Emissions trading systems worldwide

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About the International Carbon Action Partnership

An international forum of 41 national & subnational governments to exchange knowledge and experiences on emissions trading systems (ETS)

- Share best practice & learn from each others’ experiences
- Facilitate development and improvement of carbon markets
- Explore the role of emissions trading in decarbonization
Key ETS trends

**Momentum for ETS development and implementation continues**

The number of systems and the global ETS coverage more than doubled over the last decade and continues to rise.

**ETSs worldwide have weathered an eventful year without major disruptions**

Despite the challenging and unprecedented global backdrop, existing systems showcased maturity and proved to be remarkably resilient to significant external shocks.

**Carbon prices remain largely unchanged but keep raising record revenues**

After significant gains in 2021, prices in most systems started and ended 2022 at around the same levels, despite some fluctuations over the year. With more than USD 63 billion of auctioning proceeds collected, 2022 marked another record year.
ETS worldwide
Global expansion of ETS

The number of ETS systems in force grew from 25 to 29

Jurisdictions making up 55% of global GDP are using emissions trading

Almost 1/3 of the global population now lives under an ETS in-force

5% of global GHG emissions

17% of global GHG emissions
Most systems cover emissions from power and industry.

The sectoral coverage of several ETSs expands to other sectors as well.

The share of emissions covered and the point of regulation (upstream vs downstream) varies across systems.
Allowance price developments

Allowances prices in most systems ended 2022 largely unchanged

This follows significant price gains and record levels over the last 3+ years.
Auctioning revenues

High carbon prices and new revenue streams raised a record $63 billion globally in 2022. The EU ETS represents 2/3 of the total.

More than half of the total revenues raised by ETSs since 2008 was collected in 2021 and 2022 alone.

Revenues are being reinvested to further climate action or assist industry and consumers.
Thank you

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ETS and the energy crisis

The consumer price index and its energy component increased significantly in 2022

On the contrary, allowance prices largely stagnated over the year after seeing significant gains in 2021

1 CPI and energy component of CPI correspond to values for the EU 27 member states.
2 CPI and the energy component of CPI in California correspond to values in the West urban region.
3 CPI and the energy component of CPI in RGGI states correspond to values in the Northeast urban region.