

Exploring Market-Based Approaches to Low Carbon Development in the State of Rio de Janeiro

Annotated Agenda

August 27, 2013

Palácio da Guanabara, s/nº - Laranjeiras, Rio de Janeiro

Organized by the Government of the State of Rio de Janeiro, supported by the World Bank's Partnership for Market Readiness (PMR).

Objectives:

The objective of this workshop is to promote discussion amongst a diverse range of stakeholders on using market based approaches to promote low-carbon development in the State of Rio de Janeiro. To this end, the workshop will provide first-hand insight from private and public sector experts with experience from a range of emissions trading schemes (ETS). These experts will share perspectives, in particular on the issue of competitiveness.

The workshop, supported by the PMR, will bring together representatives from companies and regulators from within Brazil as well as from other countries and sub-national entities that have put in place an ETS. Representatives are invited to share information and experience on rationale, opportunities, and challenges in ETS implementation. The results of the workshop will inform further research, analysis and stakeholder engagement to advance the process of designing an optimal system for the State of Rio de Janeiro that positions it as a leader in low-carbon development.

Context:

A wave of new low-carbon instruments are under development at a regional, national and sub-national level. The opportunities for using market-based approaches in pursuing low-carbon development are gaining recognition. From 2013 onward, at least 35 countries, 11 sub-national jurisdictions in the United States and Canada, and 7 cities and provinces in China, are participating or preparing to participate in ETS. The PMR¹ is also providing assistance to 16 developing countries that want to use market mechanisms to affect low-carbon development. These schemes are emerging as evidence that market-based trading systems are on the rise in both the developed and developing world.

In the context of this growing interest in using market mechanisms to achieve low-carbon development objectives at the regional, national and sub-national levels, the Government of the State of Rio de Janeiro is exploring options, including market-based approaches, to strengthen its low-carbon development approach, and to mobilize low carbon investment.

¹ The 16 countries include the following: Brazil, Chile, China, Colombia, Costa Rica, India, Indonesia, Jordan, Mexico, Morocco, Peru, South Africa, Thailand, Turkey, Ukraine and Vietnam. For more information on the PMR, please visit <http://www.thepmr.org/>

Participants:

Engagement with a wide range of stakeholders representing both the public and private sector in the State of Rio de Janeiro is important for designing an optimal system. The following stakeholders are invited to attend the workshop:

- Domestic participants.
- International participants and expert

Contact persons:

Secretaria do Estado de Ambiente do Rio de Janeiro - Walter Figueiredo De Simoni (wdesimoni@gmail.com),
Vivian Rodrigues (vivian@ambiente.rj.gov.br).

Co-Chairs: Ms. Suzana Kahn, Undersecretary for Green Economy, State of Rio de Janeiro

Mr. Pedro Spadale, Head of International Relations, State of Rio de Janeiro

1. Opening and Introduction	
8:30	Registration: welcome coffee
9:00	<ul style="list-style-type: none"> - Welcome and key note speech <i>Ms. Suzana Kahn, Undersecretary for Green Economy, State of Rio de Janeiro</i> <i>Mr. Pedro Spadale, Head of International Relations, State of Rio de Janeiro</i> <i>Mr. Delin WU, Deputy Secretary General, Shenzhen Municipal Government</i>
2. Setting the Stage - Emissions Trading Schemes (ETS) : a Global Perspective	
<p>This introductory session aims to introduce participants to the development of market-based approaches around the world. The World Bank's Partnership for Market Readiness (PMR) will present current work on assisting several emerging economies in this process.</p>	
9:30	<ul style="list-style-type: none"> - Overview : ETS development at national and sub-national level <i>Mr. Alexandre Kossoy, World Bank</i> - PMR: Supporting emerging economies to pursue market based approaches to low carbon development <i>Ms. Xueman Wang, PMR Secretariat of the World Bank</i> - Discussion and Q&A <p><i>Moderation: Ms. Suzana Kahn, Undersecretary for Green Economy, State of Rio de Janeiro</i></p>
10:15	Coffee Break
3. ETS Development: Rational, Challenges and Key Elements	
<p>This session will start with a general introduction to components of ETS. Both public authorities and private participants will share experience and exchange views on identified opportunities and challenges in implementing and operating such policy.</p>	
10:35	<ul style="list-style-type: none"> - Overview <i>Mr. Michael Mehling, Ecologic Institute</i> - Panel - International experience from: EU - <i>Mr. Hubert Fallmann, Austrian Federal Environment Agency</i> U.S. - <i>Mr. Will Space, Massachusetts Department of Environmental Protection (Regional Greenhouse Gas Initiative)</i> Québec - <i>Ms. Myriam Blais, Ministry of Finance and Economy of Québec</i> China - <i>Mr. Delin WU, Shenzhen Municipal Government</i> California - <i>Ms. Mary Grady, American Carbon Registry of Winrock International</i> - Discussion and Q&A <p><i>Moderation: Mr. Pedro Moura Costa, BV Rio</i></p>
12:30	Lunch

4. Addressing Competitiveness

This session will focus on competitiveness and ways to address related concerns when implementing an ETS. Both public authorities and private sector participants will be invited to exchange views on the options envisioned to address such concerns.

14:00

- **Competitiveness: concepts, concerns, and policy responses**

Mr. Michael Mehling, Ecologic Institute

- **Panel:**

Ms. Myriam Blais, Ministry of Finance and Economy of Québec

Ms. Eduarda La Roque, Pereira Passos Institute of Rio de Janeiro

Mr. Lukas Gresnigt, Statkraft

Ms. WANG YaXin, China Shenzhen Emissions Exchange

Mr. Dirk Forrister, IETA

- **Discussion and Q&A**

Moderation: Ms. Marina Grossi, the Brazilian Business Council for Sustainable Development (CEBDS)

15:30

Coffee Break

5. Preparing for ETS

This session will introduce participants to the building blocks for preparing ETS, including policy mapping, GHG data, MRV systems. Both public authorities and private sector participants will be invited to share insight and identify respective needs to best prepare for the introduction of such instruments.

16:00

- **Overview of readiness requirements**

Mr. Pierre Guigon, PMR Secretariat of the World Bank

- **Panel - Readiness Preparation:**

Mr. Hubert Fallmann, Austrian Federal Environment Agency

Mr. Will Space, Massachusetts Department of Environmental Protection

Mr. Walter Figueiredo de Simoni, State of Rio de Janeiro

- **Discussion and Q&A**

Ms. Mara Mendes, Lloyd's Register Quality Assurance

Mr. David Antonioli, Verified Carbon Standard

Mr. Simon Girard, EcoAct

Moderation: Mr. Pedro Moura Costa, BV Rio

17:30

Wrap Up

Ms. Suzana Kahn, Undersecretary for Green Economy, State of Rio de Janeiro

Mr. Pedro Spadale, Head of International Relations, State of Rio de Janeiro