

Personal Carbon Trading feasible by 2013

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Personal carbon trading (PCT) would restore the trust between citizens and government on climate change policy, according to a new report published today by RSA Carbon*Limited*.

Following Gordon Brown's call for efforts to combat climate change by combining international action, direct personal and social responsibility, Carbon*Limited* calls for a clear framework for shared rights and responsibility between government, business and citizens; one that will stimulate innovation and a sense of common purpose.

PCT allows for people to make their own choices regarding actions directly responsible for emissions, such as driving a car or taking a flight. It provides individuals with their own tax-free 'right to pollute', in the form of a tradable personal carbon allowance. Individuals needing extra carbon credit must buy it from a personal carbon market, populated by the credits of those able to sell, so creating a financial incentive to reduce emissions.

PCT could evolve into a mandatory scheme post-Olympics, to deliver a share of the UK's emissions reduction targets, as set out in the Draft Climate Change Bill. The personal carbon trading target would be determined by an independent scientific body, which through the Bill is expected to begin carbon budgeting for the UK in 2013. This body would ensure that the emission reduction targets (the 'cap') is depoliticised and authoritative.

The technical infrastructure for the implementation of PCT already exists, with no need for a central government database to support it. The report describes a more likely scenario in which multiple private and public sector organisations bid to operate the scheme and provide a variety of carbon management services to individuals. This will result in individually-owned data management, as well as new opportunities for operators to innovate in support of low carbon lifestyles.

Carbon*Limited* sees a role for public sector organisations in managing personal carbon credits at the community scale to accelerate a transition to low carbon communities by supporting collective action to improve energy efficiency and tackle fuel poverty. According to RSA Chief Executive, Matthew Taylor, "the idea for personal carbon trading could help to develop a strong pro-social environmental agenda, supporting local networks for climate change mitigation and adaptation".

Project Director, Matt Prescott, commented that "we are increasingly convinced of the idea for personal carbon trading, having explored some of the economics and likely technology platforms. We haven't encountered any logistical problems that would realistically prevent the implementation of a mandatory scheme by 2013. Our attention now turns to the development of a strong public conversation about the finer details of its design and development."

More information: www.rsacarbonlimited.org.uk