#### **General Observations Related to**

# **Expert Group Feedback on Domestic Emissions Trading Schemes**

(personal views after the first two exercises)

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### Observations and lessons from the feedback process On the feedback process (1/3)

- (Informed) outsider perspective(s) on draft MRP
  - Hopefully a useful sounding board for implementing country
  - Opportunity to bring in insights from other experiences (in terms of substance, processes/timing, consistency, interactions, etc)
  - Pre-test on the real understanding of political and economic framework/background, concept/architecture, process etc
  - Heterogeneity of review teams provides the necessary broad range of reflections

### Observations and lessons from the feedback process On the feedback process (2/3)

- Value of in-country mission/working session/conversations
  - Highlights benefit of understanding country's situation (e.g., with respect to decision-making but also on very specific national circumstances) to better appreciate proposal and identify key issues/potential challenges to consider
  - Helps clarify elements/intentions that may not be thought to be important/relevant for perception abroad – or even not always be possible to put on paper
  - Expert feedback needs iterative processes

## Observations and lessons from the feedback process On the feedback process (3/3)

- Not to underestimate time needed
  - to put together full draft MRP and
  - then allocate more time for feedback
  - as well as for including the feedback in the draft MRP
  - (and opportunity for follow-up)
- Feedback process is not a one-way
  - multiple rounds needed
  - developing a more in-depth understanding of the implementing country's circumstances, intentions and plans
  - understanding the own ("expert") lock-in in it's home-ETS and improving the capacities on the crucial questions of "how, why and when" – which can help to improve both, existing and emerging ETS

### Observations and lessons from the feedback process On ETS substance

- National circumstances of the (domestic ETS-related) MRP process differ significantly
- Process revisited (after initial engagement rather institutional arrangements or processes than more or less explicit political decision(s)?)
  - Going for "no regret" steps (very generic)
    - MVR, registries, policy mapping, analysis of policy interactions, methodologies for assessing the impact of policies etc.
  - Informing political decisions, enhancing capacities for political decisions (very much depending on national – political – circumstances)
  - Pre-decision(s) (technical) preparations: building capacities, institutions, infrastructures (very country-specific)
  - Implementing an ETS in its different dimensions (structure very generic, implementation provisions very country-specific)