

and subsequent adaptation requirements to severe climate threats in the future will be much more expensive than climate action today. We must therefore move past the question of whether or not there needs to be cooperation between nations and how this can take place, and take immediate action.

Transition to a low-carbon economy must not be seen as a competitive disadvantage, as it will create new business models and jobs. Although the high feed-in tariffs and subsidies that renewable energies and especially the solar sector have profited from in the past are expensive for the financially crippled industrial countries, these measures are still moderate compared to global subsidies in fossil fuels. As Michael Stanton-Geddes of SAIS notes, the financial and economic crisis is increasing protectionist behavior in renewable energy sectors. However, this protectionist measures will hinder a global effort to protect the climate.

International Carbon Action with a Transatlantic Core

by Dennis Taenzler, *adelfi*

The establishment of carbon markets is a key instrument to address climate change. Back in 2007, leaders of more than 15 governments met in Lisbon, Portugal to launch the establishment of the **International Carbon Action Partnership (ICAP)**. ICAP is made up of countries and regions that have implemented or are actively pursuing the implementation of carbon markets through mandatory cap and trade systems. It provides a forum for sharing experiences and knowledge on how to conceptualize and implement carbon markets. Germany, EU partners, and representatives from North American regional emission trading systems are part of this partnership that can eventually help link current and emerging carbon markets at a global level, and to establish a consistent regulatory framework across sectors and national borders. For then California Governor Schwarzenegger joining ICAP in 2007 was an important step forward in the state's efforts to fight global warming. He **had stressed** that ICAP represents the future of international cooperation, and is a new model for like-minded governments to come

together and pioneer solutions linking economic development and global climate action strategies.

On 7 December 2011, ICAP hosted a side event on "Emissions Trading around the World: Achievements and Prospects" at the 17th annual United Nations Climate Change Conference of the Parties (COP 17) in Durban, South Africa. The event presented latest developments and outlook for emissions trading around the world. It was opened with speeches by top decision-makers driving the development of emission trading systems (ETS) worldwide, including The Hon. Greg Combet, the Australian Minister for Climate Change and Energy Efficiency; Jos Delbeke, Director General for Climate Action of the European Commission, Dr. Urban Rid, Director General for Climate Protection in the German Ministry for the Environment, and Mary D. Nichols, Chairman of the California Air Resources Board.

Growing momentum in the development of carbon markets around the world became apparent through case studies from Australia, Chile, the EU, New Zealand, British Columbia, and California. Mary D. Nichols stressed that although there has been a slight delay in implementing the Californian system, 2012 will see the first auctioning of emission trading permits. California will use its ETS to expand its leadership role within the US climate policy arena, including by addressing energy cost concerns through some free credit allocations. British Columbia representatives outlined a possible strategy to reduce carbon taxes alongside the introduction of an ETS. BC aims to **reduce greenhouse gas emissions** by more than 33 percent by 2020, and this target will be reached by combing different policy instruments. With the California and British Columbia examples, the Durban side event illustrated how sub-national activities are increasingly encouraging progress in tackling the climate challenge in the absence of strong national action. In 2012, **ICAP will hold two summer schools** on emissions trading for emerging economies and developing countries in Costa Rica and Ireland to provide further insights for global climate policy learning.

International Carbon Action Partnership
<http://icapcarbonaction.com>

