

Green is the color of Money: The EU ETS failure as a model for the green economy

by Carbon Trade Watch
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New research reveals that the EU ETS has failed to reduce emissions while subsidizing polluters. The third phase of the EU ETS, due to start next year, will see the same pattern of subsidizing polluters (including airlines) and continue to use offsets as a way of evading emissions reductions, within the same financial markets that brought us the economic crisis.

The author of the report, Ricardo Coelho stated: "Carbon trading cannot deliver the necessary phase out of fossil fuels nor can it question the destructive over-production and consumption model that lies at the heart of industrialized countries' economies. By diverting resources to where it is cheapest to reduce emissions, carbon trading prioritizes end-of-pipe solutions, in detriment of more ambitious and just policies, and actually makes the environmental and climate crisis worse."

The controversial Rio text is expected to be agreed upon today with little opposition from Ministers at the RioCentro. However, yesterday on the streets groups marched with slogans, "No REDD" and "We Reject the Green Economy". The text "reaffirms" its commitment to sustainable development and to implementing a "green economy", it has been criticized for creating a roadmap towards commodifying "nature" that will see a new push for privatizing water, forests, lands and ecosystems.

Joanna Cabello, from Carbon Trade Watch stated: "The EU continues to use carbon markets to transfer its environmental commitments to developing countries in the Global South and is pushing the EU ETS as a roadmap for environmental services markets here in Rio. Rio+20 is a smokescreen for big polluters."

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