

## WORKSHOP

### CARBON MARKETS: FROM CURRENT PRACTICES TO THEIR ROLE IN THE NEW CLIMATE REGIME

#### AGENDA

MARCH 12-13, 2015

HOLIDAY INN LONDON KENSINGTON FORUM, LONDON, UNITED KINGDOM

*This workshop will provide an opportunity to examine carbon markets in practice and provide a forum for participants to discuss a number of pertinent issues relevant to carbon markets under the international agreement. The first day will focus on arrangements that enable effective trade and private sector engagement in carbon markets, with in-depth updates on the latest developments from around the world. The second day will provide an opportunity to translate this practical understanding of how carbon markets are developing to a number of carbon market issues active under the negotiations.*

#### DAY 1

1. Introductory session	
8.30	Registration and welcome coffee
9.00	<b>Welcome remarks</b> <ul style="list-style-type: none"> <li>Mr. Vikram Widge, Head, Climate and Carbon Finance, World Bank Group</li> <li>Mr. Dirk Forrister, CEO, IETA</li> </ul>
9.15	<b>Key note speeches: benefits of private sector engagement in climate policy</b> <ul style="list-style-type: none"> <li>Mr. Pete Betts, Director, International Climate Change, Department of Energy and Climate Change, UK</li> <li>Mr. Karl Upston Hooper, Greenstream Network and B-PMR Chair/IETA Board member</li> </ul>
2. Carbon markets in practice – latest developments	
<p><i>This session provides an opportunity for PMR countries, technical partners and observers to share the latest developments from their respective emission trading schemes.</i></p> <p><i>Moderator: Ms. Xueman Wang, PMR Secretariat</i></p>	
9.45	<b>Update on latest ETS developments in China</b> <ul style="list-style-type: none"> <li>Mr. Wang Shu, National Development and Reform Commission, China</li> <li>Mr. Duan Maosheng, Tsinghua University, China</li> <li>Q&amp;A</li> </ul>
10.30	<b>Coffee break</b>

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10.45	<b>Update on latest ETS developments in the Republic of Korea</b> <ul style="list-style-type: none"> <li>Ms. Hyungna Oh, Kyung Hee University, Republic of Korea</li> <li><b>Q&amp;A</b></li> </ul>
11.15	<ul style="list-style-type: none"> <li><b>Panel discussion: enhanced ETS cooperation in the future</b> Moderator: Mr. Dan Barry, BP           <ul style="list-style-type: none"> <li>Mr. Johannes Enzmann, European Commission</li> <li>Mr. Michael Gibbs, California Air Resources Board</li> <li>Mr. Wang Shu, National Development and Reform Commission, China</li> </ul> </li> <li><b>Q&amp;A</b></li> </ul>
12.15	<b>Lunch</b>
<b>3. Enabling trade and private sector engagement in carbon markets</b> <i>This session provides participants an opportunity to discuss how trade and private sector engagement in carbon markets has and is being enabled.</i> <i>Moderator: Mr. Jan-Willem van de Ven, EBRD</i>	
13.45	<b>Enabling trade and private sector engagement in carbon markets</b> <ul style="list-style-type: none"> <li><b>Finance and Emissions Trading: 10 years of developments in the EU</b> Mr. Louis Redshaw, Redshaw Advisors (15 mins)</li> <li><b>Q&amp;A (15 min)</b></li> <li><b>Carbon finance innovation in China</b> Mr. Duan Maosheng, Tsinghua University, China (15 min) Mr. Lasse Ringius, IFC, World Bank Group (15 min)</li> <li><b>Q&amp;A (15 min)</b></li> </ul>
15.00	<b>Panel discussion: private sector perspectives on operating across different and fragmented carbon markets (30 mins)</b> <ul style="list-style-type: none"> <li>Mr. Ingo Ramming Commerzbank</li> <li>Mr. Daniele Agostini, Enel</li> <li>Mr. Manuel Möller, EEX</li> <li><b>Q&amp;A (15 min)</b></li> </ul>
15.45	<b>Depart for site visit</b>
<b>4. Carbon trading in practice – site visit</b> <i>The session provides participants an opportunity to experience firsthand how carbon markets operate in practice with an interactive demonstration from an active trading desk.</i>	
16.30	<b>An interactive demonstration of carbon trading at 1 of several trading houses.</b>
17.30	<b>Day 1 Wrap-up</b>
<b>5. Reception hosted by DECC, BPMR &amp; PWC, and PMR</b>	
18.30	A reception will be held at the PwC offices, 1 Embankment Place, London

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## DAY 2

6. Introductory session	
9.00	<p><b>Introduction</b></p> <ul style="list-style-type: none"> <li>Mr. Vikram Widge, Head, Climate and Carbon Finance, World Bank Group</li> </ul>
7. The role of carbon markets beyond 2020	
<p><i>Building on previous PMR discussions, this session will provide participants an opportunity to discuss how an integrated carbon market might develop in the future and to share insights on how this can be facilitated in the new climate change agreement.</i></p>	
9.15	<p><b>Options for how an integrated carbon market could emerge in the future</b></p> <ul style="list-style-type: none"> <li>Ms. Pauline Kennedy, PMR Secretariat, World Bank Group</li> </ul>
9.30	<p><b>Stock-take on carbon markets under the UNFCCC</b></p> <ul style="list-style-type: none"> <li>UNFCCC Secretariat</li> <li>Question and answers</li> </ul>
10.00	<p><b>Report back from Centre for European Policy Studies on their meeting “Markets in the 2015 Agreement”</b></p> <ul style="list-style-type: none"> <li>Mr. Andrei Marcu, Centre for European Policy Studies</li> <li>Question and Answers</li> </ul>
10.30	<p><b>Coffee break</b></p>
11.00	<p><b>Perspectives on carbon markets and the new climate change agreement</b></p> <p>Moderator: Mr. Johnathan Grant, PwC</p> <ul style="list-style-type: none"> <li><b>Roundtable discussion:</b> 2 PMR and 2 BPMR discussants will be asked to open the discussion before opening the floor to all participants</li> </ul> <p><b>List of questions:</b></p> <ul style="list-style-type: none"> <li>What role are carbon markets expected to play in national plans to reduce emissions?</li> <li>Is cross-border trade likely, if so on what time scale?</li> <li>How would any such cross-border trade be arranged (e.g. linking of domestic mechanisms, bilateral agreement or via internationally governed mechanisms, technical infrastructure)?</li> <li>What is required in the new climate change agreement to facilitate?</li> </ul>
12.30	<p><b>Lunch</b></p>
8. Accounting and ‘avoiding double counting’	
<p><i>It is anticipated that countries will use international transfer of emissions units to help meet their mitigation goals or as a means to finance their low emissions development. In this context accounting and references to</i></p>	

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<p><i>avoiding double counting have been raised at the international level. This session will build on previous PMR discussions and provide an opportunity for participants to discuss these issues in more detail.</i></p>	
1.30	<p><b>Overview presentation</b></p> <ul style="list-style-type: none"> <li>Christina Hood, IEA</li> </ul>
1.45	<p><b>Breakout group exercise</b></p> <p>Participants will form groups to discuss several topics relating to accounting and avoiding double counting. Each group will have time to discuss each of the topics. Groups will be facilitated by an expert who will synthesize discussions across groups on a given topic and report back to the plenary.</p>
3.45	<b>Report back from facilitators to plenary</b>
4.00	<b>Coffee break</b>
<p><b>9. Role and form of crediting mechanisms beyond 2020</b></p> <p><i>Several PMR implementing countries hope to use scaled-up crediting mechanisms to achieve their emission reduction goals but the role and form of crediting mechanisms beyond 2020 is uncertain. This session provides participants an opportunity to discuss the role and form of crediting mechanisms beyond 2020.</i></p>	
4.15	<ul style="list-style-type: none"> <li><b>Overview presentation:</b> Mr. Lambert Schneider</li> <li><b>Roundtable discussion:</b> 2 PMR and 2 BPMR discussants will be asked to open the discussion before opening the floor to all participants</li> </ul> <p><b>List of questions:</b></p> <ul style="list-style-type: none"> <li>What is the likely scale of demand for and supply of credits beyond 2020?</li> <li>What types of crediting approaches will be used beyond 2020?</li> <li>How should crediting mechanisms take into account INDCs?</li> <li>Can existing modalities and procedures form the basis for a new or reformed crediting mechanism?</li> <li>What is required to support crediting mechanisms in the new agreement?</li> </ul>
5.30	<p><b>Next steps and Closing remarks</b></p> <ul style="list-style-type: none"> <li>Mr. Dirk Forrister, IETA</li> <li>Ms. Xueman Wang, PMR Secretariat</li> </ul>
5.45	<b>Meeting close</b>