

## **NOAH's comments to the open letter to the President of the Commission, Manuel Barroso, from Climate Change Capital**

EU ETS has not been able to function. The allowance price collapsed completely in 2007, and today it is still so low that it does not have any positive effect. The European Parliament has barely implemented the Commission's proposal for 'backloading', so a large number of allowances are temporarily put out of the market-place.

However, it is difficult to see how a mechanism that is market-based, can be effective when the market fluctuates or goes into a full-blown crisis. It is a contradiction in terms that a market-based mechanism can remediate a market-failure.

If the allowance price went up sufficiently, then it would mean more money for CCS - which we for many reasons oppose.

## **NOAH's comments to the op-ed from Climate Change Capital's Ian Temperton**

Regarding Ian Temperton's proposal to coal, oil and gas producers to pay:

We oppose the whole idea that CCS is a good idea in general, i.e. the only thing wrong with it is the lack of funding.

But Temperton points, at least to the fact that in entire energy chain, the money necessary is present, so that the States should not fork out public money.

The public subsidization is nevertheless part and parcel of the whole idea of promoting CCS. It is obvious that the many billions of euros, dollars and yen etc. spent on CCS can not be used for other purposes.