

EU carbon-emissions targets missed despite green taxes raising over €1.6bn



The tax bill from 'carbon tax' added to motor and heating fuel has now exceeded €1.6bn.

Revenue figures given to *The Sunday Independent* show that the tax, introduced by the Green Party in 2010 in an attempt to reduce CO₂ emissions, had generated a total of €1.65bn for the Exchequer by the end of last year.

Despite the introduction of a tax designed to improve consumers' green habits, the Environmental Protection Agency has admitted that Ireland was unlikely to meet its carbon emission reduction targets.

The tax cost consumers €385m in 2014 - up from €354m in 2012 and €223m in 2010 - the figures from the Revenue Commission showed. The rate of tax, which was increased in stages, is €20 per tonne of CO₂ emitted by the fuel concerned.

The tax was introduced to encourage people to use renewable or alternative sources of energy, such as heating their homes with wood pellet stoves or using public transport where available.

Other Government and EU-led initiatives to reduce carbon emissions include subsidies for wind energy and a credit system for large corporate carbon emitters.

The Environmental Protection Agency (EPA) recently found that Ireland will probably miss its carbon emissions targets by a significant amount.

With a major carbon reduction deadline looming in five years time, the EPA **said** last month that Ireland may only deliver half of the decrease demanded.

Under EU commitments, the country is obliged to reduce its carbon emissions by 20pc from 2005 levels by the year 2020. However, the EPA found the likely decrease will be between 9pc and 14pc.

Emissions fell marginally in 2011 and 2013 - but then rose by 1pc in 2012.

"Carbon tax in no way incentivises road users to reduce emissions - it is just another cost," said Brona Murphy, president of the Irish Hauliers Association.

"A flat tax on fuel is not the solution, particularly when we already pay four times as much road tax as our counterparts in Northern Ireland. The commercial vehicle taxation system is archaic and has not been updated since 1956. We need incentives to buy more fuel-efficient vehicles."

Figures from the European Commission also showed that almost all of Ireland's largest carbon-emitting companies exceeded their free allocation of carbon units last year.

Ryanair is by far the country's biggest producer of greenhouse gasses, emitting 6.6m tonnes last year. That was two million more than its 4.6 million tonne allocation.

Most companies breached their allocation by between 25pc and 75pc - but, in some cases, the amount of carbon emitted was double or even treble the allocation, which is intended as a guideline for acceptable emission levels.

Source – The Sunday Independent

