

Kyoto move boosts emission trade

Teresa Ooi | *December 05, 2007*

CARBON offset company CO2 Group's chief executive Andrew Grant has praised the Rudd Government for ratifying the Kyoto Protocol, claiming it will improve carbon trading.

"Carbon in Australia is traded at a substantial discount to Europe. We expect to see better pricing for carbon as a result," Mr Grant said yesterday at the two-day Emerging Companies Online conference organised by the Boardroomradio.com.

With the new Rudd Government's more assertive plan for carbon trading, Australia's world standing in carbon accreditation would be much improved, he said.

The Perth-based CO2 Group creates carbon credits for companies through long-term tree plantings.

CO2 has been accredited under the NSW Government's carbon credit scheme.

Last month, Woodside Petroleum and CO2 jointly agreed to set up Australia's biggest carbon offset program, planting up to 20 million mallee trees in NSW and Western Australia.

The program would be phased, with CO2 planting mallee trees at an estimated cost of \$25 million over 50 years.

Mr Grant said Qantas had launched a carbon-neutral program for passengers. The airline would pay \$500,000 to CO2 for the planting of about 90,000 mallee eucalypts.

The launch of the Qantas carbon offset program comes as airlines come under heavy attack in Europe by environmentalists who see the aviation industry as a major polluter. Qantas plans to reduce emissions by 2 million tonnes by 2011.

Mr Grant said that as the carbon credit scheme gathered momentum, more customers in various industries including music, banking, finance, food, leisure and tourism would buy products with better green credentials.