

TECHNICAL MEETING ON CARBON TAX

Agenda
May 29, 2014
Dorint Hotel
An der Messe, Cologne, Germany

1. Opening and Introduction	
8:30	– Registration: Welcome coffee and badge pick-up
9:00	– Welcome remarks and objectives (<i>Ms. Xueman Wang, Team Leader, PMR Secretariat</i>)
<i>Moderator: Michael A. Toman, Research Manager, Development Research Group, Environment and Energy, World Bank</i>	
2. Carbon Tax Development in the PMR Implementing Countries	
A number of PMR Implementing Countries are exploring, preparing or developing a carbon tax. These countries will provide a short introduction to the status of their domestic carbon tax development.	
9:15	<ul style="list-style-type: none"> – Brazil: <i>Mr. Aloisio de Melo, General Coordinator for Environment and Climate Change, Ministry of Finance, Brazil</i> – Chile: <i>Ms. Nicola Borregaard, Head of Sustainable Development Division, Ministry of Energy, Chile</i> – Mexico: <i>Mr. Luis Munozcano Alvarez, Deputy General Director for Climate Change, Ministry of Environment and Natural Resources (SEMARNAT), Mexico</i> – South Africa: <i>Mr. Peter Janoska, Senior Economist, National Treasury South Africa</i>
3. Expert Presentation: Overview of Carbon Tax Development around the World and Basic Principles and Elements of Carbon Tax Design	
10:15	– Expert Presentation: <i>Roberton C. Williams, Associate Professor, University of Maryland, USA</i>
11:00	Coffee break
4. Panel Discussion: Defining Tax Base and Tax Rates	

<p>The panel will discuss how various countries have addressed common issues related to defining a tax base and tax rates. Issues for discussion include: Which gases are covered; Which sources and sectors are covered; Whether fuels or emissions are taxed for CO₂; Definition of baseline emissions against which covered emissions are calculated – as well as exemptions; Offsets; How rates might be differentiated across covered sources, and why, or how rates change over time.</p>	
11:30	<ul style="list-style-type: none"> – Country Experiences: <i>British Columbia, Norway, South Africa</i> – Discussion
12:30	Lunch
5. Panel Discussion: How Carbon Tax Revenues Can Be Used	
<p>The panel will discuss different options that countries are opting for in terms of the use of revenues that have been generated from carbon taxes. Options for discussion include: Cutting other taxes; Addressing distributional concerns through transitional assistance policies for households (general recycling back to households vs. focused recycling to the poor to offset impacts of higher energy prices); Debt reduction; Financing of green energy or other environmental initiatives; Rebates in trade-exposed sectors; Introducing measures to address international competitiveness – transitional assistance policies for industry.</p>	
13:30	<ul style="list-style-type: none"> – Country Experiences: <i>British Columbia, Norway, South Africa, UK</i> – Discussion
6. Panel Discussion: Integrating Carbon Tax with a Broader Climate Change Policy	
<p>The panel will discuss coordination and interaction between carbon tax and other policies in the areas such as energy and environment. Issues for discussion include: Challenges of climate change policy integration and combining carbon pricing (carbon taxes) with other mitigation instruments; the use of carbon taxes to achieve GHG mitigation targets (dovetailing absolute targets vs. relative – intensity based- targets); how carbon tax fits into existing energy tax system(s) (federal, state) and policies; treatment of tax expenditures in regulated electricity sectors; interactions with renewable fuels or energy efficiency mandates or subsidies.</p>	
14:30	<ul style="list-style-type: none"> – Country Experiences: <i>Mexico, Norway, South Africa, UK</i> – Discussion
15:30	Coffee Break
7. Panel Discussion: Challenges of Carbon Tax Implementation	
<p>The panel will discuss challenges of ensuring an enabling environment that is needed for an effective carbon tax implementation. Issues for discussion include: What are the legal arrangements for the tax? What are the methods of GHG measurement/reporting and implications for demining the tax base – fuel input taxes (upstream or downstream) vs. higher tier measurement methods? Who enforces it? How are auditing/MRV issues handled? What is the capacity of the agencies that are going to do the enforcement? What is the timetable for implementation?</p>	

16:00	<ul style="list-style-type: none"> – Country Experiences: <i>British Columbia, Norway, South Africa, , UK</i> – Discussion
8. Putting a Price on Carbon: An Emissions Trading or a Tax?	
<p>Based on their unique national circumstances and development priorities, countries opt for different carbon pricing instruments, including carbon taxes and emission trading schemes. This session will discuss key similarities, as well as the important differences between the two instruments.</p>	
17:00	<ul style="list-style-type: none"> – Discussion
9. Discussion & Wrap-up	
18:00	Concluding remarks (<i>Ms. Xueman Wang, Team Leader, PMR Secretariat</i>)