



CMCC
Centro Euro-Mediterraneo
per i Cambiamenti Climatici

Euro-Mediterranean Centre for Climate Change (CMCC)
Potsdam Institute for Climate Impact Research (PIK)
International Research Centre on the Environment and Development (CIRED)

Side-Event on
“The True Cost of Climate Policy”
Poznań Climate Change Conference, COP 14

Monday, 08 Dec 2008
09:00-10:30
Room: Grebe

Agenda

Preamble

The cost of a climate stabilization agreement crucially depends on technology availability as well as on timing and rate of participation of different world's regions to the global climate deal. Usually the cost of GHG stabilisation measures are assessed under the assumptions of unlimited and immediate availability of carbon free technologies and of simultaneous participation of all countries. However, we live in a second best world, where some technologies may not be available, or their penetration may be slow, and where some countries may decide to delay their participation in a global climate agreement. In addition, some policy options may be rejected, e.g. for equity reasons, and long-term incentives (in particular, for infrastructural investments and R&D) may be taken into account only partly. All these “imperfections” are likely to increase the cost of climate policy. This session provides a novel assessment of the cost of climate policy, using a suite of state of the art European models, and explicitly accounting for a second best world setting.

Programme

THE COST OF DELAYING PARTICIPATION IN A GLOBAL CLIMATE AGREEMENT

Carlo Carraro, *Euro-Mediterranean Centre for Climate Change (CMCC) and Fondazione Eni Enrico Mattei (FEEM)*

THE COST OF LIMITED AVAILABILITY OF TECHNOLOGIES

Ottmar Edenhofer, *Potsdam Institute for Climate Impact Research (PIK)*

THE TIME PROFILE OF CARBON PRICING AND SECTORAL INVESTMENTS

Jean-Charles Hourcade, *International Research Centre on the Environment and Development (CIRED)*

REDD AND THE COST OF CLIMATE POLICY

Massimo Tavoni, *Fondazione Eni Enrico Mattei (FEEM) and Princeton Environmental Institute (PEI)*

OPEN DISCUSSION

Moderator: Carlo Carraro, *Euro-Mediterranean Centre for Climate Change and Fondazione Eni Enrico Mattei*

A rich refreshment will be served after the Side-Event