



International Centre for Trade
and Sustainable Development

Embedded carbon and trade- trends and policy options

Ingrid Jegou

ICTSD-ECLAC-Government of Honduras side event at
COP 20, Lima, Peru

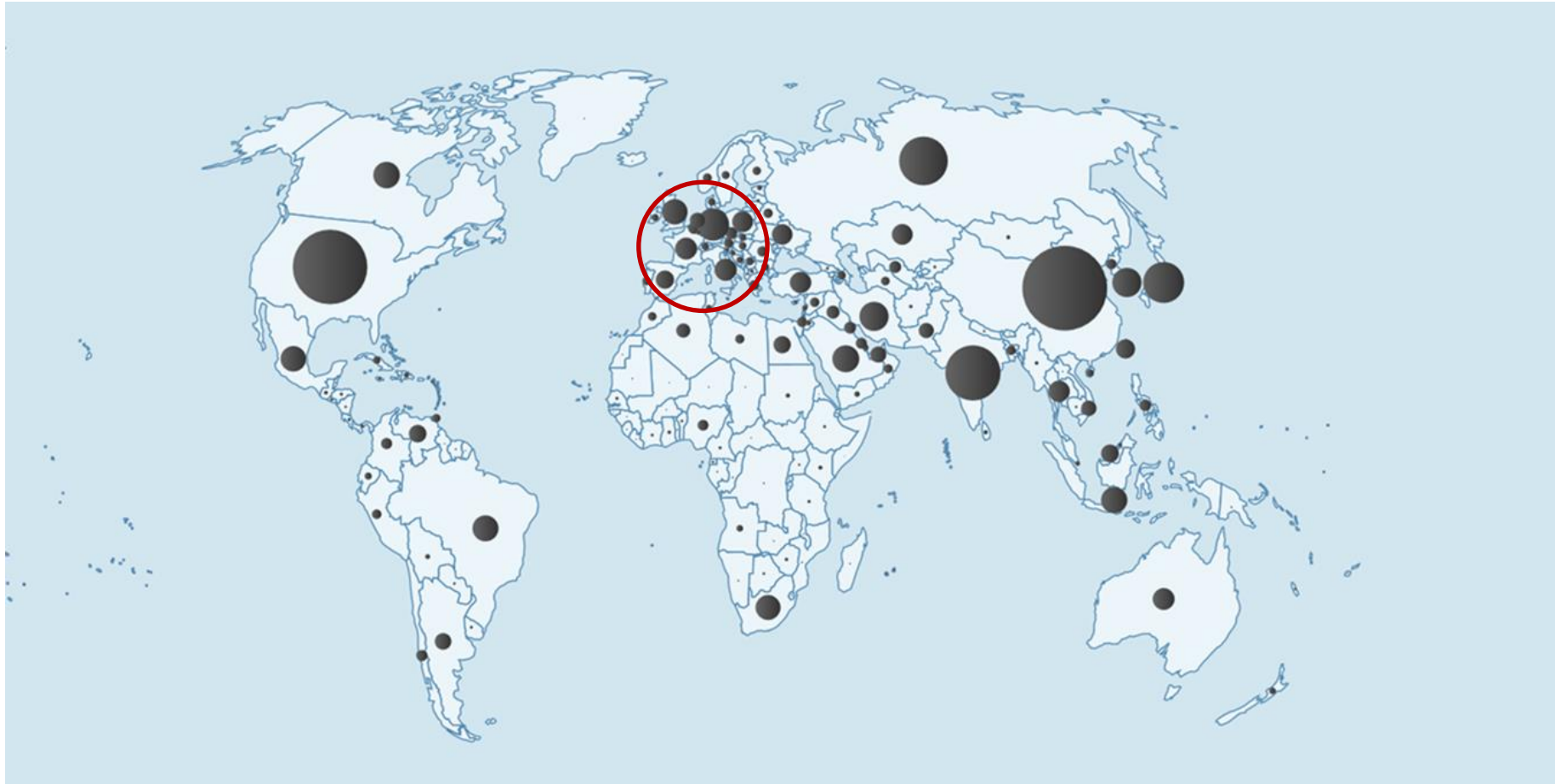


Definitions:

- **Territorial emissions:** carbon dioxide emissions attributed to the country in which they occur.
- **Consumption-based emissions:** carbon dioxide emissions occurring anywhere in the world and attributed to the country consuming the goods and services.
- **Land-use change emissions:** carbon dioxide emissions from land-use, land-use change and forestry.



World territorial emissions, 2013



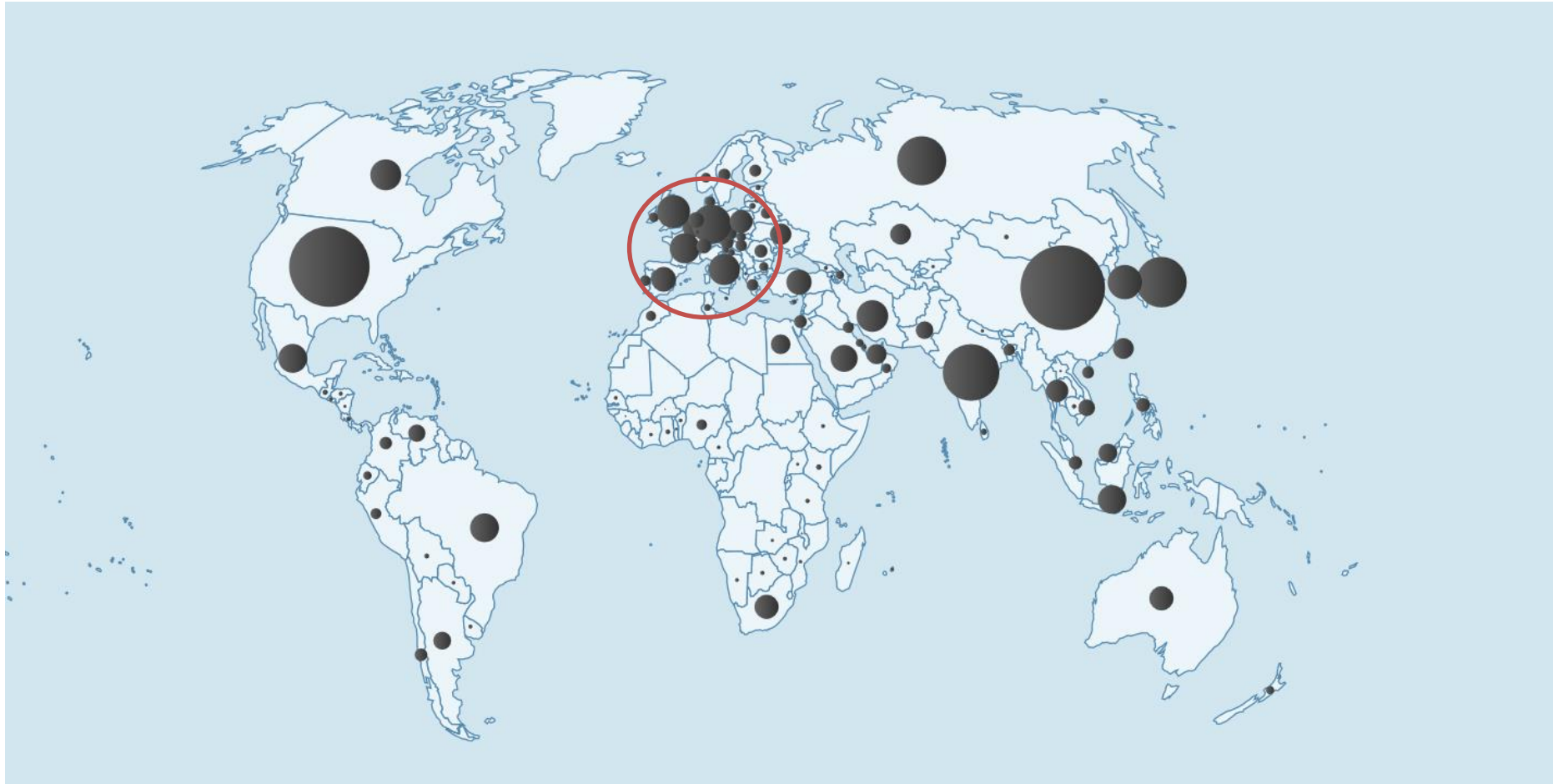
Source: The Global Carbon Atlas, 2013



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World consumption based emissions, 2012



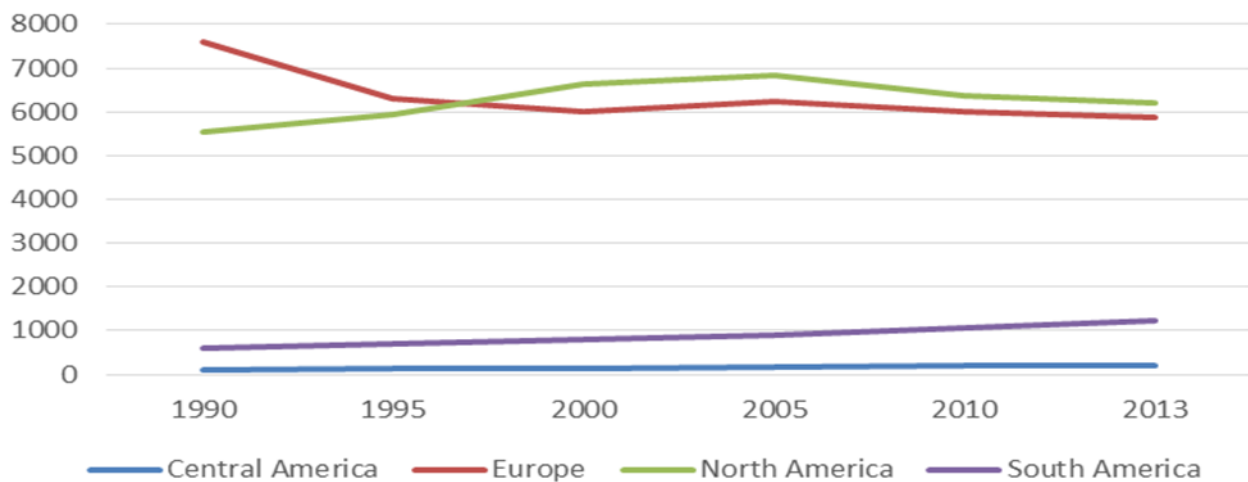
Source: The Global Carbon Atlas, 2013



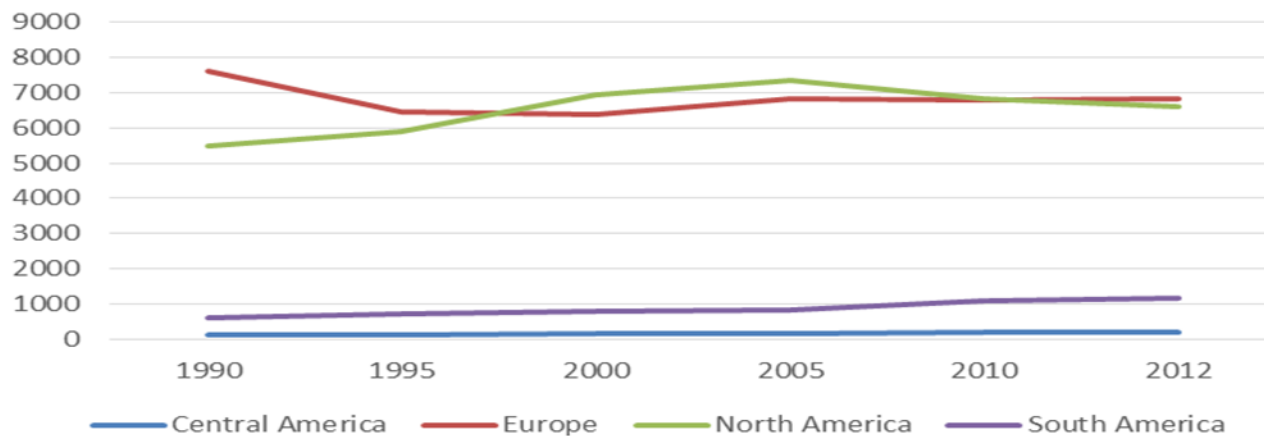
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territorial emissions in MtCO2



Consumption based emissions in MtCO2



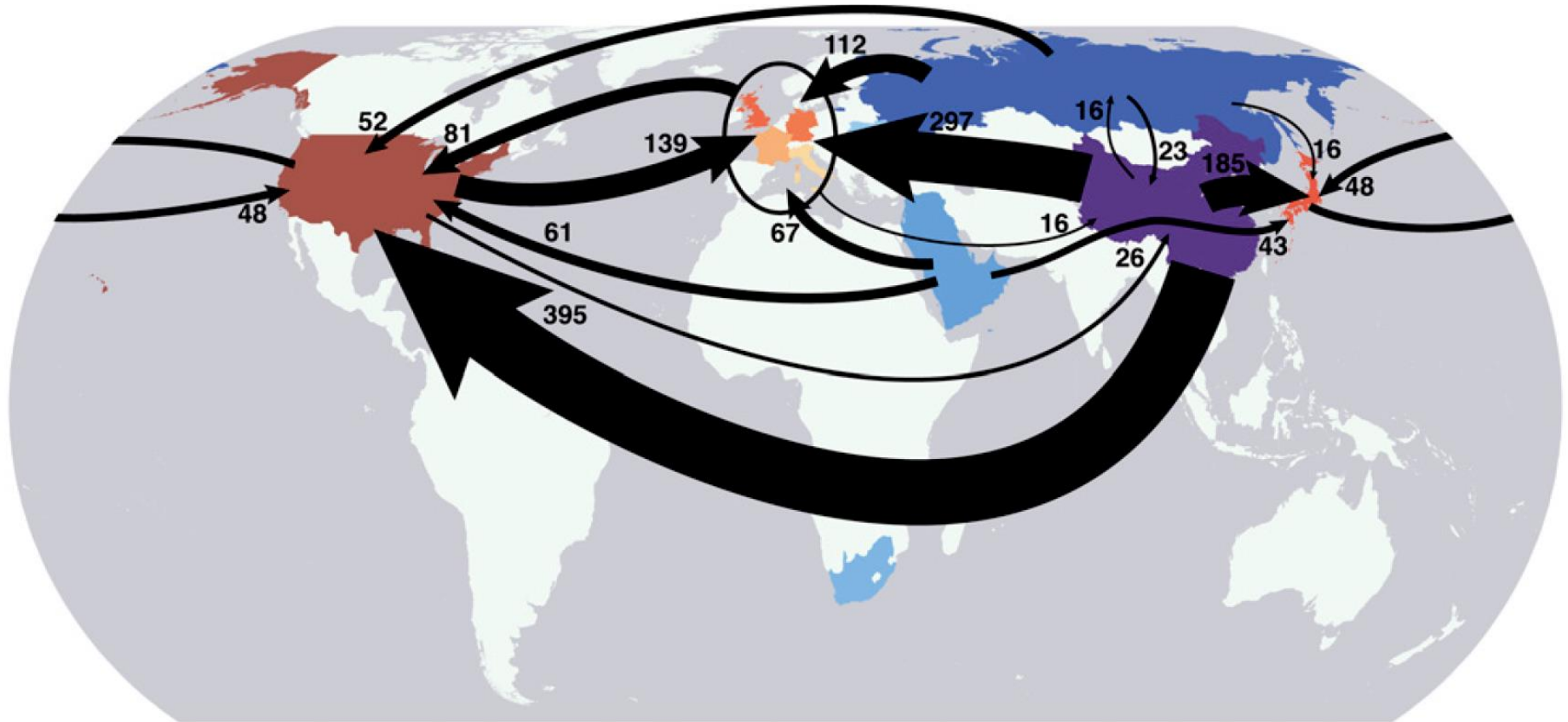
Source: The Global Carbon Atlas, 2013



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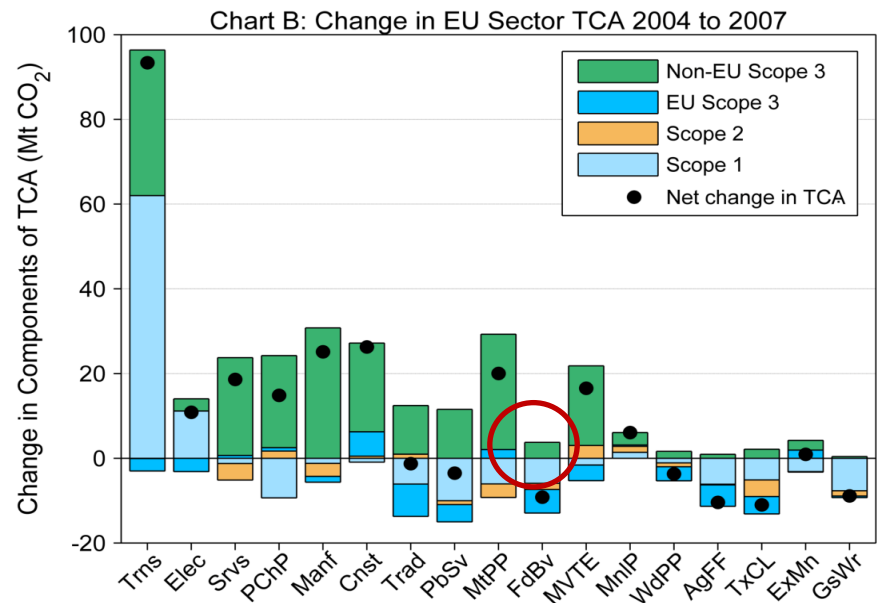
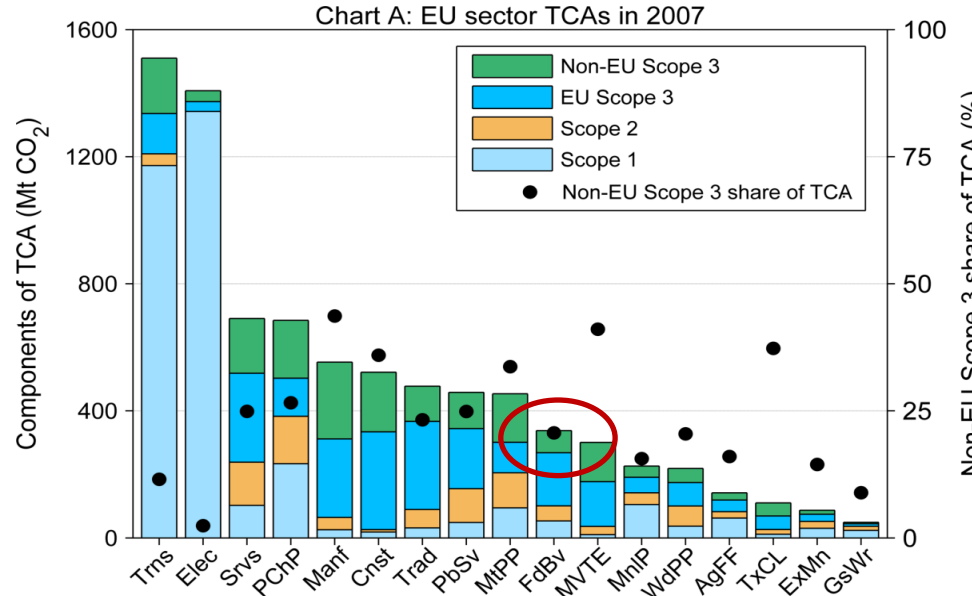
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Large interregional fluxes of emissions embodied in trade

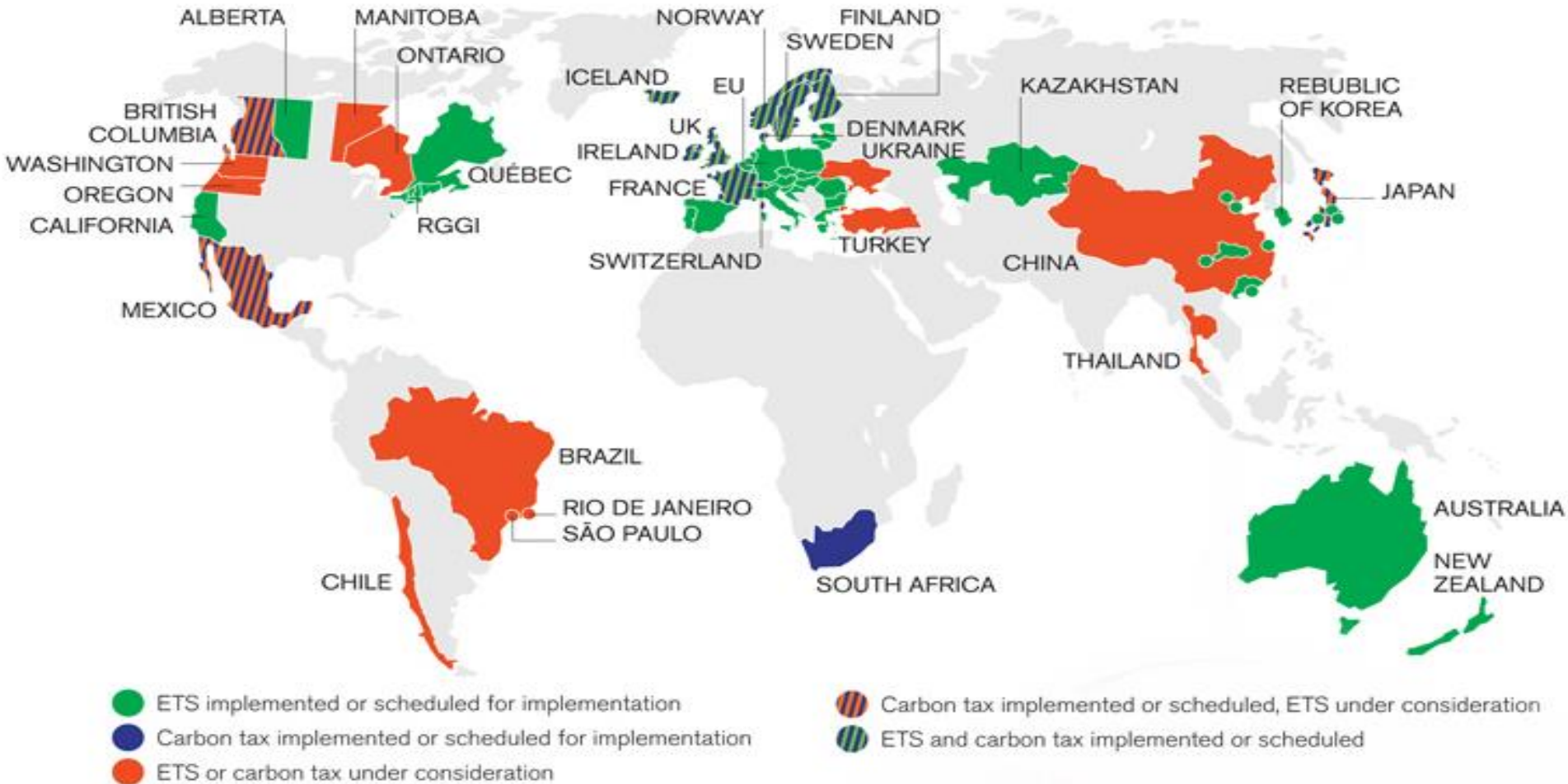


Embedded carbon per sector in the EU

- Embedded carbon account for an important share of emissions in for ex manufacturing, construction, metals production & processing.
- Non EU embedded consumption based emissions have increased across the board



Global Overview of Carbon Pricing Instruments



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Source: World Bank, 2014

Types of decision-making	Actors in the supply chain		
	Upstream producers	Intermediary consumers	Downstream consumers
Satisficing (e.g. standards & engagement)		Product labelling	
	Product standards		
		Information campaigns	
		Supply chain procurement requirements	
Optimising (e.g. markets and prices)			Product user fees
			Deposits on purchased goods
		Minimum price limits	
Transforming (e.g. strategic investment)			Prefential energy efficiency loans
			Public procurement
			Infrastructure improvmenes
Policy point of intervention			
Desired impact			

