



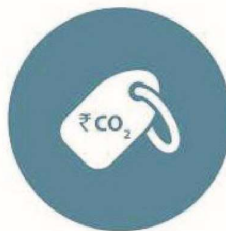
# Carbon Pricing Leadership Coalition Research Conference

**Date:** 14–15 February, 2019

**Venue:** India Habitat Centre, Lodhi Road, New Delhi, India



Learning from Experience



Carbon Pricing Design



Concepts and Methods



Political Economy



Decarbonizing the Economy



Emerging Frontiers

## SCIENTIFIC COMMITTEE CO-CHAIRS



### Andrei Marcu

*Senior Fellow at the International Center for Trade and Sustainable Development and Director of the European Roundtable on Climate Change and Sustainable Transition*

Mr. Marcu has been one of the corporate sector pioneers in the area of climate change, greenhouse gas (GHG) markets and related areas on sustainable development. Since 1993, Mr. Marcu has been actively involved in many areas of climate change related initiatives, including as Chief Executive Officer of BlueNext. Mr. Marcu joined Mercuria Energy in September 2009 in the role as Head of Regulatory Affairs, Environment and Climate Change.

Mr. Marcu was the Founder and President and CEO of International Emissions Trading Association (IETA), a world-class business association with offices in Geneva, Brussels, Washington and Ottawa. He acted as Senior Managing Director of the World Business Council for Sustainable Development (WBCSD) in charge of Energy and Climate and as Vice Chair of the Energy and Environment Commission of the International Chamber of Commerce in Paris. Mr. Marcu was also a Senior Advisor on Climate Change and Emissions Trading at Bennett Jones LLP in Canada.



### Michael Mehling

*Deputy Director, Center for Energy & Environmental Policy Research (CEEPR), Massachusetts Institute of Technology*

Michael Mehling is Deputy Director of the Center for Energy and Environmental Policy Research (CEEPR) at the Massachusetts Institute of Technology (MIT) and a Professor of Law at the University of Strathclyde. Previously, Michael was founding President of Ecologic Institute in Washington DC, and held research and teaching appointments at Georgetown University and the Universities of Greifswald, Helsinki and Constance. In these roles, he has coordinated research and provided policy advice for government agencies, corporations, and civil society organizations in North America, Europe, and the developing world. Michael is Editor-in-Chief of the quarterly Carbon & Climate Law Review, an Associate Researcher with the Energy Policy Research Group at the University of Cambridge, and a member of the Board of Directors of both the International Union for Conservation of Nature – United States (IUCN-US) and Ecologic Institute in Berlin and Washington DC.

## CONTEXT

Powerful options are needed to achieve the large-scale emission reductions required under the Paris Agreement. Putting a price on carbon pollution is one of the most potent and efficient strategies governments and corporations can use to reduce carbon emissions and combat climate change. As of 2018, 88 countries are considering use of carbon pricing initiatives as part of their [Nationally Determined Contributions](#) (NDCs), through emissions trading within or across borders, international crediting, carbon taxation, and other measures.

Over the past several years, we have seen a [proliferation of carbon pricing approaches around the world](#) and an increase in the diversity of such approaches. Research has underpinned much of the progress made to date and helped understand, *inter alia*, design features of carbon pricing instruments; success factors for effective implementation; ways to address market and competitive distortions; and the role and alignment of companion policies. In addition, a growing body of experience and data is accumulating from the operation and modelling of different carbon pricing approaches, from which much can be learned. The application of carbon pricing instruments has revealed new or persistent challenges around market stability and liquidity; managing transitions and impacts in relation to carbon intensive sectors and communities; addressing overlapping policies; combining carbon pricing instruments; expanding the scope of carbon pricing to various heterogeneous sectors of the economy; and adjusting system designs over time to realize committed ambition levels.

Research and analysis can serve as the lynchpins for effective carbon pricing design and implementation. With the goal to strengthen the knowledge base on carbon pricing and foster an improved understanding of the evolving challenges to its successful application, the CPLC is convening researchers, practitioners, and interested stakeholders at a **CPLC Research Conference** on February 14–15, 2019, in New Delhi, India. Leveraging its high-level membership of governments, the private sector, and civil society organizations, CPLC will draw on outcomes of this conference to help bridge the existing gap between theory and practice, and to inform future decisions taken by policy makers and corporate leaders.

The [Carbon Pricing Leadership Coalition](#) (CPLC)—hosted by the World Bank Group—was established to provide a forum for collaborative personal and organizational leadership on carbon pricing. It aims to foster bold leadership on many levels—by governments, companies, and the academic and NGO communities—to drive action and collaboration to implement effective carbon pricing policies and bring an increasing share of global emissions under a carbon pricing instrument.

## CONFERENCE OBJECTIVES

The CPLC Research Conference that is being **co-chair by Andrei Marcu and Michael Mehling** aims to:

- Bring together scientists, researchers, practitioners, and policy makers within the carbon pricing space to take stock of the knowledge base and strengthen understanding of emerging trends in carbon pricing;
- Strengthen understanding of the evolving challenges to successful application of carbon pricing initiatives; and
- Identify areas of possible collaboration and issues requiring further reflection and research.

## STRUCTURE AND FORMAT

The two-day Conference is structured around six central themes: (1) *Learning from Experience*, (2) *Carbon Pricing Design*, (3) *Concepts and Methods*, (4) *Political Economy*, (5) *Decarbonizing the Economy*, and (6) *Emerging Frontiers*. Each day will feature plenary sessions with leading experts, as well as concurrent sessions covering the six themes. Day 1 is dedicated to themes 1–3 and Day 2 is dedicated to themes 4–6. Sessions will consist of presentations from a combination of leading researchers as well as young and emerging academics in the carbon pricing practice.

**PROGRAM AGENDA**  
**DAY 1 | February 14, 2019**

<b>TIME</b>	<b>SESSION</b>		<b>SPEAKERS</b>
8:00	<b>REGISTRATION</b>		
9:00	<b>INAUGURAL SESSION — [STEINAUDITORIUM]</b>		
9:00	<b>Welcome Remarks</b>		<b>John Roome</b> , World Bank <b>Gérard Mestrallet</b> , CPLC High-Level Assembly Co-Chair
9:20	<b>Keynote Address</b>		<b>Lord Nicholas Stern</b> , London School of Economics
9:40	<b>Opening Panel</b> Panel discussion on the importance of research and evidence for effective carbon pricing design and implementation Chair: <b>Susanne Åkerfeldt</b> , Ministry of Finance, Sweden		<b>Mahendra Singhi</b> , Dalmia Cement <b>VK Duggal</b> , Asian Development Bank <b>Sergey Paltsev</b> , Massachusetts Institute of Technology <b>Tomasz Chruszczow</b> , Ministry of Environment, Poland
10:40	<b>CPLC Secretariat Messages</b>  <b>Conference Co-Chair Messages and Context-Setting</b>		<b>Angela Naneu Churie Kallhauge</b> , CPLC Secretariat <b>Andrei Marcu</b> , European Roundtable on Climate and Sustainable Transition <b>Michael Mehling</b> , Massachusetts Institute of Technology
11:00	<b>BREAK</b>		
11:30–13:00	<b>Morning Sessions</b> Concurrent Sessions for Themes 1–3		
	<b>Theme 1: Learning from Experience</b> [Silver Oak 1] Chair: <b>Malin Ahlberg</b>	<b>Theme 2: Carbon Pricing Design—International and Conceptual Perspectives</b> [Gulmohar Hall] Chair: <b>Sergey Paltsev</b>	<b>Theme 3: Concepts and Methods—Theory, Assessment, and Performance Review</b> [Amaltas] Chair: <b>Grzegorz Peszko</b>
	<b>William Acworth</b> Emissions Trading around the World: A Status Update	<b>Alexander Golub</b> Theoretical Analysis of a Twin Deferral Strategy and the Risk-Adjusted Price of Carbon	<b>Gautham Prabhu</b> Carbon Pricing Risk Premium: Theory and Concepts, with Live Demonstration

11:30–13:00	<b>Ryan Rafaty</b> Has Pricing Carbon Reduced Aggregate Emissions? Evidence from 25 OECD Countries	<b>Meriem Hamdi-Cherif</b> Global Carbon Pricing: When and What Flexibilities Revisited in a Second-best Framework	<b>Gargi Sharma</b> Lessons Learned from Carbon Pricing Disclosure in CDP Data
	<b>Govinda R. Timilsina</b> Carbon Pricing: What have we learned from Empirical Studies	<b>Arjuna Dibley and Rolando Garcia Miron</b> Creating a Climate for Change? Carbon Pricing and Long-Term Policy Reform in México	<b>John Byrd</b> Internal Carbon Pricing and Carbon Emission Reductions: An Analysis of Early and Second Round Adopters versus Non-Adopters
13:00	<b>LUNCH</b>		
14:00–15:00	<b>Afternoon Sessions</b> Concurrent sessions for Themes 2–3 (continued)		
	<b>Theme 1: Learning from Experience</b> [Silver Oak 1] Chair: <b>William Acworth</b>	<b>Theme 2: Carbon Pricing Design—Subnational and Corporate Perspectives</b> [Gulmohar Hall] Chair: <b>Neha Mukhi</b>	<b>Theme 3: Concepts and Methods—Theory, Assessment, and Performance Review</b> [Amaltas] Chair: <b>Rachael Jonassen</b>
	<b>Susanne Åkerfeldt</b> An Update on Work on Carbon Taxation within the UN Committee	<b>Martin Rabbia</b> Patterns of Electricity Consumption and Carbon Pricing in Subnational Jurisdictions in Argentina	<b>Naina Khandelwal</b> Estimating Effective Carbon Prices at the Sector and National Level: Taking into Account Fossil Fuel Subsidies
	<b>Luisa Dressler</b> The Use of Revenue from Carbon Pricing	<b>Aditi Maheshwari</b> Construction Value Chain: A Practical Application Perspective	<b>Sachintha Fernando</b> The Environmental Effectiveness of Carbon Taxes: A Comparative Case Study of the Nordic Experience
	<b>Jens Ewald</b> Carbon Tax in the Building Sector: A Comparison of European Countries	<b>Jivahn Moradian</b> A Proposal for a Carbon Fee and Dividend Policy in the State of New Jersey	<b>Shiran Victoria Shen</b> Pricing Carbon to Contain Violence
15:00–16:00	<b>PLENARY — [ STEINAUDITORIUM ]</b> <b>Conversation on Article 6: Lessons from Katowice</b> <b>Abdelrahman M. Al-Gwaiz</b> , Ministry of Energy, Industry and Mineral Res., Saudi Arabia <b>VK Duggal</b> , Asian Development Bank (ADB) <b>Dirk Forrister</b> , International Emissions Trading Association (IETA) <b>Nathaniel Keohane</b> , Environmental Defense Fund (EDF) Chair: <b>Andrei Marcu</b> , European Roundtable on Climate and Sustainable Transition		
16:00	<b>BREAK</b>		
16:30–17:30	<b>PLENARY — [ STEINAUDITORIUM ]</b>		



	<b>Roundup Session</b> Reporting back and reflecting on the day's discussions and their relevance for decision making in policy and practice	Designated <b>Rapporteurs</b> , facilitated by the <b>Conference Co-Chairs</b>
17:30	<b>A D J O U R N</b>	
18:30	<b>R E C E P T I O N</b>	

<b>DAY 2   February 15, 2019</b>			
<b>TIME</b>	<b>SESSION</b>	<b>SPEAKERS</b>	
8:00	<b>R E G I S T R A T I O N</b>		
9:00	<b>P L E N A R Y — [ S T E I N A U D I T O R I U M ]</b>		
9:00–10:00	<b>Carbon Pricing in Practice: Experiences from Around the World</b> with updates on: <ul style="list-style-type: none"> <li>• World Bank efforts to build market readiness</li> <li>• Acceptance of the Swedish carbon tax</li> <li>• Canada's experience with carbon pricing</li> <li>• Latin American experiences with carbon taxation</li> <li>• Carbon pricing and the private sector in India</li> </ul> Chair: <b>Michael Mehling</b> , MIT	<b>Vivek Adhia</b> , WRI India <b>Susanne Åkerfeldt</b> , Ministry of Finance, Sweden <b>Enrique Lendo Fuentes</b> , CPLC Steering Committee, Mexico <b>Jackie Mercer</b> , Government of Canada <b>Venkata Putti</b> , World Bank	
10:00	Setting the Context for Themes 4–6	<b>Conference Co-Chairs</b>	
10:30	<b>B R E A K</b>		
11:00–12:30	<b>Morning Sessions</b> Concurrent sessions for Themes 4–6		
	<b>Theme 4: Political Economy: Distributional Effects, Political Acceptance, Revenue Use</b> [Silver Oak 1] Chair: <b>Andrei Marcu</b>	<b>Theme 5: Decarbonizing the Economy: Carbon Pricing and Development</b> [Gulmohar Hall] Chair: <b>Emilio Lèbre La Rovere</b>	<b>Theme 6: Emerging Frontiers</b> [Amaltas] Chair: <b>Michael Mehling</b>
	<b>Ryan Rafaty</b> Making Carbon Pricing Work for Citizens	<b>Rachel Cleetus</b> Carbon Pricing Design Options to Address CoPollutant Hotspots	<b>Tamiksha Singh</b> Preparing India for Future Carbon Markets Building on India's PAT and REC Schemes for the Post2020 Markets

	<p><b>Kerstin Burghaus</b> Lobbying, Relocation Risk and Allocation of Free Allowances in the EU ETS</p>	<p><b>Michael Flaherty</b> Financing Low-Carbon Transitions through Carbon Pricing and Green Bonds</p>	<p><b>Johannes Ackva</b> Comparative Analysis of the Stringency of Heterogenous Carbon Pricing Instruments: An Applied Approach</p>
	<p><b>Gabriela Mundaca</b> Carbon Pricing to Reduce Carbon Emissions from International Goods Transport</p>	<p><b>Martin Burian</b> Leveraging Private Sector Investment in Energy Efficiency: Pilot Case Studies of Selected African Countries</p>	<p><b>Henrique Schneider</b> Blockchain and Double Counting</p>
12:30	<b>LUNCH</b>		

13:30	<b>PLENARY — [ STEINAUDITORIUM ]</b>		
	<p><b>Carbon Pricing and Air Quality</b>  <b>Marta Martinez Sanchez</b>, Iberdrola  <b>Annela Anger-Kraavi</b>, University of Cambridge and Climate Strategies            Chair: <b>Neha Mukhi</b>, World Bank Group</p>		
	<p><b>Afternoon Sessions</b> Concurrent sessions for Themes 4–6</p>		
	<p><b>Theme 4: Political Economy—Distributional Effects, Political Acceptance, Revenue Use</b>            [Silver Oak 1]            Chair: <b>Susanne Åkerfeldt</b></p>	<p><b>Theme 5: Decarbonizing the Economy—Policy Choice and Interactions</b>            [Gulmohar Hall]            Chair: <b>Rachael Jonassen</b></p>	<p><b>Theme 6: Emerging Frontiers</b>            [Amaltas]            Chair: <b>Malin Ahlberg</b></p>
14:30–16:00	<p><b>Sergey Chestnoy</b> Global Carbon Pricing as a Mechanism to Strengthen Competitiveness and Reduce GHG in Energy-intensive Trade-exposed Sectors</p>	<p><b>Daniela Gutiérrez Torres</b> Interaction between the Carbon Tax and Renewable Energy Support Schemes in Colombia: Complementary or Overlapping</p>	<p><b>Grzegorz Peszko</b> Carbon Taxes that even Fuel Exporters Could Like</p>
	<p><b>Brian Walsh</b> Making carbon taxes propoor using cash transfers in Latin America</p>	<p><b>William Acworth</b> Emissions Trading and Electricity Sector Regulation: A Conceptual Framework for Understanding Interaction between Carbon Prices and Electricity Prices</p>	<p><b>Ruben Lubowski</b> Estimating the Power of International Carbon Markets to Increase Ambition</p>
	<p><b>Nathaniel Keohane</b> Competitiveness of Emissionsintensive Trade-exposed Sectors in Canada</p>	<p><b>Peter Janoska</b> Carbon pricing and the energy sector: optimizing policy packages</p>	<p><b>Stuart Evans</b> Australia–EU ETS Linking Negotiations: Lessons for the Post-Paris World</p>
16:00	<b>BREAK</b>		

16:30	<b>PLENARY — [ STEINAUDITORIUM ]</b>	
16:30–17:00	<p><b>Roundup Session</b> Reporting back and reflecting on the day’s discussions and their relevance for decision making in policy and practice</p>	Designated <b>Rapporteurs</b> , facilitated by the <b>Conference Co-Chairs</b>
17:00–18:00	<p><b>Closing Plenary</b> Panel discussion on the key takeaways from the conference, their relevance for decision making, issues requiring further reflection, and possible directions for future research</p> <p>Facilitated by <b>Andrei Marcu</b>, European Roundtable on Climate and Sustainable Transition, and <b>Michael Mehling</b>, Massachusetts Institute of Technology</p> <p><b>Message from Chile on the Road to COP25</b></p>	<p><b>Ajay Mathur</b>, The Energy and Resources Institute (TERI)</p> <p><b>Anirban Ghosh</b>, Mahindra Group</p> <p><b>David Hone</b>, Shell International</p> <p><b>Juan Angulo</b>, Embassy of Chile</p>
18:00	<b>CONFERENCE CLOSE</b>	
	Closing Remarks	<b>John Roome</b> , World Bank