

## Millennials have a key role to play in advancing carbon pricing by Amanda Formica, Ekow Edzie, and Danny Tobin



For young professionals, researchers, and leaders looking to make a measurable and significant impact on curbing the effects of climate change and increasing climate equity, the time is now to join the global movement to put a price on carbon.

Our delegation of graduate researchers representing the Center for International Environment and Resource Policy and the Fletcher School of Law and Diplomacy at Tufts University were given the opportunity by our professor, Patrick Verkooijen (World Bank's Special Representative on Climate Change), to attend this week's annual high-level assembly of the Carbon Pricing Leadership Coalition (CPLC) (pictured above). From this exhilarating and collaborative environment, our team compiled a mix of ideas for how the CPLC and our fellow youth can further carbon pricing policy adoption.

When our delegation asked our first expert what was most needed for the next steps for carbon pricing, Enrique Lendo, Head of International Affairs at the Mexican Ministry of the Environment and Natural Resources (SEMARNAT), emphasized the need for greater inclusion: "The only way to reach our goals is to involve not only policymakers but society as a whole. We need the companies, legislatures, national governments, cities, academia, youth, and the average citizen. It's very important to have everyone on board. It's very important to think about carbon pricing as a matter of principle, like any of the other global principles." This quickly became a theme of our meetings: the carbon pricing leadership coalition has made great strides to spread the carbon price, but it still faces major challenges to include all the relevant stakeholders. As voices of the youth, we sought to understand how our generation can become involved in the movement to put a price on carbon.



### **Urgency and Ambition**

Since it began with a handful of innovative governments, companies, and NGOs at the time of the Paris Climate Agreement in 2015, the CPLC has grown to encompass over 250 partners across all sectors. 47 carbon pricing initiatives are scheduled to be or are already implemented and represent 15% of global greenhouse gas emissions.

The key message of this year's CPLC high-level assembly was clear: the world has achieved enormous success in a few short years, but staying on track to meet Paris goals will require increasing the urgency and ambition of carbon pricing policies.

### **Involve new partners representing the other 85% of GHG emissions**

A broader coalition of actors is needed across and within sectors to create policies that will cover the 85% of global GHG emissions that currently fall outside of carbon pricing schemes. Bold and creative millennial leaders can drive a broader group of stakeholders to the table. As we heard from Jeff Turner, VP of Sustainability at DSM, you don't need to have "sustainability" in your job title to do the work of curbing emissions. In fact, it's the opposite; everyone from marketers to lawyers, supply chain managers to IT specialists, can make the case for carbon pricing from the perspective of their department within their business or government. Dr. Lendo agreed that there is an opportunity to include new stakeholders, noting in his public remarks to the CPLC that the younger generation, who will face the consequences of climate change, must be included in the carbon pricing movement.

For the same reasons, our team member Amanda Formica believes that the next step for the CPLC and its partners in this work is to move the needle on public engagement in carbon pricing at the national level: “The CPLC and national leaders should take note from behavioral science and systems entrepreneurship by creating cross sectoral groups of thought leaders from media, business, NGOs, academia, and community, from the top down and bottom up, who will spur dialogue and create the political will for the adoption of carbon pricing policies.”

Anyone interested in furthering this work can join policy, finance, and business leaders in Frankfurt, Germany this May for the [Innovate4Climate](#) summit. It will provide a platform for climate investment, finance, and markets to broaden engagement for carbon pricing.

### **Implement strategies to achieve US \$40 per ton by 2020**

While the achievements so far in Europe and Latin America and among leading companies like Engie, DSM, and Mahindra are laudable, young people can help continue the momentum to deepen commitments. Christine Lagarde, Managing Director of the International Monetary Fund, pointed out that many carbon pricing schemes currently put carbon at US \$5 per ton and need to be at least \$40 per ton by 2020 and \$70 per ton by 2030 to stay on track to reach the Paris commitments. Among her recommendations, Lagarde emphasized that instating price floors and implementing complementary measures to existing policies, like investment in infrastructure, would enhance their effectiveness and flexibility.

Herman Sips, Senior Climate Change Specialist at the World Bank, echoed this need for deepening carbon prices when he shared his experience with our team: “I see a lot of action happening across the globe, which is great and encouraging. The next step is to link carbon pricing up to the progression we need to see in climate ambition and that we also see progression in stepping up pricing.”

Team member Danny Tobin has an idea for how sectoral collaboration could further our progress toward a \$40 per ton goal while financing innovation. He believes the CPLC could use its unique position as multistakeholder initiative to advance a carbon price for the international shipping sector that would include the aviation, maritime, trucking industries that are difficult to cover in nationally-based policies. Danny learned that he is in good company with his idea. He found both that the [CPLC is actively engaging](#) with leaders in the maritime sector in particular, as well as partners looking for new ideas and people who would like to take action for further change.

### **Grow regional and sectoral knowledge sharing and increase competitiveness**

More analytical work is needed to create prices that are consistent with national goals, accurately price externalities, and address the social concerns and competitiveness aspects of carbon pricing. Feike Sijbesma, CEO of DSM and outgoing co-chair of CPLC, explained that, “With carbon pricing we put financial incentive into our own economic system to address climate change faster. We need to convince everyone that this is not at the cost of competitiveness, but that we can remain competitive, especially because this becomes a global issue with a level playing field that everyone can benefit instead of suffering from, and that is the next step.” To that end, he is the first chair of the [High-Level Leadership Forum on Carbon Pricing and Competitiveness](#), which will work towards allaying the concerns that carbon pricing will come at the expense of the economy.

In this new initiative and others, millennials have the opportunity to leverage their experience as “digital natives” to help companies see a decarbonization as a priority and to spread the word about companies that lead the way. To that end, Ekow Edzie has an idea to provide a platform for data exchange between and among companies in the CPLC, so that they can implement carbon pricing policies that best work for them, “by creating an interactive marketing campaign with the carbon-related risk exposure content that the CPLC has already created.” Ekow imagines that such a web application, “would pull out content from the CPLC that details firms’ likely carbon-related risk exposure and gives businesses information about their climate-related risks, while also helping the CPLC improve the quality of its service to businesses.” This sort of platform could create positive feedback loops between the CPLC and its business partners where companies can get their questions about carbon pricing answered and the CPLC can learn more about what their industry partners want to know.

Young researchers interested in creating a greater exchange of knowledge, data, and ideas across institutions should take advantage of the opportunity to attend the world’s first [International Research Conference on Carbon Pricing](#) in January, 2019 that will bring together experts and innovators across disciplines.

### **Let’s act, together**

The CPLC is a rare and much needed example of how a diverse set of actors can come together to form a coalition to swiftly and effectively address a global problem through system-level action. This week we learned that not only is there a place for each of us to contribute, but there is also space for everyone to act with meaning and purpose in the low carbon economic transition. Please join us in continuing the dialogue and action.

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