



SETatWork Roundtable

Industry Support Schemes and Instrument for post 2012 ETS

Setting the stage for EU-ETS post 2012



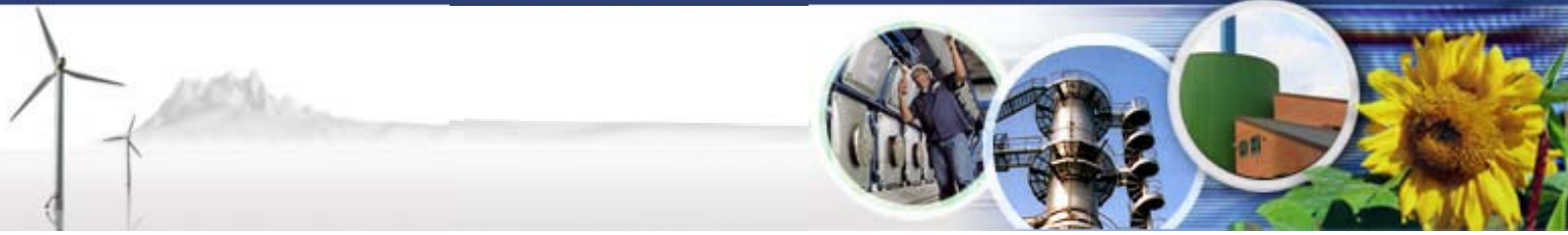
Copenhagen Accord 2009

Achievement of a shared view

- Recognition of “scientific view that increase in global temperature should be below 2 degrees Celsius”

Finance

- REDD-plus: Establishment of a mechanism to enable mobilization of financial resources from developed countries
- USD 30 bn collective commitment of developed countries for period 2010-2012
- USD 100 bn a year mobilized jointly by 2020
- Provision of public financing from some countries for period 2010-2012, (e.g. EU €2.4 bn p.a., US \$ 1.4 bn p.a.)



Copenhagen Accord 2009

Mitigation

- Economy-wide emissions targets for Annex I countries for 2020
- Non-Annex I (developing) countries “will implement mitigation actions”
- Targets and actions are to be submitted into respective appendices by 31 January 2010 (**status?**)
- NAMA-registry (National Appropriate Mitigation Actions), NAMAs as most important new mechanism in the sectoral approaches



Copenhagen Accord 2009

Adaptation

- Adequate, predictable and sustainable finance, technology and capacity-building to support adaptation actions in developing countries (CDM)
- Establishment of new Technology Mechanism in order to enhance action on development and transfer of technology



Copenhagen Accord 2009 – Outcomes for CDM

Draft version “Further Guidance Relating to the Clean Development Mechanism”

- General need for optimized and standardized procedures to reduce bureaucratic costs, e.g. in PoA-projects
- Requirement for more transparency



Copenhagen Accord 2009 – Outcomes for CDM

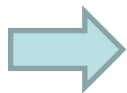
Requirement to reform Designated Operational Entities (DOE) and Programme of Activities (PoA)

- DOE's should be enabled to offer validation services and “continuous performance monitoring”
- DOE's capacity is to be increased by training of auditors, verification activities
- PoA: Creating of regulatory framework defining when DOE will be liable for erroneous inclusion of component project activities
- Establishment of DOE offices in developing countries to reduce transaction costs

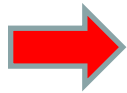


Current Status of UN negotiations

- Rules and procedures increasingly take shape: **which ones?**
- Fast-start financing might be operationalized in Cancun, leading to action in technology transfer, REDD-plus, adaptation
- But: Cancun will probably not result in a new agreement, legally-binding instrument not probable before Johannesburg, 2011
- Problem: Increasing fragmentation of the various regional, national and multilateral carbon



Bilateral activities are increasingly gaining in importance



Increasing transaction costs for project developers



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