



## **World leaders in carbon trading**

**6 October 2008**

### ***London was the leading location for international carbon dioxide credit trading this year, according to a recent World Bank report***

Carbon investors based in the UK were responsible for buying 43 per cent of the carbon traded under the Kyoto Protocol, tripling the UK's share of the world climate change project investment market compared to 2005.

The international market has doubled during the last year, with around US\$22 billion in credits traded in the first nine months of this year, up from US\$10 billion for the whole of 2005.

"The City of London cemented its position as the leading location for international carbon trading this year," said Karan Capoor, co-author of the report, *The State and Trends of the Carbon Market*.

### ***Additional investment expected***

The European Commission announced tough new carbon limits last month, cutting member states' carbon permits by 7 per cent on average from 2008-2012.

This will drive additional investment in international climate change projects, as carbon credits from these projects can be used for European Trading Scheme (EU-ETS) compliance.

The high volume of carbon trading activity in London is expected to continue.

A recent UK government energy review confirmed that the EU trading scheme would be central to the long-term policy to reduce the impact of climate change through lowering carbon emissions.

Source: [www.ukinvest.gov.uk](http://www.ukinvest.gov.uk)