

# Deep decarbonisation and social justice – an overview of policy proposals

Klára Hajdu  
CEEweb for Biodiversity

Degrowth Conference, -1 September, 2016



resourcecapcoalition



**STOP  
MAD MINING**

# Overview

Deep decarbonisation + social justice at the same time:

- Taxing schemes (carbon tax, ecological tax reform)
- Fee and dividend
- Cap Global Carbon
- Energy Budget Scheme



# I. Taxing schemes

Taxing consumption (carbon, VAT, etc.)

Shifting taxes from labour to resources

Revenue neutral or not



# Fee and dividend

Fee and dividend (direct carbon tax):

- Fee on fossil fuels to increase the price
- Returning the revenue in a standard dividend to people



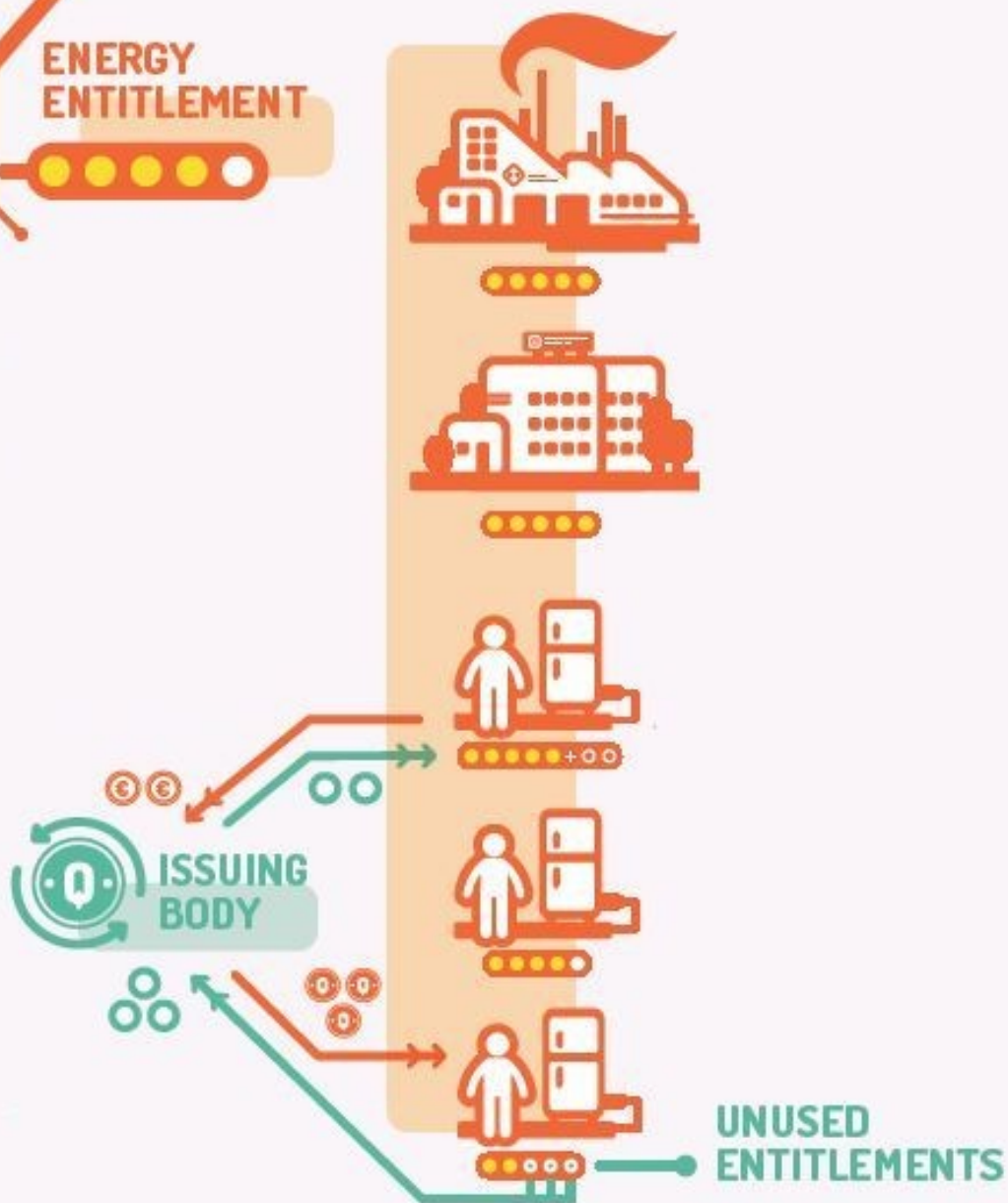
# CGC

## CapGlobalCarbon:

- global licence scheme for fossil extraction based on science
- auctioning licenses, banning non licensed fossil production and import by governments
- revenue from auctions shared among citizens globally



# THE CORE SCHEME



Energy entitlements for all economic players, including citizens

Linked to carbon intensity

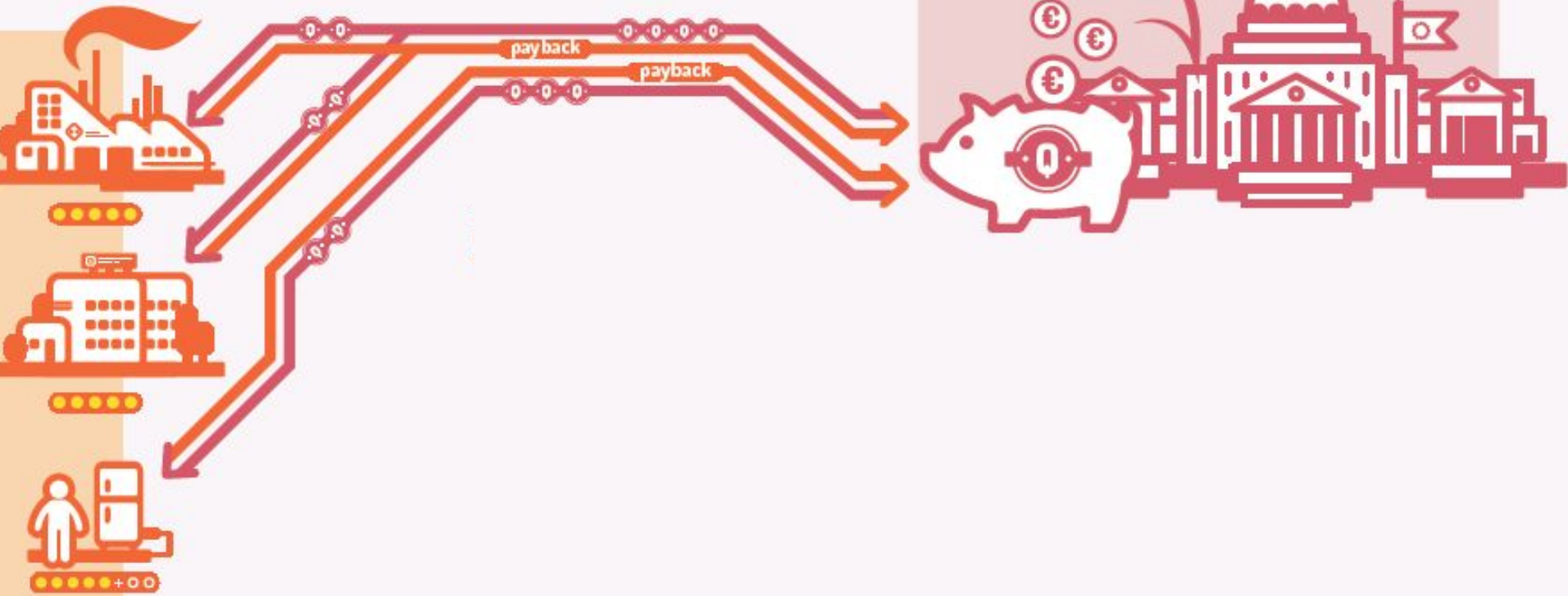
Citizens receive it for free

Citizens can sell unused entitlements for quota money

Citizens can buy unused entitlements

Hard cap on national level = carbon budget

# ● THE TRANSITION FUND

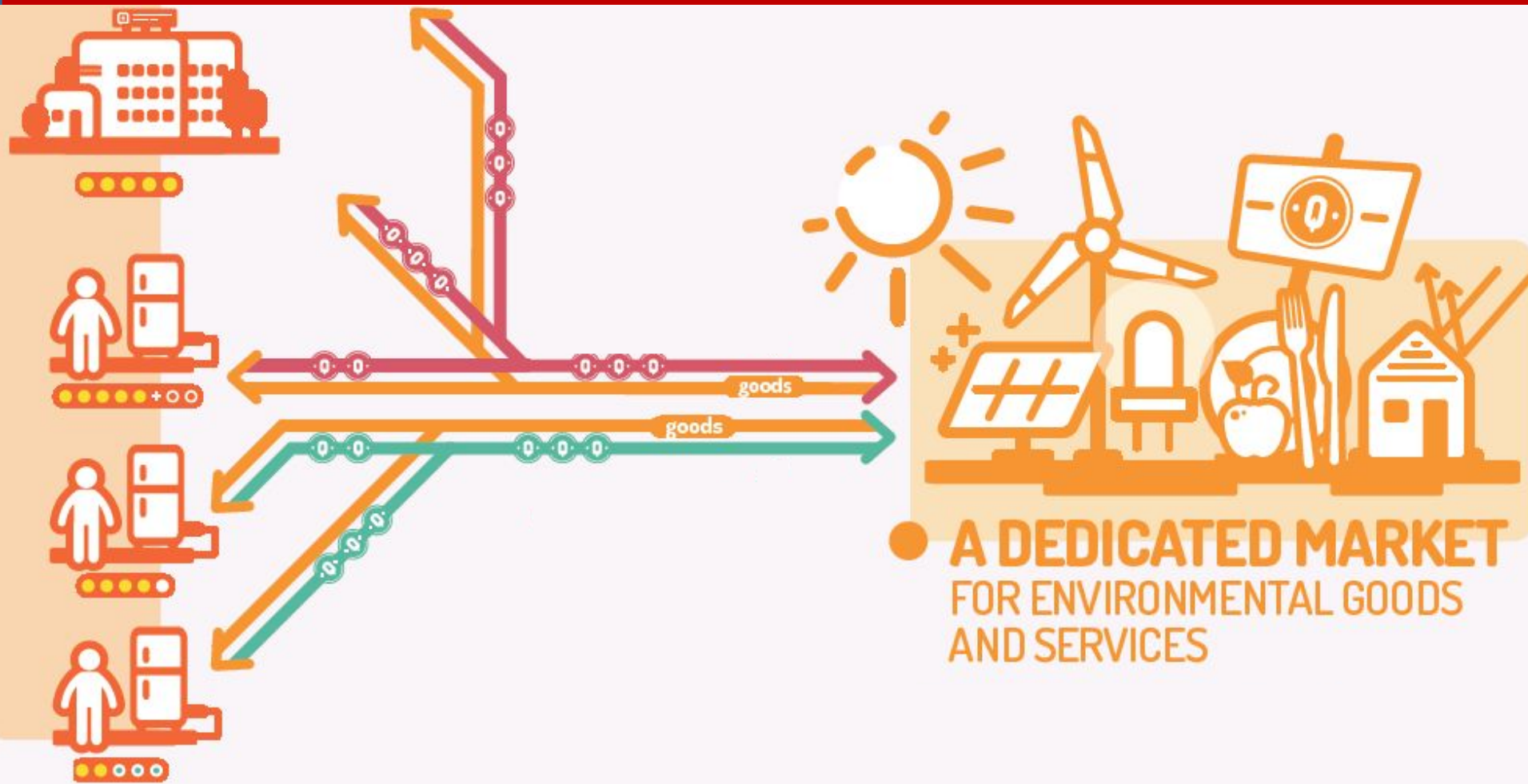


- Filled up by the state
- Interest free loans for citizens, public and private entities
- Provided in quota money

# Market of certified goods and services

Currency used: quota currency (free money) from selling unused entitlements or the interest free loans provided by the Transition Fund

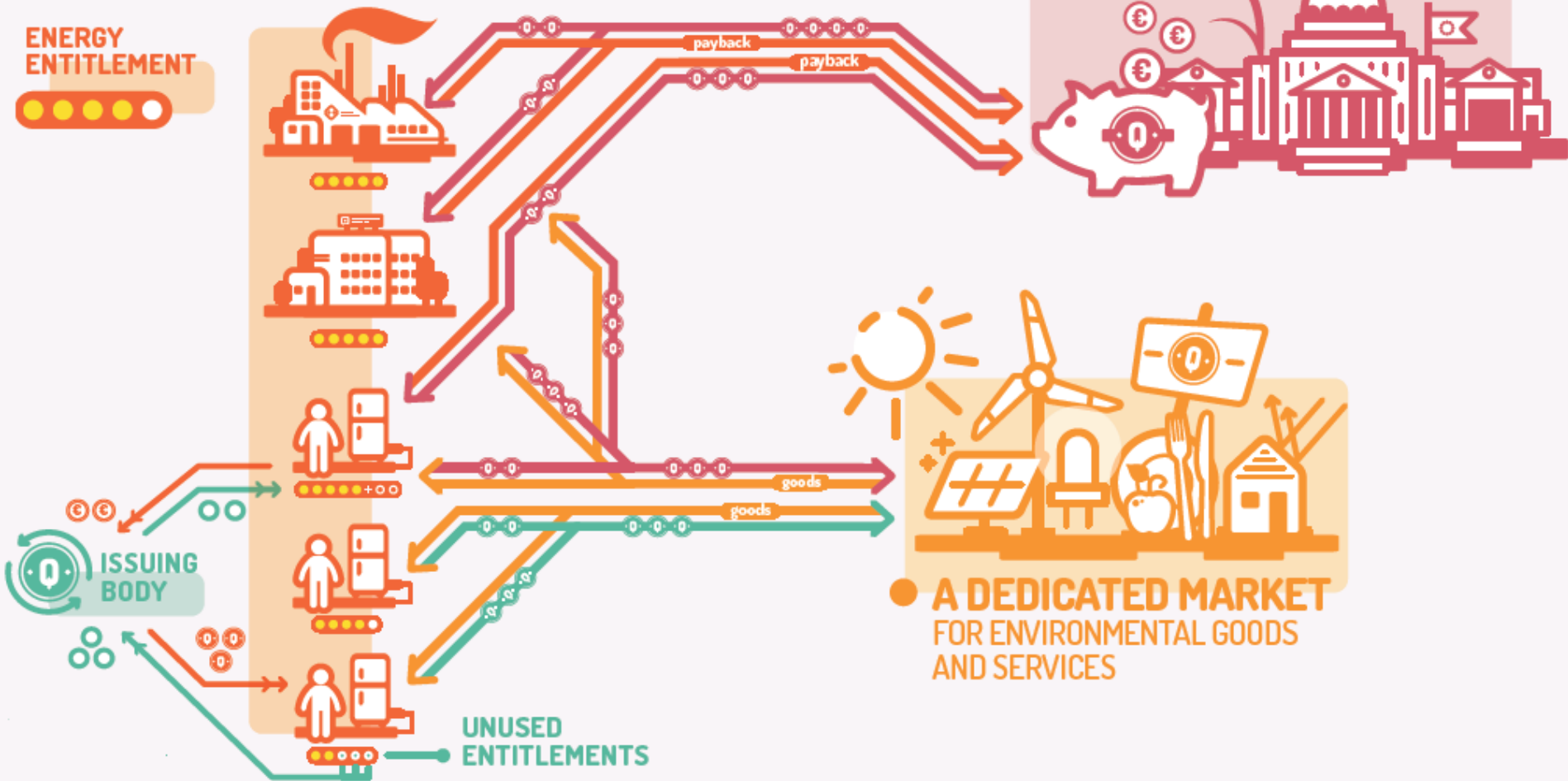
Greater velocity of the quota currency





# THE CORE SCHEME

## ● THE TRANSITION FUND



Support service

# What can these tools achieve?

	Hard cap on global level	Hard cap on national level	Input side regulation	Risk of carbon leakage	Potential for driving behavioural change	Global justice	National social justice	Supporting the poor/SMEs in the transition	The impact of the lone fighter	Current political interest
Taxing schemes										
Fee and Div.										
CGC										
EBS										

# What now?

- It is necessary to discuss tools for introducing caps
- Sustainability assessments
- Improvement of the tools
- Social and political support, change of discourse
- Putting to practice



# Thank you for your attention!

Contact us at: [www.ceeweb.org/rcc](http://www.ceeweb.org/rcc)  
Klára Hajdu, [hajdu@ceeweb.org](mailto:hajdu@ceeweb.org)

Join the Resource Cap Coalition!

This presentation has been produced with the financial assistance of the European Union. The contents of this presentation are the sole responsibility of CEEweb and can under no circumstances be regarded as reflecting the position of the European Union.

