

Transformative Raising of Ambition – The contribution of effective climate policy instruments to the 1,5°C target

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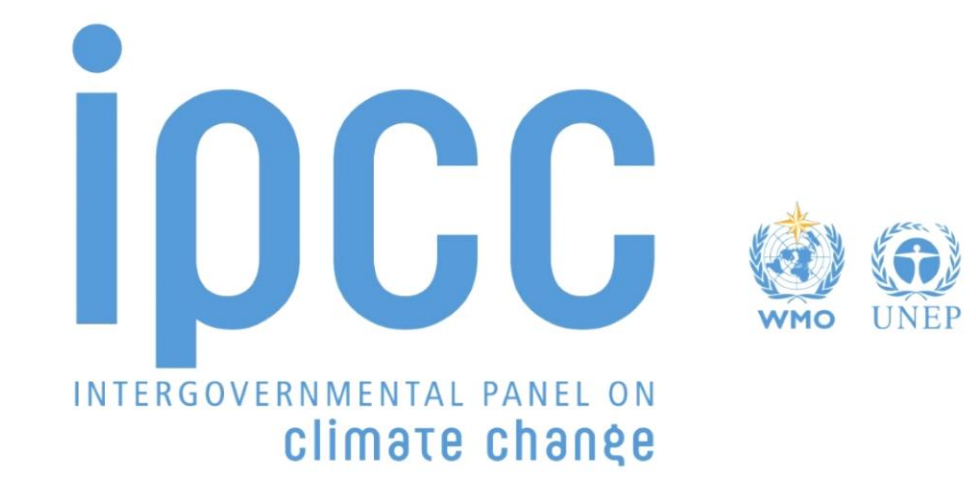
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Overall project goals:

Peer-reviewed publications on how international
climate policy instruments can increase mitigation ambitions.

contribute



Special Report 1.5°C

- Interest groups play a key role in the design of mitigation policy instruments and reduce their efficiency as well as effectiveness.
- Instruments generating high carbon price levels may in the future be possible if redistribution of revenues is done in a way that soothes the key interest groups.
- A mixture of market mechanisms for mobilizing mature mitigation technologies with a public investment programme for emerging technologies seems promising, if technologies can be 'weaned off' at the right point in time.
- For contentious 'emergency' technologies like Negative Emission Technologies (NETs) or Solar Radiation Management (SRM), international governance is critical. Unilateral implementation may have serious repercussions and jeopardize the international climate regime.



Quantitative Analysis of mitigation potential of CDM portfolios

- Public grants or preferential loans are important for climate projects with high costs, but lack price signals necessary to redirect private investment into low-carbon technologies.
- Climate policy instruments that guarantee the value of emission reductions based on auctioned price floor limits offer long term price security to private investors.
- Competition between auction participants enables efficient use of limited public funds while mobilizing private investment.
- Auctioned price lower limits can be applied in different sectors and are scalable.



Ambition raising in NDCs through new market mechanisms



"High Ambitions" beyond REDD+: Ways of involving private actors in Forest Landscape Restoration (FLR)

- Global FLR notions fit various local narratives, incl. oriented towards rural livelihoods, ecology, governmentality or markets.
- In countries, FLR discussions are not nearly as controversial as those on REDD+ or CDM.
- It seems decisive to detach the FLR from the poor reputations of REDD+ or CDM and to more proactively embrace the high power and value load.

Institutional design options of crediting mechanisms for negative emission technologies



- International policy instruments for negative emission technologies (NETs) do not yet exist, although mitigation scenarios are largely draw on them.
- The availability of large scale NETs applications is highly uncertain due to high costs and difficult political economy issues. Corresponding practical experience would better answer questions of feasibility.
- For a cost-effective global application of NETs, a policy instrument should allow international financial flows and implement safeguards against violations of sustainability objectives.
- The Sustainable Development Mechanism of the Paris Agreement (Article 6.4) could provide a good basis for such an instrument if it was to adopt a robust approach to assessing sustainability implications on the basis of the Sustainable Development Goals (SDGs).



- In order to realize the multiple wins of FLR, institutions need to manage the interactions between the different policy goals, e.g. through co-benefit requirements and safeguard systems.
- Safeguard systems of multilateral institutions are very similar, however, each institution keeps their own system.
- This causes high transactions cost for recipient countries, which could be avoided by orientation on one standard-setting institution.

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