Introduction to the Task Force

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1st meeting of the CEPS Task Force on the carbon market after Copenhagen, Brussels, 2 July 2010
Objectives and focus

• Consider implications of ongoing policy development for the EU in relation to UN negotiations;
• Address key challenges of the future carbon market;
• Examine potential for indirect linking through new commodities; and
• Explore possibility for completing and coordinating the designs of ETS(s)
Future challenges (1)

Goals:

• Enhanced mitigation actions driven by the 2020 target
• Development of a global carbon market based on the EU ETS
• Scaling up financial flows to & investment in developing countries
Future challenges (2)

**Tools/ Instruments:**
- Reforming existing mechanisms
- New mechanisms
- Interface between sectoral approaches and NAMAs
- Opportunities to link with other markets

**Designs:**
- AAUs, international offsetting, sectors, commodities
- ETS (auctioning, price floors/caps, border measures)
Structure

• Set the overall context and **goals** of the EU and carbon market (1st meeting)

• Look at new **international mechanisms and domestic schemes** under consideration (2nd meeting)

• Narrow down the focus on **design elements** of the EU ETS (3rd meeting)
Schedule (2010-2011)

4 meetings in Brussels, 2010-2011

2 July 2010: 1st meeting

Sep: 2nd meeting

Oct: 3rd meeting, preparation for an interim report

Presentation of an interim report before/at COP16

Feb 2011: 4th & last meeting

Launch of a final report in Brussels