panel on Climate Change published the first of four parts of its Fourth Assessment Report on 2 February 2007. The first part covers the scientific basis for climate change and is the result of six years work by 2,500 scientific expert reviewers, 800 contributing authors and 450 lead authors in 130 countries. The comprehensive

nature of the IPCC's assessment will make their conclusions hard to ignore.

Burges Salmon is closely monitoring the contents of this Report and will include an update on it (as all four parts are due to have been published in final form by the end of this year) in the next edition of this Newsletter.

Global agreement on climate change



Legislators and political leaders from 20 countries, including China and the United States, signed an agreement in February 2007 that some claim will pave the way for a replacement to the Kyoto Protocol going forward from 2012. Although the resolution is nonbinding, it is thought significant that it:

- brings together both American and Chinese legislators

- represents some agreement that all countries including the major emerging economies should aim to have new targets for capping carbon dioxide emissions; and
- accepts that man-made climate change is now "beyond doubt".

Energy White Paper

The Government's major Energy White Paper will form one of the other key pieces in the Government's plethora of approaches to tackling climate change and, after delays caused by the Greenpeace High Court judgment on the consultation about nuclear power, was finally published on 23 May 2007. The detail of the White Paper is not covered here, as it has been widely publicised elsewhere. It is however worth noting that the UK Government gave the green light to a dramatic expansion of emissions trading in the UK commercial sector, as noted in the above article on the CRC. To receive our special briefing on the White Paper please complete the faxback form enclosed with this Newsletter.

European Energy Efficiency Action Plan

In October 2006, the European Commission launched an Energy Efficiency Action Plan (EEAP), to be implemented over the next 6 years. It aims to ensure that energy consumption is 20% lower by 2020 across the EU than it would have been without intervention. This would mean we would use approximately 13% less energy than today, equivalent to cutting consumption by 390 million tons of oil, and it should represent 100 billion in fuel savings and around 780 tonnes of CO₂ each year (twice as much carbon dioxide as the EU's commitments under the Kyoto Protocol). The ambition of this plan should therefore not be underestimated, and the effects will feed through into more specific EU legislation over the next few years.

The EEAP has now been incorporated into the Energy Policy for Europe of 10 January 2007, a comprehensive package of measures aimed to combat climate change and boost the EU's energy security and competitiveness, in which the Commission reiterates the objective of saving 20% by 2020. The Commission also proposes a new international agreement on energy efficiency and offers to increase the reduction commitment to 30% as part of such an agreement.

For more information on the Stern Review or EEAP, please contact William Wilson at william.wilson@burges-salmon.com

For further information on the matters covered in this newsletter, please fill in the enclosed faxback form and send it to us.

Burges Salmon has one of the largest environmental law teams in the country and has the only dedicated environmental litigation team outside London. The Environmental Unit is nationally recognised by independent marketplace commentators and legal directories as one of the leaders in environmental law.

We also have dedicated Renewable Energy and Nuclear Teams which bring together two separate sets of experts from various departments of the firm that are familiar with their respective sectors. These teams complement each other, offer strength in depth, and are at the forefront of advising on legal issues in their respective areas.



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Georgie joined Burges Salmon's Environment Unit in 2001 after working at Freshfields Bruckhaus Deringer. Her current practice includes advising on a wide range of emissions trading and wider climate change issues and she is head of the cross-departmental Emissions Trading team. Georgie is advising Defra on carbon offsetting, is on the Defra panel advising on the CRC, has advised international banks on forward trading of CERs and is advising various heavy chemical manufacturers and others on the EU ETS. Georgie also advises on wider environmental and health and safety matters.



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Robert joined the Environment Unit January 2007. For four years post-qualification, Robert was a finance lawyer at a city law firm before deciding to retrain in environmental law. Advising businesses and governments on emissions trading - related issues now represents a substantial part of his practice. He also advises on renewable energy and other power projects.



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Graham joined Burges Salmon in 2004 from Slaughter and May. His current practice focuses on general corporate banking, derivatives, securitisation, project finance and debt securities. Recent experience includes advising a major international bank on forward trading agreements for CERs from various projects governed by an ISDA Master Agreement.



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Ian is the third partner in Burges Salmon's 14 strong environment team. He is a well known nuclear law expert. He was one of the first lawyers to join the UK's emission trading group which helped set up the pilot scheme and continues to advise low carbon businesses including the carbon trust.



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Ross Fairley was formerly a partner at Allen & Overy, London and joined Burges Salmon in 2004. He specialises in environmental law and particularly environmental issues affecting the energy sector. Ross has advised companies on challenging allocations under the EU emissions trading scheme, major electricity generators on maximising the benefits of carbon and renewables credits and companies setting up carbon offset schemes trading on the grey market.



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William joined the Environment Unit from the Solicitor's Office at the DoE/DETR/Defra where he spent nearly ten years on specialist environmental law, including work on the Climate Change Levy and Climate Change Agreements. At Burges Salmon, he has advised on nuclear law, gas and electricity regulation and Renewables Obligation issues, and recently gave evidence to two Parliamentary Committee inquiries into the Climate Change Bill.

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