



Barbara Oliveira

Global Sustainability Program

Center for Sustainability Studies

Fundação Getúlio Vargas



Corporate Motivations for Participating in a Carbon Market



Policies



Cost reduction



Transparency

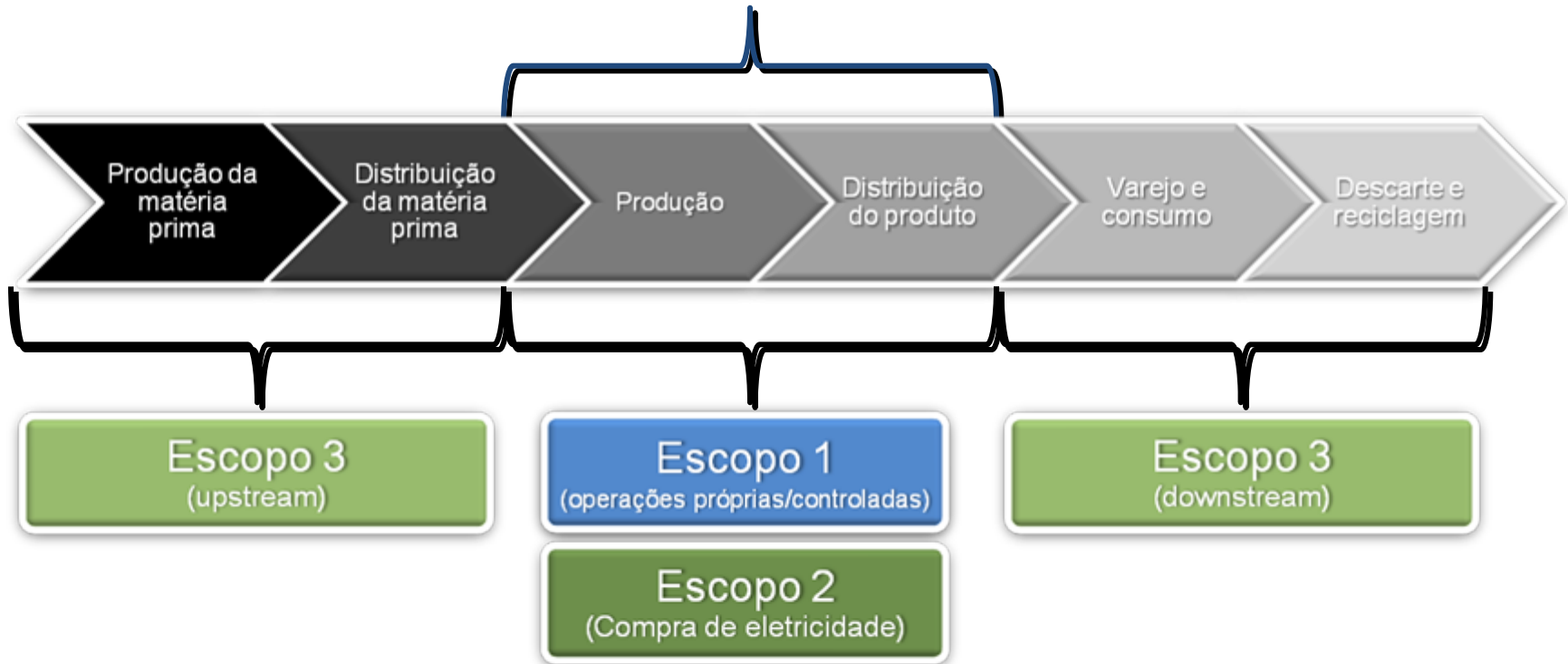


International competitiveness

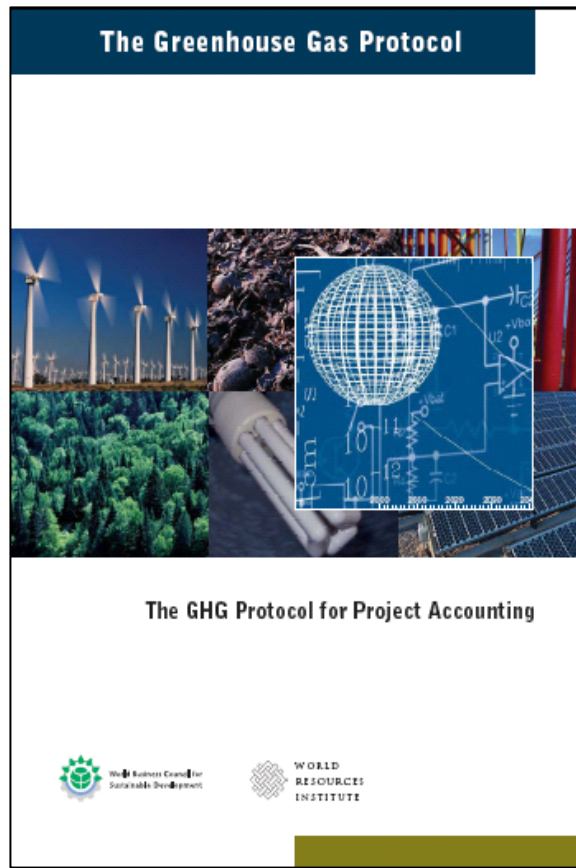
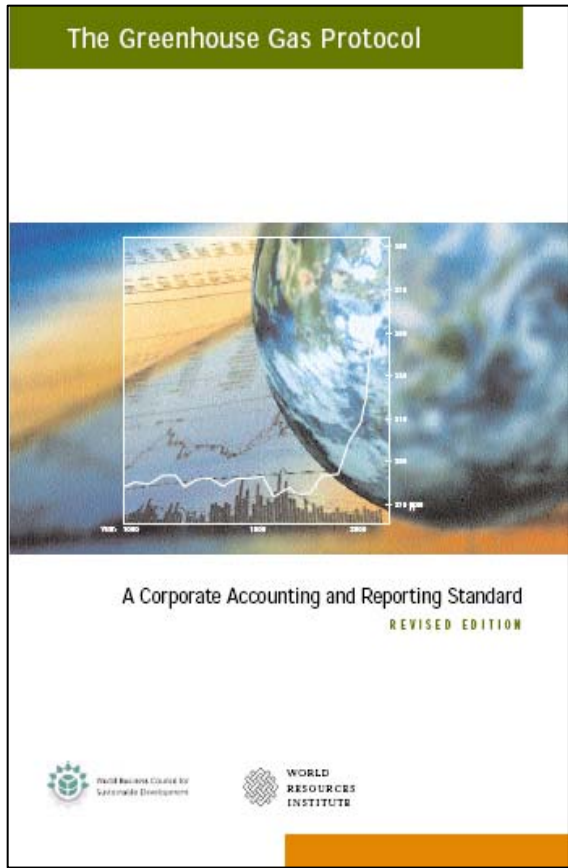


Scopes in a Value Chain

Company operations



GHG Protocol Accounting & Reporting Standards



Corporate Value Chain (Scope 3) Accounting & Reporting Standard

Product Accounting & Reporting Standard

1 - Scope 3 and Product Standards

1. Product Standard

- ⇒ Accounting and reporting emissions in the product level (carbon footprint)
- ⇒ Based on Life Cycle Analysis standards

2. Corporate Value Chain (Scope 3) Standard

- ⇒ Accounting and reporting activities with highest GHG emissions in a value chain
- ⇒ Organizational/corporate level
- ⇒ Base on the GHG Protocol Corporate Standard
- ⇒ Provide additional orientations regarding Scope 3 emissions



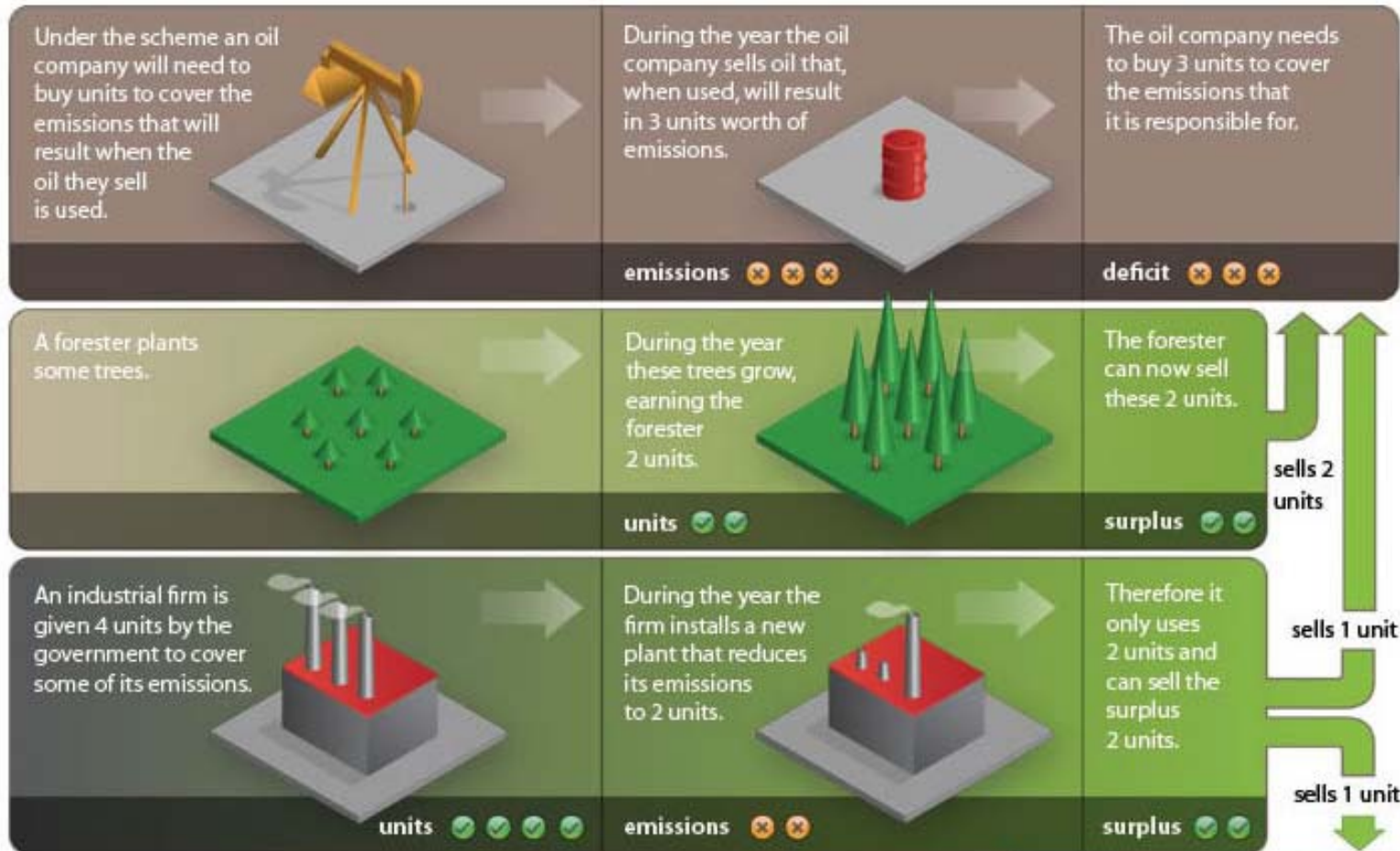
2 - Labelling Schemes



Once companies have accounted for their emissions, it is time to take advantage of that, in the consumer market.

Various labelling schemes (ex. Carbon Trust) have appeared in the last five years, to give transparency and inform consumer about the carbon footprint of the acquired/desired product.

3 - Cap and Trade in Practice



Source: <http://www.climatechange.govt.nz/emissions-trading-scheme/about/ets-diagram.html>

International Experiences

Country	Description of the scheme
European Union	<p>EU ETS EU wide cap and trade scheme. The world's first and largest mandatory trading scheme for CO2 emissions. Phase I commenced in 2005 covering CO2 emissions from major installations in selected sectors, including energy, ferrous metals, mineral industry and pulp and paper.</p>
Japan	<p>Voluntary Emission Trading Scheme Voluntary scheme combined with incentives for participants. First phase launched in 2005 covering CO2 combustion from participating companies.</p>
New Zealand	<p>Mandatory cap and trade and trade scheme that will cover all sectors and all greenhouse gases by 2015.</p>
United States	<p>Regional Greenhouse Gas Initiative Cap and trade for CO2 emissions from fossil fuel electricity generators above a size threshold of 25MW in seven Northeastern states. First phase proposed from 2009-2015, second phase proposed from 2016-2020.</p> <p>Western Climate Initiative Collaboration between 7 Western US States and 4 Canadian Provinces. Proposed cap and trade scheme commencing in 2012 (reporting from 2010) including the six greenhouse gases covered by the Kyoto Protocol. The scheme contributes to regional goal of a reduction to 15% below 2005 emissions by 2020.</p>

GVces and Climate Change

- **Climate Change Observatory:** a network of main NGOs and social movements that deal with climate change in Brazil are provided facilitation by the GVces.
- **Public policies for Climate Change:** assistance for the elaboration of public policy in different arenas, at the local, state and federal level.
- **Brazilian GHG Protocol Program:** established an internationally-recognized corporate methodology in the country for measuring GHG emissions and promoting a culture of reporting corporate inventory .
- **Businesses for Climate Change platform:** capacity building for business leadership and elaboration of strategies for the management and mitigation of GHG emissions and the risks and opportunities associated with climate change.



What is the EPC?

A permanent **Brazilian business platform** setting the course for the transition to a low-carbon economy.

How it operates

- Production and **dissemination of knowledge** and solutions for the **management of climate risks and mitigation of green house gas emissions**;
 - Adoption of **strategies and policies** that guarantee **competitiveness and innovation** associated with the generation of **market opportunities**;
 - Proposition of a **regulatory framework** for a **low-carbon economy**, further to a **positive agenda** for the **business sector**.
- *This initiative was modeled on the ***UK Corporate Leaders Group on Climate Change***

(CLG) with the support of the British Embassy.



Objectives

- Build capacity for businesses with regard to:
 - Climate science;
 - Corporate policies;
 - Climate related public policies;
 - Construction of business strategies;
 - Systems of managing emissions and climate risks.
- Support climate negotiations.
- Contribute to a regulatory framework with the views of the business sector needs.



Activities

- Continuing education on Climate Change.
- Exchange of experiences and best practices among Members.
- The provision of tools for business operations.
- Research, discussion, and elaboration of *Policy Papers*.
- Mobilization and qualification for participation in international climate negotiations.
- Communication and disclosure of activities.



Participating Business



AECOM



AmBev



BM&FBOVESPA
A Nova Bolsa



CNOC



O Boticário



Thematic studies – *Policy Papers*

- Technical discussions, with specialists and businesses, for the elaboration of public policies for a low-carbon economy in the following areas:
 - Energy;
 - Transportation and Logistics
 - Agriculture;
- Building a common position for the businesses sector on:
 - Public policies;
 - Regulatory framework;
 - Brazilian position in international negotiations;
 - Economic, financial or market-based instruments applicable to the creation of incentives by governments, with a focus on production and consumption, for the establishment of a low-carbon economy in Brazil.
- Formulation of Studies on proposed themes.



PROPOSTAS EMPRESARIAIS DE POLÍTICAS
PÚBLICAS PARA UMA

ECONOMIA DE BAIXO CARBONO NO BRASIL



ENERGIA, TRANSPORTES E AGROPECUÁRIA



Centro de Estudos em
Sustentabilidade da EAESP

Contact

Barbara Oliveira
Global Sustainability Program Coordinator
Center for Sustainability Studies (Gvces)
Fundação Getúlio Vargas (EAESP)

barbara.oliveira@fgv.br

