Spain and the EU-ETS

Windfall profits
2008-2011
cement, steel and oil refining

Company*
Surplus in pollution permits
Estimated windfall profits (in euros)**

Arcelor Mittal
18.205.529
263 million

Cemex España
14.509.239
210 million

Repsol
7.240.164
105 million

Cementos Portland
6.670.113
97 million

Holcim España
5.118.732
74 million

Lafarge
4.502.078
65 million

Compañía Española de Petróleo (CEPSA)
3.370.375
49 million

Uniland
2.739.074
40 million

Which companies have profited most with the surplus of free pollution permits?

Source: Estimation by the authors based on the data of European Commission – Climate Action, Emissions Trading System, Registries, Verified emissions for 2011 [extracted 2 April 2012], http://ec.europa.eu/clima/policies/ets/registries/docs/verified_emissions_2011_en.xls

The Spanish State will need to buy more than **159 million offset credits** abroad to achieve its Kyoto commitments.

The cement sector accumulated the largest share of **windfall profits** throughout Phase II

The Spanish administration has invested an estimated **750** million euro of public funding in 'flexible mechanisms'.

Between 1993 and 2007, cement production increased by **70** per cent.

In 2005 **more houses** were built in the Spanish State than in France, Germany and the United Kingdom combined

The Spanish Carbon Fund is a public-private fund administered by the World Bank with a total capital of **US$278.6 million**.

Steel company **Arcelor Mittal** has the record windfall profits in Spain and Europe.

Between 1990 and 2007, **emissions** increased by **53** per cent.

The Spanish state is **subsidizing** Spanish corporations to implement offset projects in the South.

Repsol Oil is among the companies with most windfall profits.

Between 1999 and 2009, Spain added over **5,000** kilometers of highways.

Spain has the **longest** high speed rail network in Europe, and the second largest in the world, only after China.

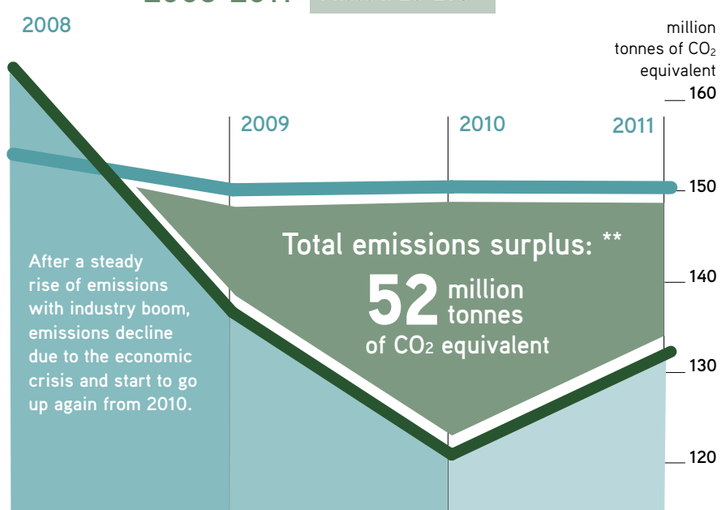
The 'coal decree' subsidized **393 million euros** of public funding to big polluters in 2011, and contributed to an estimated **35 per cent increase** in emissions that same year.

Most companies have experienced a decrease in emissions due to the economic crisis, thus have an excess of **free permits**.

* EC data on allocated and verified emissions are classified by installation, not by company. The authors have summed total permits based on installations that could be identified as part of the company.

** Calculations are based on the estimated average price of 14.47 euros, based on the BlueNet closing price statistics from 26/02/2008 to 23/05/2012.
See: http://www.bluenext.eu/statistics/downloads.php

Excess of carbon permits in the Spanish State
2008-2011 Phase II EU-ETS



Source: European Commission – Climate Action, Emissions Trading System, Registries, Verified emissions for 2011 [datos extraídos el 2 de abril de 2012], http://ec.europa.eu/clima/policies/ets/registries/docs/verified_emissions_2011_en.xls

* Each carbon permit equals one tonne of CO_2 equivalent

** The graph shows a lower surplus than the 8 companies combined on the left because total surplus subtracts the companies that had negative emissions.