

Europe Moves to Ban Imports of Tar Sands Oil from Canada

March 31, 2011

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An attempt to classify tar sands oil as more environmentally-damaging than conventional oil would effectively ban its sale within European Member States

The European Union is moving to prevent tar sands oil from entering the European market due to the greenhouse gas emissions (GHG) associated with its production.

Oil from the tar sands industry is set to be classified as having greater GHG emissions than conventional oil in a review of the European Union's Fuel Quality Directive. Recognising the greater environmental impact of tar sands oil will effectively ban its use in EU states, where fuel providers are legally bound to aim for 6% reductions in GHG emissions by 2020.

Tar sands are deposits of oil-rich bitumen mixed with clay and sand embedded in rocks often buried beneath the surface. Two tonnes of topsoil have to be removed to produce each barrel of bitumen, creating vast open mines. Extracting the deposits is estimated to be three times more carbon-intensive than conventional oil sources. It also causes the loss of natural habitats with vast areas of boreal forest cleared in order to mine the sandy bitumen – and pollution of local waterways with toxic chemicals.

The largest reserves of tar sands in the world are held in Canada, which plans to increase production from 1.5 million to 7 million barrels a day by 2020. Both Shell and BP are major investors in tar sands with BP having acquired a 50% stake in the Sunrise Project, a tar sands extraction site near Alberta.

The EU had previously dropped the attempt to classify tar sands oil as more environmentally-damaging than conventional oil after strong lobbying by the Canadian government and the oil industry. However, following a year-long campaign by a coalition of environmental groups led by the Co-operative and including WWF, Greenpeace, Friends of the Earth and Transport & Environment, it is now being reconsidered. Campaigners hope changing tar sand's status in the Fuel Quality Directive will halt the tar sands expansion.

Canada had argued the move would create a trade barrier, however, European politicians believe by changing tar sand's status the EU is putting the onus on fuel suppliers to reduce their emissions.

'Nothing that we do will stop people importing tar sands, it will simply label tar sands accurately, so people who are under a legal obligation to reduce their carbon footprint are more likely to choose cleaner fuels,' said Linda McAvan, Labour MEP, who helped bring this issue to the European Commission's attention.

The Co-operative led alliance will now be engaging with EU member states, to counterbalance any pressure being applied by the Canadian government and oil industry, and guarantee the new value for tar sands oil is included in the revised Fuel Quality Directive.

'This is a clear signal to oil companies and investors that tar sands expansion is a risky business, as Europe is a global leader in environmental standards, it will likely lead to similar standards being adopted elsewhere around the world,' said Colin Baines, toxic fuels campaign manager at the Co-operative. 'The oil industry should think twice about investing billions of dollars in expanding tar sands developments. They could end up producing a fuel that nobody wants.'