State and Trends of Carbon Pricing

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Where do we stand?

Carbon pricing and the Paris Agreement:

- INDCs
  
  **101 INDCs**
  plan or consider using carbon pricing

- Article 6
- Paragraph 136 of the first COP 21 Decision

International cooperation through emissions trading:
- 30% cost savings by 2030
- 50% by 2050

This includes 3 of the 5 world’s largest emitters

58% of the global GHG emissions covered by these INDCs

- Domestic
- Domestic and international
- International

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7 out of the largest 10 global economies put a price on carbon

US$26 billion in revenues

7 GtCO2e = 13% global emissions
What is coming up?

Four new carbon pricing initiatives implemented since 2015:
- Korea ETS
- Portugal carbon tax
- BC GGIRCA
- Australia safeguard mechanism

Looking ahead – in 2017:
- South Africa carbon tax
- Chile carbon tax
- Ontario CaT
- Alberta carbon tax
- China ETS
A few more facts and trends

> Wide range of prices but overall low
  - US$ 1 – 131/tCO2e
  - $0.75 < US$ 10/tCO2e

> Governments are broadening and deepening the use of carbon pricing
  - Policy alignment

> More jurisdictions are exploring options for regional carbon pricing initiatives

> The use of internal carbon pricing is growing
  - > 1,000 companies
  - US$ 0.3 - 893/tCO2e
Stay tuned

Upcoming

Carbon Pricing Dashboard
Thank you

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101 INDCs plan or consider using carbon pricing

58% of the global GHG emissions covered by these INDCs

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# International Carbon Pricing Initiatives

<table>
<thead>
<tr>
<th>101 INDCS</th>
<th>58%</th>
</tr>
</thead>
<tbody>
<tr>
<td>include carbon pricing (domestic and/or international)</td>
<td>of global GHG emissions are covered by these INDs</td>
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</tbody>
</table>

## Regional, National and Subnational Carbon Pricing Initiatives

<table>
<thead>
<tr>
<th>40 NATIONAL</th>
<th>24 SUBNATIONAL</th>
<th>42 CARBON PRICING INITIATIVES</th>
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</thead>
<tbody>
<tr>
<td>jurisdictions with carbon pricing initiatives</td>
<td></td>
<td>implemented or scheduled for implementation</td>
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## Covering Annual Global GHG Emissions of

\[
7 \text{ GtCO}_2\text{e} = 13\% 
\]

### Prices in the Implemented Initiatives

US$1-131/tCO$_2$e

75% of the emissions covered are prices < US$10/tCO$_2$e

Carbon pricing revenues raised by governments in 2015 were

**US$26 billion**

60% increase compared to 2014

Annual value of carbon pricing initiatives in 2016 is just under

**US$50 billion**

Similar to the 2015 value

## Internal Carbon Pricing Initiatives

**OVER 1,200 COMPANIES**

are using or planning to use internal carbon pricing in the coming two years

**83%**

of these companies are located in jurisdictions with (scheduled) mandatory carbon pricing initiatives

## Internal Corporate Carbon Prices Are in the Range Of

**US$0.3-893/tCO$_2$e**