



:vivideconomics



Institutions, investors
and
consumers

Robin Smale, Director

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Politics, institutions and investors

Political drivers

- national obligations and policy commitments, politically defined
 - short-term targets unaffected by policy, very long-dated targets
 - inadequate energy security and energy poverty policies
 - undecided willingness to pay
- trade interests and lobbying influences
 - income effects

Institutional organisation, motives and political risk

- separate monetary policy control
- inflation target

Investors and investment appraisal

- risk to revenues
- no compliance investment observed
- shortage of voluntary market projects reported

Standards, supply and demand

Compliance market

- patterns of other manufacturing investment
- eligibility of Certified Emission Reductions (JI/CDM) in EU ETS market

Voluntary market

- reliance on consumer, self regulation or regulatory intervention?
- emergence of standards
 - Gold Standard, Voluntary Carbon Standard, Carbon Stewardship Council, Defra Code of Best Practice, Carbon Trust supply chain standard, Soil Association, Penguin Approved, ISO 10064
- chain of influence: academic => media/NGO => consumer
 - economically efficient versus failing in duty
 - the context of responsible carbon management
- role of offsetting in consumer markets
- resource constraints
- co-ordination