Introduction to communicating carbon pricing

Carbon Pricing Communications Training

Session 1
Learning objectives

• Establish a common understanding of the key concepts and terms used in this training
• Understand why good carbon pricing communications are important
• Understand the role of communications in early stages of policy design
• Get an idea of the steps to develop a carbon pricing communications strategy

What do you want to get out of this training?
Content

1. What are we talking about?
2. Why is it important to communicate carbon pricing?
3. Guiding principles to communicating carbon pricing
4. 8 steps to develop a carbon pricing communications strategy
What are we talking about?  
**Carbon pricing**

<table>
<thead>
<tr>
<th>Polluter pays</th>
<th>Economic instrument</th>
<th>Low-carbon investment</th>
<th>Cap</th>
<th>Co-benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emission reductions</td>
<td>Price signal</td>
<td>Pollution permits</td>
<td>Revenue raising</td>
<td>Market-based</td>
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What are we talking about?
Carbon pricing

Shorthand for a range of market policies that put a price on carbon to reduce emissions

- Carbon tax
- Emission trading system (ETS)
- Crediting mechanism
- Results-based climate finance
- Internal carbon pricing (shadow price or internal carbon fee)
What are we talking about?

Carbon pricing

“A carbon tax is a levy that polluters pay on the carbon they emit. This encourages people and businesses to make choices and investments that are good for the environment. A carbon tax raises money [for …] and reduces the need for other taxes.”

“In an emissions trading scheme the government sets a cap on pollution and distributes or sells pollution permits within that cap. Companies that pollute more have to buy more permits. Companies that pollute less can save money by buying fewer permits or by selling any spare permits, so it makes good financial sense to emit less. And, because the number of permits issued falls over time, the total pollution also falls.”
What are we talking about?

Carbon pricing

**Carbon Tax**
- Levy paid by polluters

**Emission Trading Scheme (ETS)**
- Cap on pollution
- Covered entities surrender emission allowances for all emissions below the cap
- Different ways to obtain pollution permits

Cap on pollution
Surrender emission allowances
Allocate, auction
Government

Shutterstock
What are we talking about?

Carbon pricing

Carbon Tax
• Levy paid by polluters

Emission Trading Scheme (ETS)
• Cap on pollution
• Covered entities surrender emission allowances for all emissions below the cap
• Different ways to obtain pollution permits
What are we talking about?
Carbon pricing
The role of communications

Communications are the means by which a government:

• Explains its policies and how they will work
• Assures its citizens that it is meeting their needs.
• Shows that it is fulfilling its promises and commitments
• Builds support and a mandate for its policies
A large body of research shows that people understand and accept climate change:

as a socially constructed narrative conveyed by trusted communicators that reflects their identity and validates their values.
What are we talking about? Communicating carbon pricing

Carbon pricing policy design and communications

<table>
<thead>
<tr>
<th>Stakeholder engagement</th>
<th>Communications strategy</th>
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<tbody>
<tr>
<td>Internal (government) stakeholders</td>
<td>Preparing for communications</td>
</tr>
<tr>
<td>External stakeholders</td>
<td>Research</td>
</tr>
<tr>
<td>Civil society</td>
<td>Choosing communicators</td>
</tr>
<tr>
<td>Private sector</td>
<td>Identifying audiences</td>
</tr>
<tr>
<td>General public</td>
<td>Designing the messages</td>
</tr>
<tr>
<td>Media</td>
<td>Designing a communications campaign</td>
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Explaining how carbon pricing works
Why is it important to communicate carbon pricing?

<table>
<thead>
<tr>
<th>Improve policy design</th>
<th>Help generate sustainable support</th>
<th>Anticipate opposition</th>
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</table>
| • Valuable feedback through interactions between policymakers and stakeholders | • Explaining reasons for carbon pricing, how it works and why it is desirable  
• Make key stakeholders supportive advocates | • Testing messages with different audiences |
Guide to communicating carbon pricing

• **Authors:** Climate Outreach, Climate Focus, Dr. Louise Comeau and Fenton Communications.

• **Audience:** policymakers and communications staff working within the government sector.

• **Content:**
  • 10 guiding principles for carbon pricing communications
  • 8 steps to design a carbon pricing communications strategy
Guiding principles for carbon pricing communications

<table>
<thead>
<tr>
<th>Values-driven</th>
<th>Broad-based</th>
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<tbody>
<tr>
<td>Early and sustained</td>
<td>Trusted</td>
</tr>
<tr>
<td>Seen to work</td>
<td>Tested</td>
</tr>
<tr>
<td>Consistent</td>
<td>Two-way</td>
</tr>
<tr>
<td>Simple</td>
<td>No magic words</td>
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</table>
8 steps to develop a carbon pricing communications strategy

- **STEP 1**: Preparing for communications design
- **STEP 2**: Identifying audiences
- **STEP 3**: Research
- **STEP 4**: Designing the messages
- **STEP 5**: Explaining how carbon pricing works
- **STEP 6**: Choosing communicators
- **STEP 8**: Designing a communications campaign

**STEP 7**: Integrating communications with policy
Role of communications in the early stages of policy design

The concerns of citizens and stakeholders should inform the design of the policy from the very outset: seeking a match with their concerns.

The choice of policy, especially between carbon tax and ETS should be informed by citizen and stakeholder attitudes.

The name of the policy may be very important for later reception and should be chosen carefully.

→ Session 2
Questions?
Coffee break
(15 minutes)