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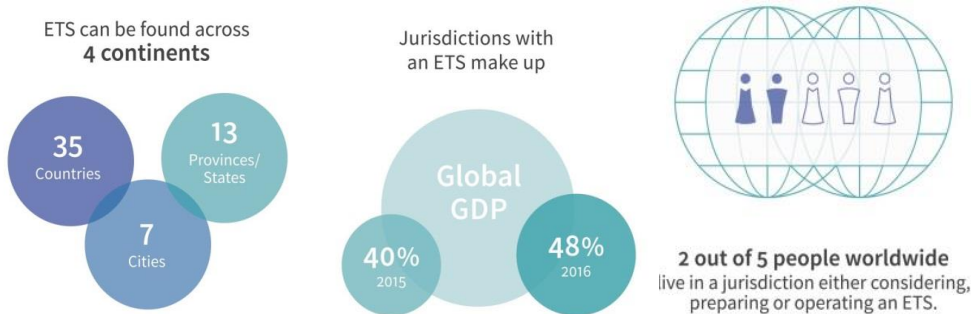
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Press Release

EMISSIONS TRADING SEES RAPID DEVELOPMENT WORLDWIDE



- The growth and diversification of carbon markets is a success story.
- A decade following the launch of the world's first major ETS in the European Union, there are now 17 distinct systems in force across four continents. These jurisdictions account for 40% of global GDP.
- Asia is becoming the new hub for emissions trading: with a national ETS launched in January in the Republic of Korea and China's development of a national carbon market, expected as early as 2016.

Berlin, 10/02/2015. The International Carbon Action Partnership's (ICAP) Status Report 2015, released today, showcases the success of emissions trading systems (ETS) around the world. As of 2015, there are now 17 distinct ETS in force across four continents.

This year is not only critical for global climate change action, with the UNFCCC Conference in Paris in December, but also represents a significant milestone for emissions trading. Not only has the Republic of Korea launched their national ETS in January, but China is also taking bold steps in the development of their national carbon market, expected as early as 2016. Current systems are also maturing and expanding, playing an ever greater role in the fight against climate change. In a world first, California and Québec linked their carbon markets in 2014, and with the inclusion of the transport sector in January their linked system became the world's third largest. A decade following the launch of the world's first major ETS in the European Union, jurisdictions with emissions trading now account for 40% of global GDP. All these developments are well illustrated and set into context with the new ICAP Status Report 2015.

Report shows why emissions trading has become so important today

Looking for a pattern of success of the ETS, one central aspect comes into mind: "Flexibility is certainly one reason why emissions trading has become such an appealing tool for policy-makers", state ICAP Co-Chairs, Jean-Yves Benoit, head of carbon markets at the Québec



Environmental Ministry, and Marc Alessie, head of the Dutch Emissions Authority. “The ICAP Status Report 2015 showcases the great diversity of economic and political contexts in which ETS has been applied.” As of 2015, there are systems operating in jurisdictions that vary largely in their geographical scope, economic profile and energy mix. Indeed, when it comes to ETS, there is no one-size-fits-all approach, rather the variability and individuality of the ETS are the key to its success.

As each ETS offers a unique take on emissions trading, the ICAP Status Report provides policy-makers with a compact overview summarizing key ETS trends, while detailed ETS factsheets allow for in-depth comparisons of individual systems and their design features. International experts also offer insights into the latest developments in emissions trading. Dirk Weinreich and Angelika Smuda from the German Environmental Ministry provide a German perspective on EU ETS reform, while Lois New and Justin Johnson from the Regional Greenhouse Gas Initiative showcase their system as a compliance role model under the proposed Federal Clean Power Plan. The Québec Environmental Ministry share their experiences with linking to the Californian cap-and-trade program. Qian Guoqiang and Yu Siyang from SinoCarbon report on China’s transition from a pilot system to a national ETS, and from Tokyo, Masahiro Kimura gives an overview of the world’s first city-wide cap-and-trade program. Kay Harrison from New Zealand outlines the ongoing evolution of the NZ ETS, including the transition to a domestic-only system.

The growth and diversification of carbon markets is a success story, made possible through the dedication of policy-makers in an ongoing process of dialogue and consultation, to which forums like ICAP make an important contribution.

Download the ICAP Status Report 2015 (infographics also available separately) at <https://icapcarbonaction.com/status-report-2015>

About ICAP:

The International Carbon Action Partnership brings together regional, national and sub-national governments and public authorities from around the world to discuss important issues in the design of emissions trading schemes (ETS) and the way forward to a global carbon market. 30 national and subnational jurisdictions have joined ICAP as members since its establishment in 2007. Further information: www.icapcarbonaction.com

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