

Quota

By Lennart Kiil



The coal-fired power station in Datteln, Germany. In the EU, power stations and factories must hold an allowance for every tonne of CO₂ they emit.

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The amount of [greenhouse gas](#) that a nation is allowed to [emit](#) into the [atmosphere](#) within a specified time period.

A quota is also sometimes called a 'cap'. Quotas are normally applied to nations through international agreements. They can also be applied to companies or even individuals by national governments.

The most extensive quota system is the one defined in the [Kyoto Protocol](#). It binds almost all developed nations to a quota system for the major greenhouse gases. The emission quotas were agreed by each participating country.

The intention with the quotas in the Kyoto Protocol is that by the end of 2012, each country will have reached a reduction in overall emissions by 5.2 percent compared to their 1990 levels.

Nations emitting less than their quota will be able to [sell emission credits](#) to nations that exceed their quota. When a nation or a company buys credit from another nation or company it is often called [carbon offsetting](#).

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