

Carbon footprints, carbon pricing and European cooperation

A perspective for the Climate Alliance and the Covenant of Mayors



Energiebesparing



Burgerparticipatie



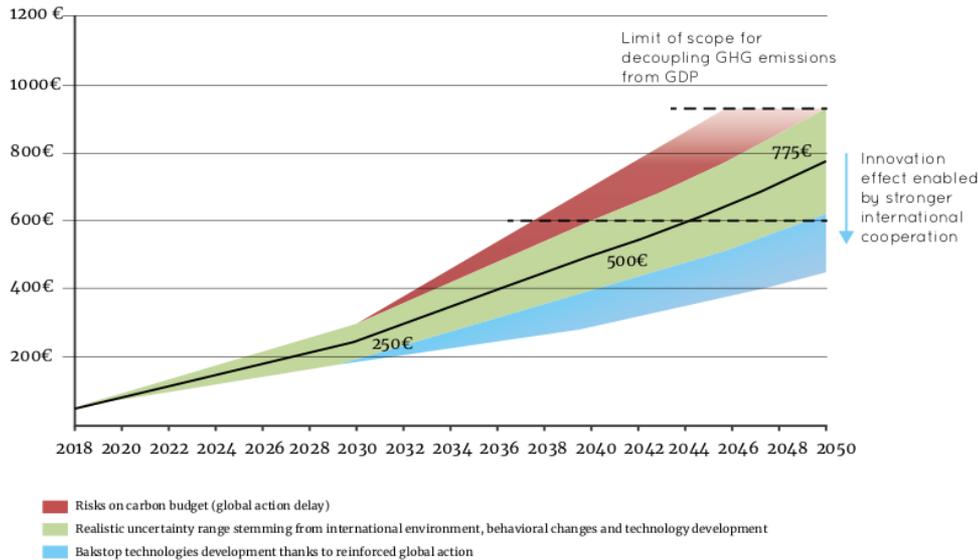
Hernieuwbare energie



Europa

True pricing and Social Costs of Climate Change

Social value of mitigation activities

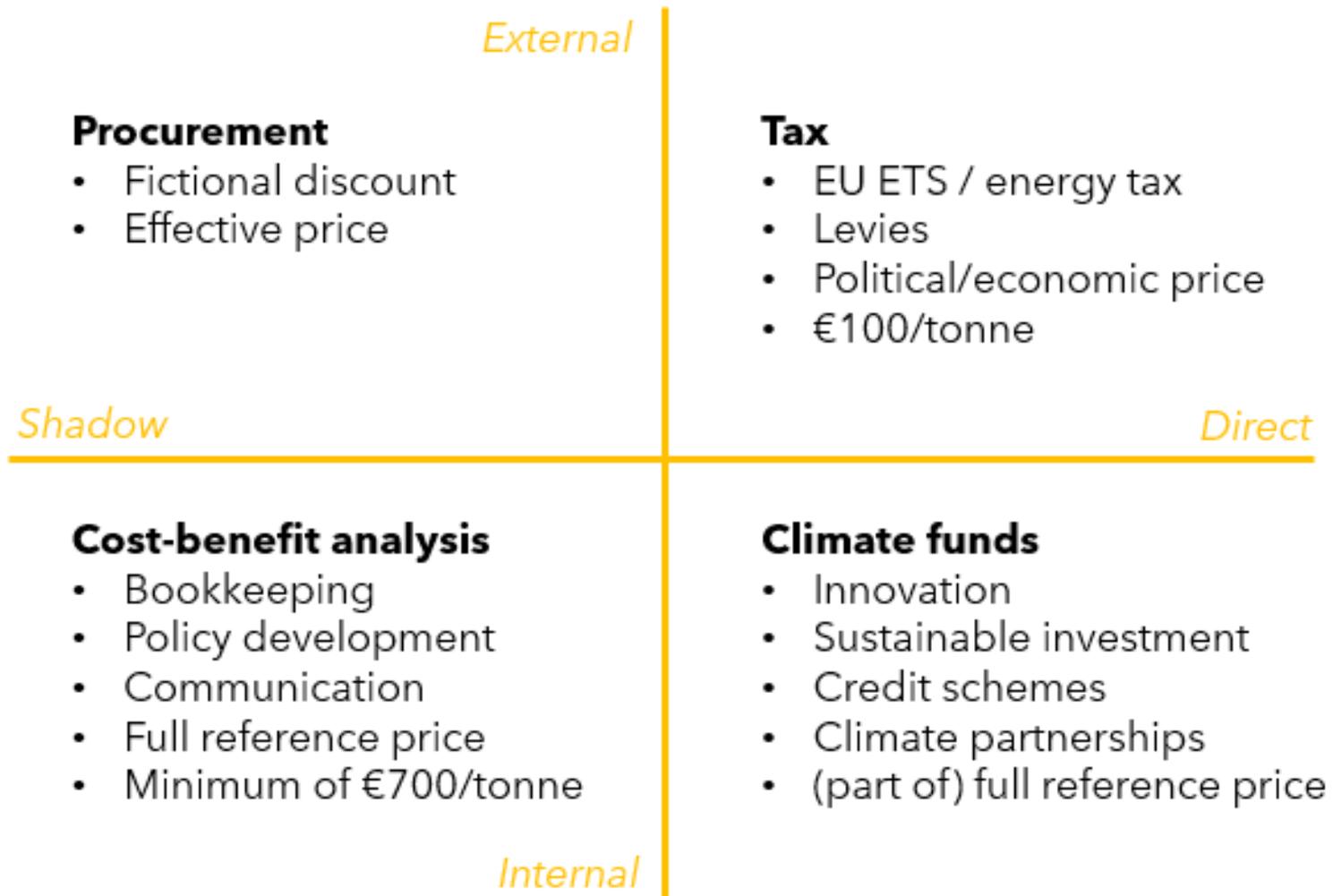


Essential: discount rate at zero or negative

Intergenerational equality puts current CO₂ price at ≥ 700 Euro/ton CO_{2e}



Different uses of carbon pricing



The fundament: calculating the carbon footprint

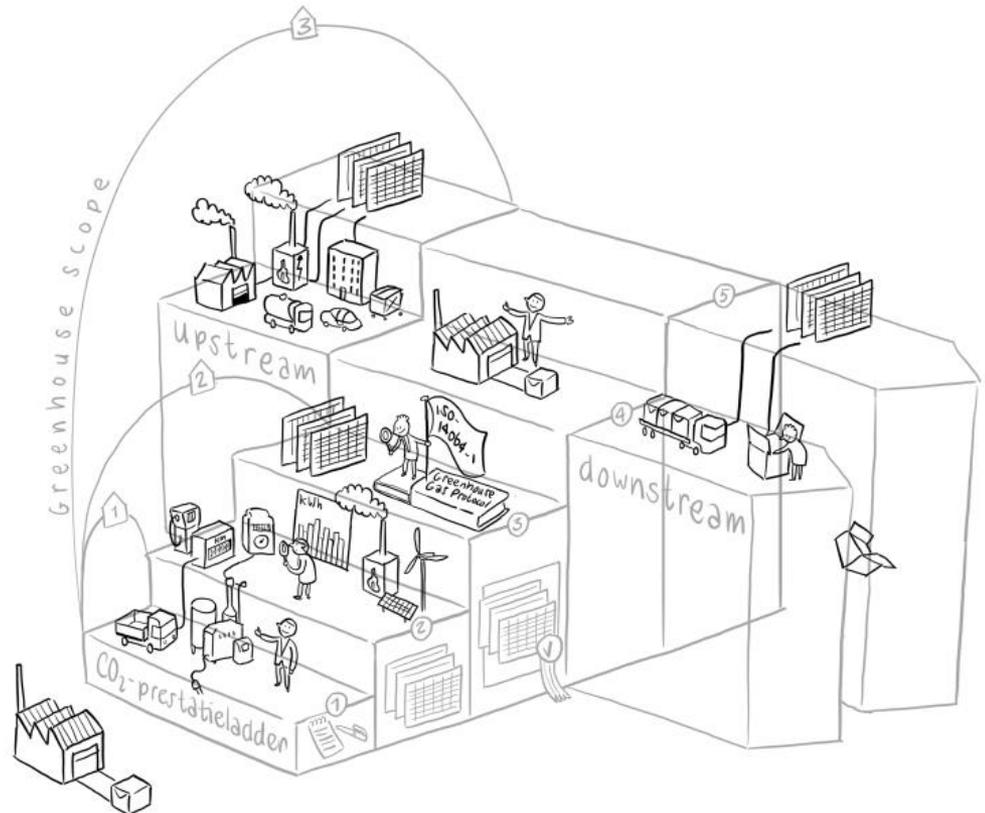
- Scope 1, 2 and 3
- Including upstream emissions
- Having a perspective on the downstream emissions

Scope 1 and 2: emissions of the organisation

Scope 3: including emissions of others, part of government direct responsibilities

Upstream: including all emissions caused by used products and systems

Downstream: including emissions for repairs etc. but also caused by users



Clarity, transparency, responsibility are keys

Examples: Cost benefit analysis

External

Procurement

- Fictional discount
- Effective price

Tax

- EU ETS / energy tax
- Levies
- Political/economic price
- €100/tonne

Shadow

Direct

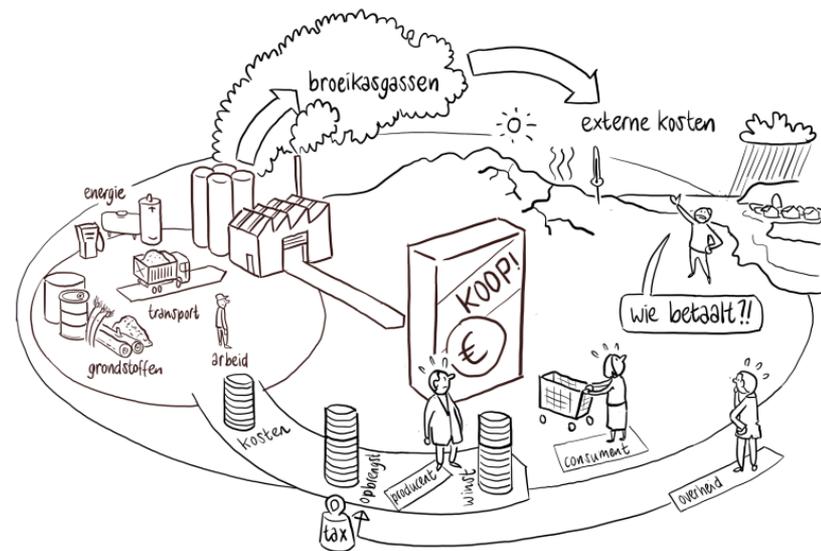
Cost-benefit analysis

- Bookkeeping
- Policy development
- Communication
- Full reference price
- Minimum of €700/tonne

Internal

Climate funds

- Innovation
- Sustainable investment
- Credit schemes
- Climate partnerships
- (part of) full reference price

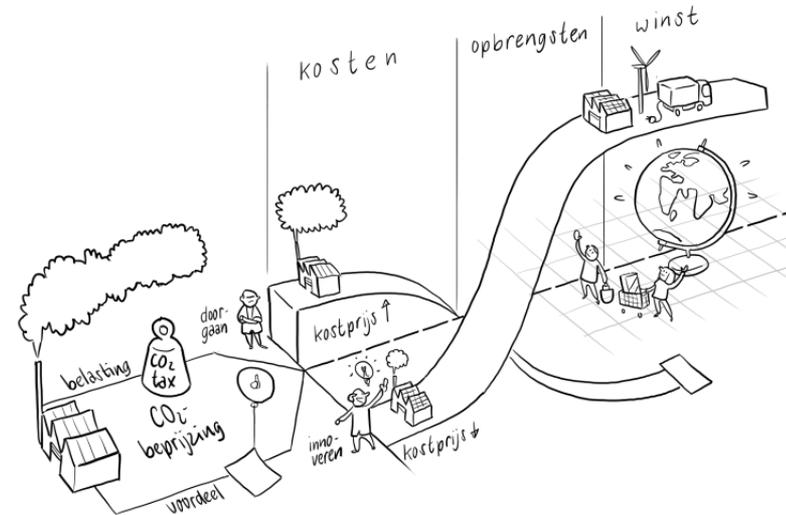
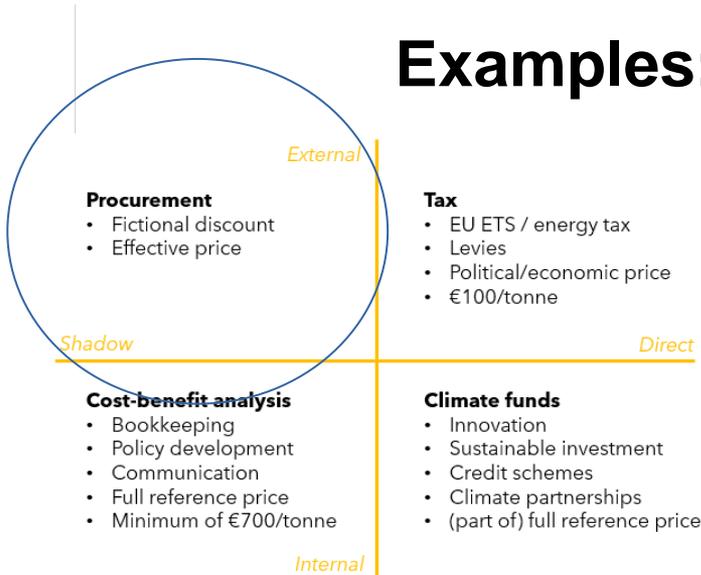


The carbon price as a planning, reporting and evaluation tool:

For instance:

- Sustainability reporting and wider communication
- Planning for sustainable renovation or greenfield development
- Cost/benefit analysis of policies, such as climate policies but also specific policies on for instance transport, procurement, housing

Examples: Sustainable procurement

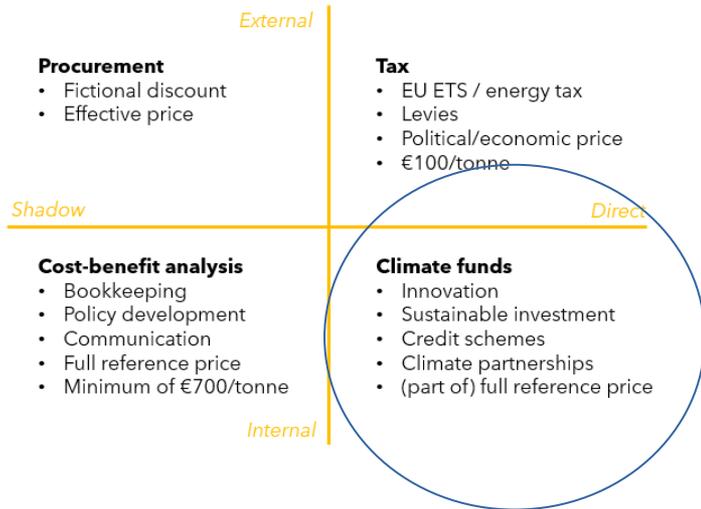


The carbon price as a procurement tool:

For instance:

- As part of the environmental cost indicators used during procurement
- As part of the designing effort in advance of actual procurement
- As part of a system providing a shadow price which can be used as a discount (based on best performance on CO₂-reduction) in selecting the winner

Examples: Climate funds



Coordinadora de las Organizaciones Indígenas de la Cuenca Amazónica

The carbon price as a funding mechanism:

For instance:

- As part of a reciprocal relationships with partners in the Global South
- As part of funding system for NGO activities in the region
- As part of funding system for innovation, internally and externally



“Urban climate action is at the heart of the European Green Deal and is essential to achieving a Global Green Deal.”

Frans Timmermans
*European Commission Executive Vice-President
for the European Green Deal, Co-Chair,
Global Covenant of Mayors for Climate & Energy*



Developing a joint programme in two stages

- Select per country one or two municipalities for joint fact/practice finding and programme development, developing practical steps towards implementing carbon pricing at the local level
- Work together, create standardized methods applical in all European countries, part of the Covenant of Mayors