

Role of carbon pricing mechanisms in financing a sustainable transition to a low-carbon society

(Speakers are being confirmed)

Date: 13 December 2017

Time: 14:00-17:30 (Followed by a networking drink)

Venue: Caisse des Dépôts, 15 Quai Anatole France, Paris

This meeting is being held in conjunction with President Macron's high-level summit on carbon finance and aims to bring together stakeholders to have an open discussion about the role that carbon pricing mechanisms, including carbon markets, can play in financing the transition to a low-carbon society.

14:00 – 14:10

Welcome and introduction

A. Marcu, Director of ERCST and Senior Fellow of ICTSD

B. Leguet, Director of I4CE

14:10 – 14:30

Carbon finance and the UNFCCC process

P. Watkinson, Chair SBSTA

14:30 – 15:45

Carbon financing to address the challenges of a sustainable transition in developed countries.

A number of developed countries already have carbon price mechanisms in place, such as taxes or emission trading systems. The public revenues generated by these mechanisms should ideally be used to further finance the transition to a low-carbon society, and alleviate the short to medium term social and economic problems associated with this transition. Some of the main challenges developed countries currently face include diversifying the economy, ensuring a just transition for workers in, and regions with, high-carbon sectors, and shielding certain sectors faced with competitiveness caused by the asymmetries in carbon price mechanisms over the world. This panel will discuss what financial resources should be used or are already being used, including the various funds included in the EU ETS.

Introduction to the topic by B. Leguet, Director of I4CE

Chair: E. Alberola (I4CE)

Panel

- P. Wehrheim (Head of Unit DG Clima, EC)
- A. Dechezleprêtre (London School of Economics)
- O. Imbault (Air Liquide)
- G. Zachmann (Bruegel)

Followed by an open discussion including questions from participants

15:45 – 17:00 Carbon finance for a sustainable transition in developing countries

Carbon pricing mechanisms are still rare in developing countries. However, carbon price mechanisms are starting to be developed in a number of countries all over the world. Future revenues generated from these mechanisms could be directed towards further financing sustainable development and low-carbon growth. Besides domestic sources, there are several international mechanisms already in place that can be used by developing countries, such as the REDD+, JCM or auctioning revenues generated by the EU ETS. Other mechanisms are currently under development, such as the future Article 6 mechanism of the Paris Agreement or CORSIA, and could greatly increase the financial resources available for developing countries in the coming years. This panel will focus on which sources are already being used, and how they could be used more effectively. Moreover, the potential of these future carbon price mechanisms to finance sustainable development and transition in developing countries will be discussed.

Introduction to the topic by A. Marcu, Director of ERCST and Senior Fellow of ICTSD

Chair: A. Marcu (ERCST/ICTSD)

Panel

- J-W. van den Ven (European Bank for Reconstruction and Development)
- G. Giraud (Agence Française de Développement)
- Speaker from developing country
- Speaker from the World Bank

Followed by an open discussion including questions from the participants

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| 17:00 – 17:20 | Carbon Finance and the Climate Action Agenda for COP24
T. Chruszczow, High-level climate change Champion for COP24
and special envoy for climate change of Poland |
| 17:20 – 17:30 | Conclusions and wrap up of the meeting |
| 17:30 | Networking drink |