



HOW TO TALK ABOUT CARBON PRICING

A guide for
World Leaders

BROUGHT TO YOU BY THE
ZERO CARBON CAMPAIGN

To whom it may concern,

We've designed this card game for world leaders struggling to put their words into action when it comes to putting a price on pollution.

In this deck, you'll find 20 technical conversation starters (along with their translations).

We hope you enjoy & and let the change begin.

Best wishes,
The Zero Carbon Campaign



How to play

The aim of the game is simple: the more statements you're able to slip into conversation, the more points you get.

“BUT WHERE’S THE ABATEMENT INCENTIVE?”

COMPLEXITY BONUS: 6 POINTS

Translation: How are we going to motivate people to move away from producing and consuming greenhouse gas emissions when there is no incentive (carbon price or otherwise) for them to do so?

#PRICEOUTPOLLUTION

**“THERE ARE NO TWO WAYS
ABOUT IT - WE HAVE
TO ACCOUNT FOR THE
EXTERNALITIES”**

COMPLEXITY BONUS: 6 POINTS

Translation: The negative impacts of greenhouse gas emissions on the health of people and planet need to be factored into the costs of production if we want to address the climate crisis. We can do that by putting a price on carbon.

#PRICEOUTPOLLUTION

**“I UNDERSTAND THAT
CARBON PRICING IS
NOT A SILVER BULLET,
BUT IT CAN CERTAINLY
ACT AS A CATALYST FOR
DECARBONISATION”**

COMPLEXITY BONUS: 2 POINTS

Translation: Carbon Pricing alone won't change the world, but it can mobilise people and businesses to act. We need regulatory policies (i.e end dates for coal-fired power plants) to complement market-based measures (i.e carbon pricing) if we want to drive the levels of emissions reductions required to prevent runaway global warming.

#PRICEOUTPOLLUTION

**“THAT’S THE BEAUTY OF
CARBON PRICING, YOU
DON’T HAVE TO PICK
WINNERS, YOU CAN LET
THEM EMERGE”**

COMPLEXITY BONUS: 7 POINTS

Translation: No one knows what the world will look like in 2030, and what technologies are going to solve the climate crisis. By putting a price on carbon, we can drive high emitters towards low-cost low-carbon solutions, without having to make a gamble now about the future success of a particular technology.

#PRICEOUTPOLLUTION

“WE JUST HAVE TO TAKE RESPONSIBILITY FOR OUR CONSUMPTION EMISSIONS”

COMPLEXITY BONUS: 6 POINTS

Translation: Most country's emissions accounting systems only include territorial emissions (i.e emissions produced in that country). If we want to take responsibility for total domestic carbon footprints, we have to include the emissions that are produced abroad, as a result of domestic demand.

#PRICEOUTPOLLUTION

**“TO BE FAIR, I’D CONSIDER
CCUS AT THIRTY POUNDS
A TONNE”**

COMPLEXITY BONUS: 10 POINTS

Translation: I’d invest in removing carbon dioxide from the atmosphere (via Carbon Capture, Utilisation and Storage technology) if it meant I saved thirty pounds a for every tonne of CO₂e that I produced.

#PRICEOUTPOLLUTION

“DON'T GET ME STARTED ON THE CO-BENEFITS”

COMPLEXITY BONUS: 7 POINTS

Translation: It's not all about emissions targets - decarbonisation can improve health, provide jobs, reduce air pollution and ensure the protection of nature too. These co-benefits provide a very compelling reason for acting to address the climate crisis.

#PRICEOUTPOLLUTION

“SHE DOES HAVE A
POINT - THEIR EFFECTIVE
CARBON PRICE IS PRETTY
SUBSTANTIAL”

COMPLEXITY BONUS: 4 POINTS

Translation: The sum of all of the different carbon taxes and tradable permits that operators in that country are paying for is quite high.

#PRICEOUTPOLLUTION

“HYPOTHECATION DOES SEEM TO MAKE IT MORE PALATABLE”

COMPLEXITY BONUS: 9 POINTS

Translation: Ring-fencing the revenue from a carbon price for specific ends (e.g investing in decarbonisation projects, or giving money to the public to protect them from costs) tends to lead to higher levels of public support.

#PRICEOUTPOLLUTION

“WE’RE ALSO GOING TO NEED SOME DE-RISKING INSTRUMENTS”

COMPLEXITY BONUS: 6 POINTS

Translation: Carbon prices can provide a solid signal that low-carbon investments are valuable today, and will be even more valuable tomorrow. But where technologies are uncertain, they need to be introduced alongside policies that reduce the risks of low-carbon investments - such as the ‘contracts for difference’ model used in the UK.

#PRICEOUTPOLLUTION

“WHAT ABOUT MEASURES TO ADDRESS THE DISTRIBUTIONAL IMPACTS?”

COMPLEXITY BONUS: 10 POINTS

Translation: The costs of decarbonisation will disproportionately fall on low-income households. Governments have a responsibility to introduce measures that can support households through the transition - for example by issuing grants for low-carbon heating, and ‘carbon credit’ payments through the social welfare system.

#PRICEOUTPOLLUTION

“I KNOW THAT YOU’RE WORRIED ABOUT THE UNEVEN PRICING LANDSCAPE, BUT I’M PRETTY SURE A CBAM CAN HELP WITH THAT”

COMPLEXITY BONUS: 5 POINTS

Translation: Carbon Border Adjustment Mechanisms (CBAMs) can help account for variation in ambition when it comes to carbon pricing. By extending a domestic carbon price to imported goods, you can ensure that all producers - not just domestic ones - are subjected to equivalent carbon prices.

#PRICEOUTPOLLUTION

“PRICE SIGNALS CREATE A STRONG INCENTIVE TOWARDS MITIGATION”

COMPLEXITY BONUS: 3 POINTS

Translation: Under a carbon pricing system, heavy emitters will be able to save money by reducing the volume of greenhouse gases that they produce. That is what makes carbon pricing such a powerful tool when it comes to driving emissions reductions.

#PRICEOUTPOLLUTION

“WE’VE GOT TO STOP INHIBITING LOW-CARBON DEVELOPMENT”

COMPLEXITY BONUS: 5 POINTS

Translation: The current system places too many barriers on low-carbon development, particularly when it comes to cost. Carbon pricing - along with other instruments - can reverse this trend and ensure that the market favours low-carbon production.

#PRICEOUTPOLLUTION

“LET’S FACE IT, WE’RE CREATING AN IMPLICIT NEGATIVE CARBON PRICE”

COMPLEXITY BONUS: 10 POINTS

Translation: By subsidising the production of fossil fuels, we are reducing the cost of fossil fuel consumption and production so much that it’s actually creating a negative carbon price signal - incentivising ongoing fossil fuel production rather than the other way around. That’s no way to drive decarbonisation.

#PRICEOUTPOLLUTION

“WE’VE JUST GOT TO LEVEL THE PLAYING FIELD”

COMPLEXITY BONUS: 2 POINTS

Translation: There is no point in one country taking ambitious action to reduce emissions if others aren’t going to do the same. It’s only going to make them less competitive in a global market, because cheaper (more polluting) products can be imported from abroad. There are various ways that this can be addressed, including through Carbon Border Adjustment Mechanisms.

#PRICEOUTPOLLUTION

“CAN YOU BELIEVE THAT WE ONLY PRICE 22% OF GLOBAL EMISSIONS?”

COMPLEXITY BONUS: 7 POINTS

Translation: The majority of emissions responsible for driving global warming are either exempt from or not covered by carbon pricing systems. That means that over three quarters of global emissions are being released freely into the atmosphere, without any penalty or financial incentive to change behaviour.

#PRICEOUTPOLLUTION

“I’M AFRAID YOU CAN’T ACT UNILATERALLY ON THIS ONE”

COMPLEXITY BONUS: 4 POINTS

Translation: Climate change is a global issue, which requires global solutions. In the context of a globalized economy, no world leader is an island. We have to work together to raise ambition on climate action - including through the conditions we attach to trade deals - if we want to tackle the climate and ecological crisis.

#PRICEOUTPOLLUTION

“WELL THE BRITS APPEAR TO HAVE GOT THE PUBLIC ON SIDE”

COMPLEXITY BONUS: 10 POINTS

Translation: The British Public understand the benefits of stronger, fairer and more consistent carbon pricing. 108,000 people recently signed a petition calling for stronger action on carbon pricing from the UK Government, and 94% of 22,000 UK respondents to a recent survey selected a carbon price of £75/tCO_{2e} as one of the top policies that they want to see implemented to address the climate crisis.

#PRICEOUTPOLLUTION

“DO WE EVEN HAVE THE LAND CAPACITY TO SATISFY OFFSET DEMAND?”

COMPLEXITY BONUS: 3 POINTS

Translation: As more and more companies pledge to achieve ‘net zero’ emissions, demands for carbon ‘offsets’ are increasing. There is not enough land capacity to support this demand, which means stronger regulation is required to ensure that only those who cannot feasibly reduce their emissions are allowed to offset them.

#PRICEOUTPOLLUTION