



PEW CENTER  
ON  
Global CLIMATE  
CHANGE

# International Offsets in a Greenhouse Cap and Trade System

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**Pew Center on Global Climate Change**

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## ❖ *Domestic Offsets*

## ❖ *International Allowances*

## ❖ *International Offsets:*

- *Clean Development Mechanism*
- *Joint Implementation*
- *Forest Carbon Credits*
- *Other?*

# The Importance of Offsets



**Price Signal Beyond the Cap Sectors**

**Innovation Beyond the Cap Sectors**

**Bridge to New Technology**

**Cost Containment**

## **Cost Containment**

- EPA Results of Waxman-Markey Draft Proposal:  
Allowance prices increase by 96% without the  
use of international offsets

## **Influence on the system**

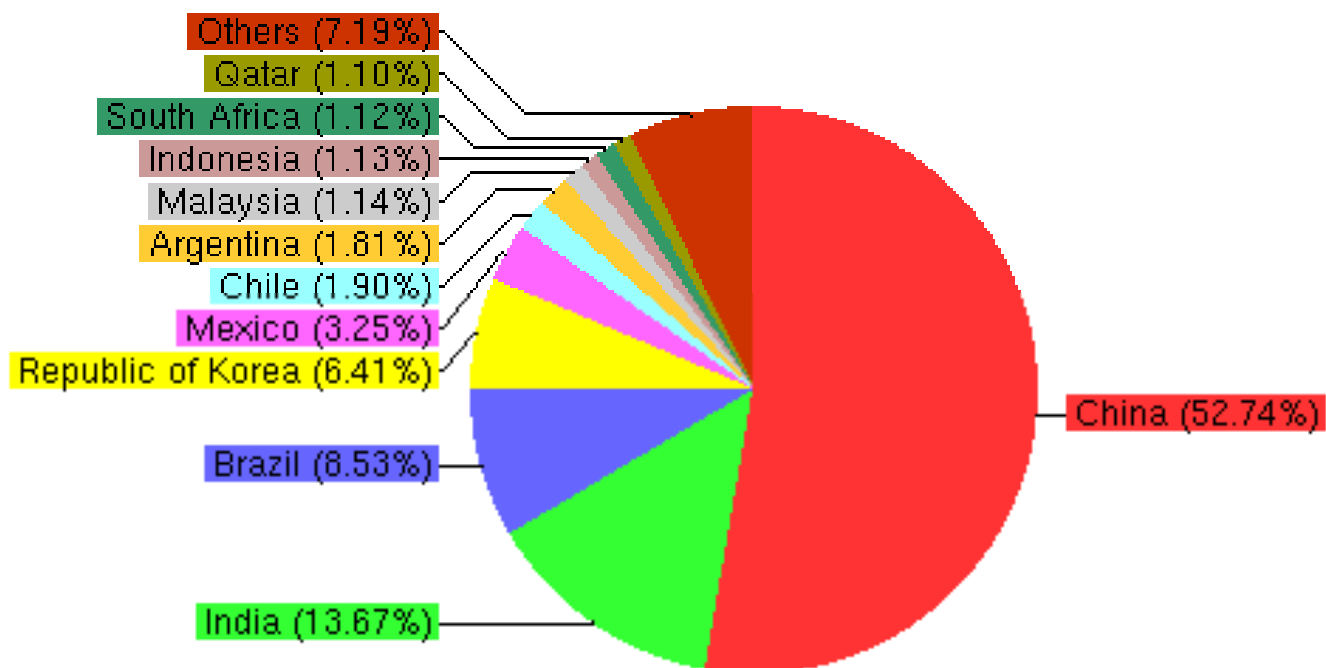
## **Provides political experience**

## **Industry pays for technology deployment not government aid**

## **International cooperation**

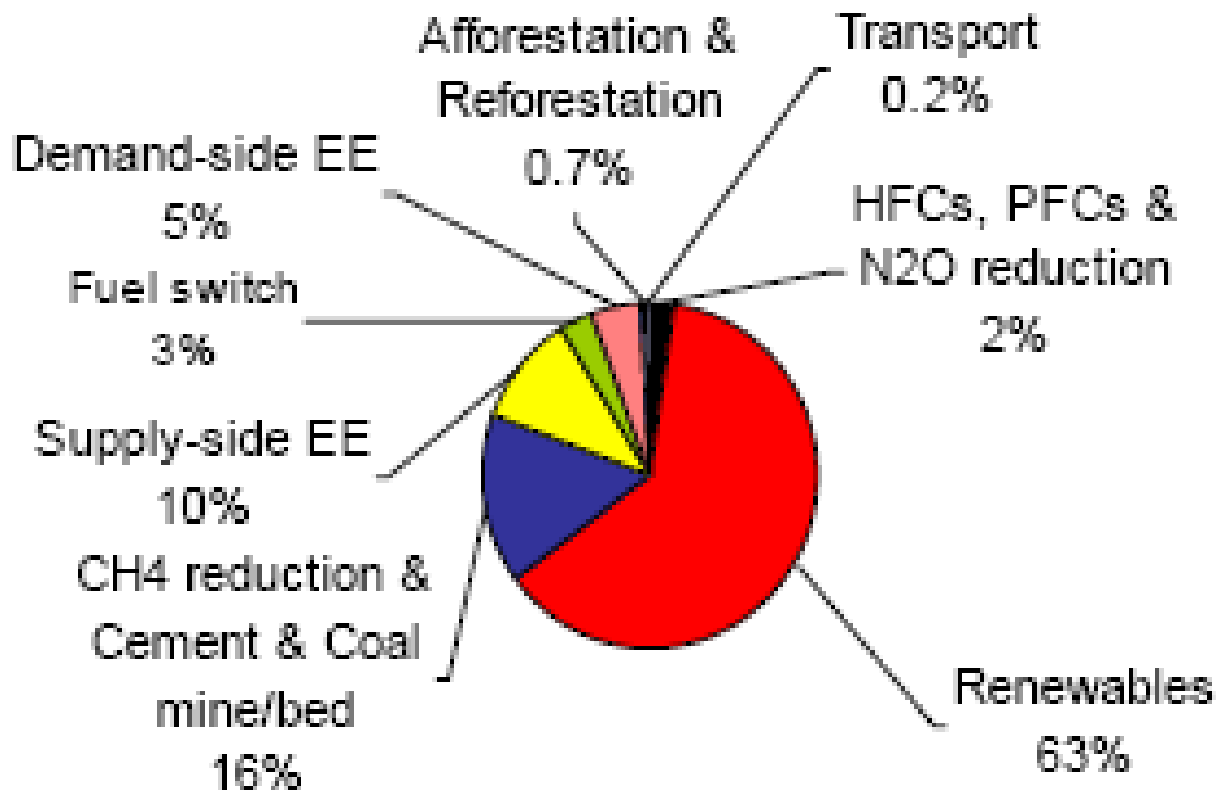
# CDM Credit Sources

Expected average annual CERs from registered projects by host party. Total: 227,732,692



# Types of CDM Projects

Number (%) of CDM projects in each category



# Today's Panel



**Janet Peace**, Vice-President of Markets & Business Strategy, Pew Center on Global Climate Change (moderator)

**Christiana Figueres**, Vice President of the Bureau of the UN Framework on Climate Change and former representative to the CDM Executive Board

**Graeme Martin**, Manager of Business Development, Environmental Products, Shell Energy North America

**Eric Haxthausen**, Director of U.S. Climate Change Policy, The Nature Conservancy

**Dirk Forrister**, Managing Director, Advisory and Research Service, Natsource LLC