

According to provisional data recently released by the European Commission, Greenhouse gas (GHG) emissions from stationary installations covered by the EU emissions trading system (ETS) are projected to have fallen by the largest amount last year since the launch of the carbon market.

The commission reported 2020 verified emissions from installations under the EU ETS, excluding the aviation sector, of 1.303bn t of CO₂ equivalent (CO₂e).

But some facilities have yet to report output for the year and actual GHG emissions are projected at 1.367bn t CO₂e, once all data are available, down by 163mn t CO₂e, or 10.7pc, from 1.53bn t CO₂e in 2019. This estimate uses 2019 figures for installations that reported output for that year but are yet to do so for 2020.

And when aviation is included, total 2020 emissions are projected at 1.396bn t CO₂e, down by 12.7pc from 1.598bn t CO₂e in 2019.

The data show the largest fall in emissions since the full launch of the EU ETS in 2008 — even exceeding the drop recorded in 2009 following the previous year's financial crash — and the third consecutive annual decline, after a small rise was recorded in 2017.

The biggest driver of last year's fall in emissions was the Covid-19 pandemic, which prompted governments to impose lockdown measures. This forced much of the region's industry to a halt throughout large periods of the year, while many people worked from home and domestic and international travel declined.

Higher installed renewable capacity and increased coal-to-gas switching also contributed to a sharp fall in power-sector emissions.

Stationary installation emissions fell in 28 of the 31 countries covered by the EU ETS last year. The scheme includes the 27 EU member states, plus the UK, Norway, Iceland and Liechtenstein. In 2019, six of the 31 countries had reported a rise in emissions.

All of the five largest-emitting countries in the carbon market — Germany, Poland, Italy, the UK and Spain — reported their lowest annual EU ETS emissions since the full launch of the scheme.

Combustion of fuels — most of which occurs in power generation — comfortably remained the largest source of GHG emissions covered by the EU ETS in 2020, comprising 58.3pc of projected total output for stationary installations, at 796.8mn t CO₂e. But this was down from 913.4mn t CO₂e in 2019, so the sector made up more than 71pc of the total decline in 2020.

Source: argusmedia.com