



Emissions trading is one of the Kyoto's protocol flexible mechanisms. The latter obligates many countries, including all EU Member States, to set quantitative targets for the reduction of greenhouse gases (GHG) emissions. The EU has launched the EU-Emission Trading Scheme (EU-ETS) according to which, a considerable number of industries are obliged to monitor and annually report their CO<sub>2</sub> emissions.

Nevertheless, unlike other "classic" environmental obligations imposed to the industry so far, in the case of emissions trading, each installation that falls under the provisions of the EU-ETS Directive is assigned with a certain number of allowances (each allowance is equivalent to one ton of CO<sub>2</sub>), according to a National Allocation Plan (NAP). Once assigned, these allowances are freely negotiable through a pan-European "emissions stock market".

The EU-ETS transforms CO<sub>2</sub> emissions to a commodity and introduces new complexities and restrictions for the industries' operation. The price of each allowance exceeded 20 €/ton during 2005, thus, the economic effects of its implementation could be very crucial for industries. The installations that will be immediately motivated, constantly informed and will systematize the monitoring and the reporting of their emissions will minimize the implementation cost of EU-ETS and, in some cases, will gain direct economic benefits.

### OUR EXPERIENCE

EPEM SA has been involved in the field of climatic changes since 2001, when it participated in the scheme that undertook, on behalf of Greece, a project to analyze GHG emissions in six Balkan countries and to detect the possibilities and opportunities to implement government and private funded programs in the context of "Joint Implementation" and "Clean Development Mechanism", which are the other two flexible mechanisms described in the Kyoto Protocol.

Recently, EPEM participated in the Consortium that took on the support of Greece for the implementation of the EU-ETS in a national level. The support included, among others, the calculation of GHG emissions of industries that fall into the relevant legislation, the elaboration of the Greek NAP and the organization of the Greek ETS.

EPEM was the first Greek consulting company to develop a Quality Assurance (QA) System for the monitoring and reporting of GHG emissions, according to the 2004/156/EC Decision. This QA System has already been installed and applied in a considerable number of industries. Additionally, EPEM supports on a daily basis many industries, in monitoring and reporting their GHG emissions, in the development of carbon management scenarios, in transferring allowances and in seeking opportunities for JI and CDM projects.



## OUR PRODUCT

EPEM has gained the necessary qualification and experience in order to offer an integrated product, in the form of an annual package of services, in every industrial facility that falls under the EU-ETS Directive. The annual support that EPEM offers includes:

### Regular reports on EU-ETS developments

EPEM publishes at the end of each trimester a report that includes any advancement relevant to the emissions trading. The report covers issues such as:

- > Legislation and case-laws
- > Carbon market news and analyses
- > JI & CDM market news and analyses
- > Evolutions relevant to the ETS (verification bodies, chemical laboratories etc.)

All the above are accomplished by EPEM's collaboration with international entities, corporations and experts, in order to guarantee the high quality and the completeness of the provided information.

### Annual report for the implementation of JI and CDM projects

EPEM prepares and distributes to its clients an analytical report for the implementation of "Joint Implementation" projects in Eastern Europe and "Clean Development Mechanism" projects in the broader Mediterranean region. The report includes the implementation preconditions for such projects, the bureaucracy involved, as well as references of successful case studies.

### Annual GHG reports

EPEM either prepares the annual GHG emission reports of industries or performs the pre-verification control of the reports. These tasks are accomplished by experts in certain industrial sectors, in accordance with the EU's guidelines. EPEM's work includes on-site collaboration and support of each industry during the verification process.

### Quality Assurance (QA) System for the monitoring and reporting of GHG emissions

EPEM undertakes the development of the Quality Assurance System for the monitoring and reporting of GHG emissions, according to the 156/2004/EC Decision. The QA System may be implemented either independently or directly connected with other systems (such as ISO 9000, ISO 14000/EMAS). Moreover, EPEM is responsible for the monitoring of the QA System's function and participates in the review meetings, in order to identify and propose changes and improvements that will allow its optimization and its effective incorporation in the administrative culture of each company.

### Direct response to everyday issues

EPEM's experts will be immediately available to respond to any issues that may arise, such as rapid assessment of the installation's GHG emissions (emission screening), seeking of partners for allowances' trading, expert laboratories browsing, advices and support concerning the consultation for the next NAP (period 2008-2012) etc.

**EPEM SA is an official member of the LONDON CLIMATE CHANGE SERVICES**