

# European Roundtable on Climate Change and Sustainable Transition

## 2023 Prospectus

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## About ERCST

The European Roundtable on Climate Change and Sustainable Transition (ERCST) is an independent think tank, registered under Belgian law, based in the heart of the European quarter in Brussels. More information on ERCST can be found in the 'Governance' [chapter](#).

The mission of ERCST is to provide a neutral space where policymakers and regulators can meet stakeholders and discuss climate change policy, including how to manage a sustainable transition to a low-carbon society. While focused on European climate policy, ERCST fully recognises and incorporates in its activities and thinking, the global dimensions of climate change policy.

ERCST aims to provide rigorous intellectual analysis, stemming from the experience and input of its staff, as well as other research available, and the input of the stakeholders who join its activities.

It represents its own views and strives to ensure in a very strict way its independence and integrity. ERCST aims to provide original ideas and research into European and international debates, which it can fully support through the logic of its arguments and the evidence that it can bring forward.

ERCST is therefore open to researchers, NGOs, experts, and other stakeholders, filling a gap in the institutional "climate landscape". It is a place where all views will be welcomed, encouraged, and listened to.

In 2023, ERCST will continue its efforts and work organised in a number of work streams that operate with different formats such as online webinars, brainstorm sessions, task forces, moderated roundtables in Brussels and other capitals, briefings and lunchtime meetings.

## ERCST Values

ERCST is committed to the goals and principles of the Paris Agreement and works towards promoting a just, inclusive, and sustainable global transition.

ERCST has always been careful to ensure an inclusive working environment and to be attentive to gender diversity and to the plurality of voices represented in its initiatives. When this is not reflected in one of our publications or events, it is due to the unavailability of the consulted experts to participate, to choices of organizations on their representation or specific representation in the respective organization.

## ERCST 2023 Work Streams

ERCST plans to structure its work for 2023 around the following work streams, which are further discussed in detail below:

- 1. EU ETS**
  - a. 2023 State of the EU ETS Report
  - b. EU ETS Directive Phase IV implementation
  - c. Drivers for EU Industrial Decarbonisation Post 203: Role of the EU ETS
  - d. Funding Mechanisms in Phase 4 of the EU ETS
- 2. European Green Deal**
  - a. Implementation and state of play of the European Green Deal
- 3. Competitiveness and carbon leakage**
  - a. Phase IV on Carbon Border Adjustments in the EU
  - b. Climate Trade Nexus Assessment
- 4. International climate change policy and the implementation of the Paris Agreement:**
  - a. Markets and non-market provisions (Article 6) under the Paris Agreement
  - b. Response measures under the Paris Agreement
- 5. Sustainable Finance**
- 6. Hydrogen**
  - a. Implementation of EU Hydrogen Strategy
    - i. EU policy and regulatory developments
    - ii. State of the EU hydrogen economy
  - b. The international dimension of hydrogen
- 7. Carbon Contracts for Difference (CCfD)**
- 8. Carbon Capture Storage and Use (CCS-U)**
- 9. The interlinkages between climate policies and electricity markets**
- 10. Ensuring a Just Transition**
- 11. Sustainable Mobility**

This list is indicative and will be continuously revised and updated throughout the year. Moreover, the focus and activities might be adapted as the 2023 political agenda develops.

### Tentative Timeline of Activities 2023

## ***January 2023***

- 2023 State of EU ETS Report brainstorm meeting with stakeholders
- Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS. Inception meeting with funders and partners. Inception meeting with funders and partners
- EU ETS after Trilogues event

## ***February 2023***

- Corporate Sustainability Due Diligence – how to make it work?
- ERCST “Informal Forum on Implementation of Article 6 of the Paris Agreement” (closed event, restricted to negotiators)

## ***March 2023***

- 2023 State of EU ETS Report presentation of draft report
- CCU technology and sustainable carbon cycles

## ***Q2 2023***

- 2023 State of EU ETS presentation of final report and launch to ETS Community
- Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS- Launch event: Presentation of the project, literature review and survey results.
- Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS- Launch event: Policy Report 1
- ERCST “Informal Forum on Implementation of Article 6 of the Paris Agreement” (closed event, restricted to negotiators)
- Report on the state of energy markets in the EU

## **Q3 2023**

- Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS- Launch event: Policy Report 2
- Funding Mechanisms in Phase 4 of the EU ETS
- Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS- Interim project update meeting with funders.
- Climate Trade Nexus Assessment- Townhall 1
- ERCST “Informal Forum on Implementation of Article 6 of the Paris Agreement” (closed event, restricted to negotiators)

## **Q4 2023**

- Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS- Launch event: Policy Report 3
- Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS. Project conclusion meeting with funders 2024 State of the EU ETS Report – Meeting with partners and advisor
- ERCST “Informal Forum on Implementation of Article 6 of the Paris Agreement” (closed event, restricted to negotiators)

## 1. EU Emissions Trading System (EU ETS)

ERCST has been working on the EU ETS for the last few years. In 2023 its work can be subdivided into four different strands:

- a. 2023 State of the EU ETS Report
- b. EU ETS Directive Phase IV implementation
- c. Drivers for EU Industrial Decarbonisation Post 2030: Role of the EU ETS
- d. Funding Mechanisms in Phase 4 of the EU ETS

### a. 2023 State of the EU ETS Report

The Report is intended as a “snapshot” and independent contribution to the policy debate, providing policymakers and stakeholders with an overview of how the EU ETS is doing by April of each year, based on previous year’s data.

In 2022, the seventh yearly edition of the Report<sup>1</sup> was published, which ERCST produced together with the Wegener Centre on Climate and Global Change, BloombergNEF and EcoAct. This report<sup>2</sup> featured one ‘special chapter’ on the Phase III (2013-2020), and other on EU Regulatory developments following the Fit for 55 proposal in 2021 .

In 2023, the ERCST will produce its eight annual report. In addition to the report, the project aims to bring together small groups of stakeholders deeply involved in EU ETS discussions, through meetings held in Brussels and in other EU Member States. This year the report will reflect the state of discussion after the completion of the EU ETS revised Directive.

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<sup>1</sup> Marcu, A., López, J. F. L., Alberola, E., Faure, A., Qin, B., O’Neill, M., ... & Vollmer, A. (2022). 2020 State of the EU ETS Report. 26 April. Available at: <https://ercst.org/state-of-the-eu-ets-report-2022/> (Accessed on 20 October 2022)

<sup>2</sup> By 20 October 2022, the 2022 State of the EU ETS Report accounted more than 1,180 downloads. In addition to the translated versions in Polish, French, German, Spanish and Italian, total downloads amount to more than 1,300 downloads.

## **b. EU ETS Directive Phase IV implementation**

The following sub-work stream is aimed at bringing together stakeholders on a regular basis to discuss the most important issues on the table after the EU ETS revision. Intellectual input in the form of presentations, papers and reflection notes will be produced by ERCST on a regular basis.

After finalisation of the revision process (trilogue discussions), ERCST's approach to the EU ETS revision will involve several strands, including:

- Accompanying the legislative process by organising stakeholder meetings on the different feedback opportunities
- Organise activities on some of the core topics and issues that are important in light post ETS revision and to be implemented through secondary legislation
  - Carbon pricing in other sectors;
  - Policy overlap and supply-demand balance, including MSR review;
  - The story for industry and carbon leakage protection;
  - Flexibility mechanisms;
  - Division and use of revenues; and
  - Long-term visibility and predictability.

This sub-work stream will build on ERCST's work carried out in previous years, including 'the State of the EU ETS Report', 'preparing for the MSR review' and 'strategic challenges to the EU ETS'.

## **c. Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS**

Building on the experience and visibility ERCST has acquired through its work on EU ETS to date, the objective of the project "Drivers for EU Industrial Decarbonisation Post-2030: Role of the EU ETS" is to provide continued analytical input, identify issues options and any alternative solution to industrial decarbonisation, and propose solutions as well as outreach for the post 2030 period.

Two issues need to be analysed:

- What will be the drivers for decarbonisation post 2030? And what will be the best instrument?
- What is the role of the EU ETS? And its architecture?



The main objective of the project is to examine, going back to the two issues identified above: (1) The EU ETS and other EU instruments for industrial decarbonisation, (2) The role of the EU ETS, as a driver for industrial decarbonisation post-2030, in the context of the EU Climate Law and the EU Green Deal and international developments, and alternative approaches, (3) Scenarios for market functioning of the EU ETS post-2030 as a driver for industrial decarbonisation, (4) Analysis of the current architecture as a fit for purpose and required changes, (5) Analysis of key components of the EU ETS and their parameters.

While recognising the uncertainty in the EU ETS framework post-2030, it is important to assume that the EU ETS will continue to be seen as an essential ingredient in climate change policy. The revision of the EU ETS Directive is expected to be adopted by the end of 2022. Looking forward, the European Commission is also preparing a debate on the EU ETS post 2030, which is made clear through the recently issued tender “Study on Issues and Options for EU Emissions Trading after 2030”. Clarity on the post-2030 thinking and a good (independent) debate on what can be the best way forward at that time is equally critical.

EU ETS Post 2030 will provide continued analytical input stakeholder outreach, identify issues and options, and propose solutions for a potential revision after the post 2030 period. It will examine: (1) The role of the EU ETS post-2030 in the context of the EU Climate Law and the EU Green Deal and international developments, (2) The EU ETS and other EU instruments for decarbonisation, (3) Scenarios for market functioning of the EU ETS post-2030, (4) Analysis of the current architecture as a fit for purpose and required changes, (5) Analysis of key components of the EU ETS and their parameters.

The project will result in a series of deliverables/reports enabling determination of whether the project objectives have been achieved, including, in addition to desk research, outreach dissemination, exchanges with stakeholders and researchers, and online surveys.

#### **d. Funding Mechanisms in Phase 4 of the EU ETS**

The revision for the fourth phase of EU Emissions Trading System (2021-2030) introduced a number of important changes concerning funding mechanisms in the system.

ERCST, together with CEEP, have been working together on this topic for the last

few years, aimed at facilitating a debate within and between Member States on how to successfully operationalise and utilise the EU ETS funding mechanisms, deepen the common understanding of the regional financing needs and priorities and provide regular updates to stakeholders through papers and workshops. During the last four years, four papers have been published on this sub-work stream.

In 2023, ERCST will continue to monitor the implementation process of these funding mechanisms, and timely contribute to the process and ongoing debate. Some key developments in 2023 that will be analysed include: how the 2022 revision of the EU ETS Directive will impact the funding mechanisms; the results of the Innovation Funds' calls for proposals; and the results from the Modernisation Funds' Investment Committee's biannual meetings.

## 2. European Green Deal (EGD)

ERCST launched this work stream on 8 January 2020 right after the European Commission's EGD was announced. This work stream aims to bring together policymakers and stakeholders on a regular basis to take stock on recent developments in the EGD framework from a climate change point of view.

### a. Implementation and state of play of the European Green Deal

In 2023, ERCST will continue providing a neutral space where policymakers and regulators can meet stakeholders to discuss key issues and developments of the EGD. As part of this, ERCST intends to accompany the European Commission's legislative process by organising topical discussions on key aspects for the implementation of the EGD.

In 2023 ERCST will also regularly provide input to EC feedback opportunities and publish policy briefs and reflection notes helping to identify missing pieces and providing innovative intellectual input to the discussions.

This work stream is transversal to other ERCST work streams such as ETS, CBAM, Sustainable Finance or Hydrogen and intends encourage a more holistic look towards the different dossiers assessing and addressing them out of their silos.

Beginning of 2022 witnessed the continuation of a trend where climate and environmental policies have an increasing impact on several aspects of EU society and EU economy. In the last decades, climate and environmental policies have also shaped the trajectory of the energy transition, defining key components of the EU

energy system.

However, geopolitical developments in early 2022 marked the beginning of a change in trend, tilting the balance towards a greater emphasis on energy security and the effects of the energy crisis. To reduce dependency from third countries and speed up the deployment of renewables, the REPower EU communication led to modifications of the initial Fit for 55 proposals which spilled over to key EGD energy and climate files.

In 2023 ERCST will evaluate the outcomes of the interinstitutional negotiations for key energy and climate dossiers and assess whether these are ready to deliver on the three dimensions of sustainable development: economic, climate & environment and social.

## 3. Carbon Leakage and Competitiveness

ERCST has accompanied the discussion around a European Carbon Border Adjustment Mechanism (CBAM) since 2019, when it was first placed on the political roadmap as a key element of the European Green Deal. Informing the policy debate and legislative process with critical research insights and a series of highly visible and well-attended events with domestic and international stakeholders, ERCST has established itself as a point of reference and leading source of expert analysis and commentary on this complex file. In 2023, ERCST will continue its work in:

### a. Phase IV on Carbon Border Adjustments in the EU

2023 will be an important year for the CBAM. With a formal proposal issued by the European Commission in 2021 and principal design parameters agreed during the informal tripartite meetings – the trilogue process – with the European Parliament and Council in 2022, the CBAM is expected to advance to the implementation phase in 2023. As it did during the preceding phases, ERCST will carefully monitor and facilitate an informed discussion on each step towards full operationalization of the CBAM.

Two key implementing acts of the European Commission will see focused attention

by ERCST in the form of expert consultations and analytical outputs expected during the course of 2023: the detailed rules on the methods for calculating embedded emissions and elaborating Annex III of the proposed CBAM regulation, addressing issues such as default values and principles of verification; as well as the methodology and process for crediting carbon prices paid in the country of origin, including the possibility of bilateral agreements with trade partners. ERCST will draw on its network and active involvement in the policy debate – including in the Informal Expert Group on the CBAM – to provide objective and impartial input.

Importantly, however, the context in which the CBAM will see implementation has undergone significant changes since 2019. Cost inflation and an unprecedented energy crisis, new geopolitical priorities, and relevant policy developments such as the passage of the Inflation Reduction Act in the United States alter the complex equation – and potentially also the rationale – of the CBAM as part of the European Green Deal. In addition to careful analysis of the operational elements of the CBAM itself, ERCST will assess its evolving context, revisiting questions already addressed in earlier phases of the project.

Specifically, it will assess the CBAM as one element in a broader portfolio of instruments for industrial deep decarbonization, weighing a renewed role of additional support policies in light of the heavy reliance on fiscal subsidies and procurement standards in the U.S., as well as options and priorities for international negotiations on a Global Arrangement for Steel and Aluminium mandated by the EU and the U.S. for 2023. ERCST will also remain closely involved in the international negotiations under the UNFCCC and Paris Agreement, evaluating the implications of relevant developments – such as the Global Stocktake – for the CBAM.

Finally, with the CBAM regulation nearing its finalization and entry into force, ERCST will update the Guide on the CBAM, offering both technical commentary on key provisions as well as interpretation guidance based on the legislative history and political context of these provisions. As always, ERCST will also retain flexibility to react to new developments and changing priorities during the project duration with timely analysis and convening.

## **b. Climate Trade Nexus Assessment**

The purpose of the Climate-Trade Nexus Assessment (CTNA) is to explore how trade-based climate measures that aim to address international GHG leakage resulting from domestic climate policy measures in key industries might be designed so as to account for the legitimate differences that characterize climate policy across various developing country trading partners. Understanding the role of GHGs embodied in traded goods and the intersection of climate and trade policy is imperative to support the transition to a low carbon economy in order to meet the goal of net zero greenhouse gas (GHG) emissions by 2050. Carbon border adjustments (CBA) on imported goods in the form of charges, fees or other compliance obligations, are one policy approach aiming to address the concern about carbon leakage that is of particular interest to countries that have implemented or are considering carbon pricing measures.

CTNA will survey climate policy in key emerging and developing economies and will explore and seek to propose ways in which their various approaches to climate policy might be fairly and meaningfully accommodated to support low carbon trade without undue negative impacts. It will further explore objective metrics for assessing and comparing relative levels and costs of domestic climate actions, and opportunities to expand the relevance and efficacy of existing arrangements for multilateral cooperation and engagement.

Governments are increasingly contemplating measures such as carbon border adjustments (CBA), as taxes or fees, in part to increase their trading partners' climate ambitions. Such policies largely reward trading partners that apply an explicit "carbon price" to GHGs from the goods they produce. While a growing number of exporters are implementing impactful climate measures, few major export countries with sizable or fast-growing export industries tax their domestic GHGs but do exhibit lagging sustainable development indicators. Thus, this program will also apply these outputs to identify and engage in direct capacity-building consultations focused on the selected target countries with affected export industries. Through

these activities, the Climate-Trade Nexus Assessment will position country decision-makers to reconcile emerging trade-related climate policies with their domestic objectives for trade, climate change mitigation, and sustainable development—and ultimately, to materially contribute to deepening cuts in GHGs across the global trading system.

## 4. International climate change policy and the implementation of the Paris Agreement

ERCST sees its role very much as a bridge bringing the international dimension of the climate change debate to Brussels. ERCST's work on international climate change policy and the implementation of the Paris Agreement can be divided into two different sections:

- a. Markets and non-market provisions (Article 6) under the Paris Agreement**
- b. Response measures under the Paris Agreement**

### **a. Markets and non-market provisions (Article 6) under the Paris Agreement**

Since its inception, ERCST has been organising and hosting informal dialogues on the implementation of Article 6, with the aim of fostering discussions in a less rigid atmosphere. The informal dialogues seek to bring together the relevant negotiators and stakeholders, to ensure that participants feel free to go deeper into explaining and understanding the different views and interpretations of the rules, modalities and procedures.

Article 6 is the last section of the Paris Rulebook that was concluded at COP 26, as no agreement was found at COP 25 in Madrid. In 2021-2022, the informal dialogue continued even though the format changed from in-person to virtual meetings for a brief period, focusing on why an agreement could not be reached and discussing potential ways forward. Emphasis was put on better understanding contentious issues and links with other parts of the Madrid Rulebook.

In 2023, ERCST will continue to host these informal dialogues and provide intellectual input to the discussion, with the focus likely shifting to dealing with the outstanding issues for the successful implementation of the work programme, as a

run-up to COP 28 in the United Arab Emirates (UAE).

In addition, ERCST will continue to host the Article 6 Community Center. ERCST organizes webinars with leading thinkers and practitioners on a regular basis to tackle different interesting topics and facilitate knowledge-building within the community. These webinars present an opportunity for stakeholders to find out about the latest developments and initiatives around an international carbon market 2.0.

Part of this initiative is the Article 6 Library hosted on the ERCST website. The library is a unique and central point of information that holds 200+ publications, presentations and UNFCCC documents that relate to Article 6 of the Paris Agreement. New publications are continuously added to ensure users are updated on the newest research and analysis.

Lastly, ERCST is also involved in consultancy projects related to Article 6 of the Paris Agreement. In this regard, ERCST is leading a consortium with modelling and technical experts to conduct a regulatory impact assessment for policy approaches under Article 6 in different countries.

## **b. Response measures under the Paris Agreement**

Response measures is an important component of the Paris Agreement and finds resonance in the just transition, economic diversification and decarbonisation discussions. Its international dimension looks at the effects arising from mitigation policies taken by Parties and their cross-border impacts, both positive and negative.

ERCST's work on response measures has been pioneering in developing a methodology for reporting on the impacts of response measures and by practically applying it with country case studies. In 2019, ERCST carried out a case study on 'Reporting on response measures under biennial update reporting in Chile'.

In 2021, ERCST developed a case study for reporting the socio-economic impacts of response measures in Ghana. The work has been undertaken as a 'live' iterative activity, with work done, followed by webinars with local stakeholders and response measures negotiators, in order to gather feedback, refine the methodology and foster capacity building among relevant stakeholders. This work will feed into the discussions of KCI and the Forum on response measures and will culminate with the presentation of the case study at a side event organised at COP26.

Additionally, ERCST held a number of workshops under the 'Informal Dialogue on Response Measures' initiative to discuss different topics, including Just Transition,

CBAM and the progress of the work plan of the KCI and the Forum.

In 2023, ERCST plans to continue holding discussion under the Informal Dialogue project, to continue contributing to the progress of the KCI and the Forum and potentially to develop another country case study for reporting the impacts of response measures.

## 5. Sustainable Finance

The ERCST workstream on sustainable finance (SF) aims at bringing together relevant stakeholders on a regular basis to discuss substantive issues. ERCST has the objective to provide well thought input to the SF discussion, benefitting from a multi-stakeholder debate. ERCST aims at making the (SF) policy process understandable to relevant actors, as well as providing recommendations from the real economy. In doing that, we follow the principle of safeguarding the balance between market driven and regulatory solutions and we analyze relevant policies from the perspective of their fitness to finance the green transition of the real economy.

### ***A. The EU corporate sustainability framework: disclosure and other tools***

ERCST started with a focus on the EU Taxonomy Regulation and its impact on other EU policies and has expanded to other elements of the EU sustainable framework such as the Green Bond Standard and the corporate sustainability framework (Corporate Sustainability Reporting Directive, Corporate Sustainability Due Diligence Directive and transition plans to net-zero). In 2023 this focus will continue. We will follow and react to the relevant policy developments in this area, including a possible new regulatory framework for ESG ratings and data providers.

### **B. International dimension of sustainable finance**

Acknowledging the EU's advantage of a first mover in the sustainable finance domain, ERCST intends to critically compare the EU solutions with other emerging global approaches in this area, assessing which is the most fit for purpose of assisting the real economy in sustainable transition.



## 6. Hydrogen

In early 2021 ERCST launched a new work stream on hydrogen being aware of the increasingly important role hydrogen will play in the decarbonization of some of the EU most emitting sectors. In 2023 ERCST's work on hydrogen will harness the knowledge and contact-network built in previous years to consolidate the work started in 2021 and to expand on other aspects of interest and relevance. ERCST's activities and research will mainly focus on two different strands:

- a. **Implementation of the EU hydrogen strategy**
- b. **The international dimension of hydrogen**

### a. Implementation of the EU Hydrogen Strategy

This work strand is divided into two different sub-strands:

#### i. EU policy and regulatory developments

This sub-strand consists of a continuous series of meetings and accompanying publications which aim to bring together different stakeholders to take stock of key policy and regulatory developments identified by ERCST. It also aims to put forward recommendations and propose innovative solutions to existing policy and regulatory bottle necks.

In July 2020, the European Commission launched its long-awaited hydrogen Strategy with the objective of boosting clean hydrogen production and consumption in Europe while emphasizing the multifaceted nature of hydrogen and its multiple applications.

The Fit for 55 package, issued in July 2021, has undoubtedly laid the foundations for a hydrogen regulatory framework, however some key issues remain unaddressed. After positions being adopted by co-legislators on the different dossiers, 2023 will be the year when the legislative process for key building blocks of the EU hydrogen regulatory framework will be concluded. This sub-work strand intends to accompany the EU Institutions in this journey identifying missing pieces and helping to address regulatory gaps.

#### ii. State of the EU hydrogen economy

Through this sub-work-strand ERCST intends to start tracking and monitoring the performance of the EU hydrogen economy through the publication of a yearly report. This report will assess the growth and performance of the EU hydrogen economy from different angles, against the targets included in the legislation and

other policy documents such as REPower EU.

## **b. The international dimension of hydrogen**

The EU is a frontrunner in clean hydrogen deployment and innovation. However, the hydrogen market is expected to commoditize soon, increasing competition at a global scale. While fossil resources are physically bound to a specific geographical area, hydrogen production can be delocalized which will make the future global hydrogen market very competitive.

Through this sub work-strand ERCST intends to look at hydrogen from an international angle comparing the European approach against other approaches coming from third countries and regions. Important aspects such as the application of a technologically neutral approach to incentives and the implementation of a harmonized definition and certification framework for hydrogen production and its derivatives across different countries will be part of ERCST's research activities for this work-strand.

The inclusion of hydrogen in CBAM is an issue that deserves further discussion and clarification. Today it is still unclear if hydrogen will be covered by CBAM. In 2023, ERCST intends to assess the implications and impacts of a potential coverage of hydrogen by the EU CBAM.

## **7. Carbon Contracts for Difference (CCfD)**

Carbon Contracts for Difference (CCfDs) are being discussed as one of the most promising alternatives for the decarbonization of EU industry.

At the European level, CCfDs' concrete design and implementation features are still taking shape. At the level of EU Member States just a few Member States are currently working on the design of national schemes. The Netherlands is the frontrunner and has already put forward a scheme (SED ++) which for some technologies closely resembles a CCfD scheme.

It is very likely that an EU wide scheme for CCfDs within the framework of the Innovation Fund will coexist with national schemes. While some key design features may vary across different European countries, they will all share the same purpose, namely the subsidization of the abatement costs of high-emitting processes and technologies.

As part of the Fit for 55 package the EC (European Commission) proposed specific amendments to the Innovation Fund. In the revision of the EU-ETS Directive, the Commission proposed to extend the scope of the Innovation Fund, allowing to provide support through competitive tendering mechanisms (such as CCfDs), whereby up to 100% of the relevant costs of the projects may be supported. Further details will be provided in secondary legislation (Delegated Act) once the legislative process for the EU-ETS Directive revision is completed.

As mentioned, 2023 is expected to be the year when secondary legislation, laying the foundations for an EU-wide scheme, will be published. Therefore, in 2023 ERCST will work on identifying priorities and potential side effects of a future EU-wide CCfDs scheme under the scope of the innovation fund. Some of the elements that are still to be defined and upon which ERCST intends to go deeper in its research are listed below:

- Links and synergies with national schemes,
- Rational and purpose of an EU-wide scheme for CCfDs,
- Technological basket eligible for support,
- Reference and strike price,
- Competitive bidding as awarding mechanism for CCfDs,
- Sources and amount of funding for CCfDs,
- Impact on the EU-ETS,
- Potential distortions in the EU industrial level playing field.

## 8. Carbon Capture Storage and Use (CCS-U)

### a. Implementation and state of play of CCS-U

Carbon Capture Storage and use (CCS-U) provide climate change mitigation solutions by capturing CO<sub>2</sub> from the emitting sources or the atmosphere, and storing it underground or re-using it. In this sense, CCS-U technologies can play two main roles in achieving net zero targets, namely, reducing emissions or removing CO<sub>2</sub> from the atmosphere.

The IPCC scenarios consistent with limiting the temperature rise to 1.5 degrees show that removing CO<sub>2</sub> from the atmosphere is essential and complements the implementation of emissions reduction policies. There is also a growing consensus

around the fact that capturing CO<sub>2</sub> on-site will play an increasingly important role in the face of achieving the EU long-term emission reduction targets.

This workstream aims to help shaping the EU regulatory framework for this technology by:

- Carefully assessing the role of CCS-U in achieving the EU long term climate and energy targets;
- Assessing CCS-U interaction with the EU-ETS as an instrument to provide flexibility for installations to comply with their ETS obligations, including its possible role in the EU ETS post-2030 framework
- Identifying possible regulatory and financing gaps hindering the deployment of this technology at scale.
- Actively contributing to the Commission's working groups on CCS-U as well as in the CCUS Forum.

## 9. The interlinkages between climate policies and electricity markets

Ensuring that everyone has access to affordable, reliable, safe, sustainable, and modern energy is the key point to be addressed between energy and climate policies. In 2023, ERCST aims to focus on the balance and interaction between achieving a sustainable energy system and providing affordable and uninterrupted electricity to consumers, while discussing the impact of the EU's ambitious climate policies on electricity markets.

Targets regarding more energy efficiency in energy consumption and more renewable energy in energy mix set in 2030 Horizon are increased in Fit for 55 and further strengthened by RePower EU Plan to achieve decarbonized power system. In addition to the policies put forward within the scope of combating climate change, the electricity markets have experienced great fluctuations in terms of supply and demand with the energy crisis, and this fluctuation brought with it unprecedented skyrocketing electricity prices.

To reduce its dependence on imported gas and achieve zero carbon electricity in generation mix, Europe has put on its agenda comprehensive measures that will enable consumers to access electricity at affordable prices. This requires a reconsideration of the traditional structure of electricity markets and the implementation of measures to prevent rising electricity prices. Within this context

the reform process of electricity markets is included in European Commission's 2023 work program.

In 2023 ERCST will initiate a new workstream to examine this transformation across a broad spectrum, from the revision of electricity markets including integration of renewables and increasing flexibility needs and reflections of this reform on functioning of EU ETS and whether the EU ETS can accommodate with revised electricity markets. ERCST aims to evaluate the effects of the energy transformation process triggered by climate change policies and energy crisis on the electricity markets and address how to design long term signals for investment and to harmonise the climate change policies within future electricity market design by taking the recommendations of the stakeholders. ERCST aims to evaluate interaction between electricity mix, electricity market design and carbon markets and to guide policy makers on the measures to be taken. The creation of this workstream comes at a key moment, coinciding with the EC Revision of EU's internal electricity market rules in 2023.

## 10. Ensuring a Just Transition

Just Transition intends to counter the idea that valuing social aspects of sustainable development (economic, social, and environmental) and caring for the environment are mutually exclusive goals.

The EU's climate ambition in the context of the EGD (-55% in 2030 and Net Zero in 2050) will have social impacts and the EU is trying to make this transition fair, leaving no one behind. One key element in garnering support for such rapid environmental transition is to show that there is a good understanding of the impacts of the measures that are being designed to move towards a low GHG economy and that there is a plan to mitigate social and economic impacts during the period of transition.

ERCST started by identifying the two types of social impacts caused by the green transition:

- **Regional:** certain energy-intensive sectors and regions in the EU will indeed have an irreversible decline in economic output and employment level. In such context, the need will be to offer state support to affected workers and communities
- **Systemic and distributional:** increased energy and transport costs may lead

to energy poverty and mobility challenges (if not to social unrest). In such context, there will be the need for a call for justice in general terms (considering equity as an integral part in the transition process to a low-carbon society, addressing the roots of inequality)

Having assessed the different types of social impacts of the transition, ERCST's work focuses on exploring Just Transition issues at the European, International and Corporate levels:

- EU Level: setting a stronger, strengthened EU governance, with the capability of being granular, effective, and flexible at the same time. Indeed, a lesson learned so far, is that there is a need for stronger governance with procedural justice.
- Global Level: countries are increasingly committing to net zero targets without properly incorporating the social dimension in their national transition strategies and/or NDCs. At the same time, countries should draw on successful models and lessons learnt from existing Just Transition initiatives and plans in other jurisdictions.
- Corporate Level: a Just Transition cannot stand alone without corporate action. Profound corporate level changes will entail deep structural changes in employment patterns and spatial distribution. Corporate Just Transition should be based on social dialogue between workers, their unions, and principally the employers.

A strong coordination and coherence of climate, economic and social policies is indispensable. If well managed, climate action can be a pathway for reduced inequality and greater social inclusion.

Therefore, in 2023, ERCST will continue to strive to increase the understanding of this issue among different stakeholder groups by providing research and intellectual output while in parallel regularly convening workshops with policymakers, industry and other stakeholders to reflect on key issues and elements identified by ERCST.

## 11. Sustainable mobility

Within the context of the “Fit for 55” package, the European Commission has issued several regulatory proposals aimed at the decarbonization of the transport sector in the EU.

Several technological options can concur to address the dilemma of security of supply and decarbonisation of the transport sector: electrification, biomethane, hydrogen, biofuels, e-fuels are all suitable options if combined with a holistic approach.

While defining and enforcing new regulations the EU should address multiple questions:

- would a technology neutral approach better achieve the Fit for 55 and Repower EU objectives (decarbonisation and security of supply)?
- what is the best set of policies for achieving the decarbonisation objectives in a swift and cost-efficient way?
- what are the most suitable options to address also the security of supply?
- is the EU fully taking into account the social impacts and what policies can minimize them?
- how can risks of stranded assets be minimized?
- is a price signal more efficient than command and control options (and in particular bans)
- are supply chains fit for minimizing risks relating to a lack of supply and are there any available and ready “back up” solutions.
- how should the new Energy Taxation Directive debate take into account these issues?
- what are the best incentivizing and de-risking options for accompanying the private sector in this industrial shift?
- will the international competitiveness of EU energy and transport operators be properly addressed?

The new workstream on “Sustainable Mobility in the EU” will try to answer to these questions by analyzing the combined effects of all the relevant policies and sorting out what could be the best combination taking into consideration economic efficiency, technological readiness of options, decarbonized sources availability, social impacts, competitiveness protection, tax/incentives and de-risking tools.

## Working Groups and Alliances

ERCST also participates in a number of working groups and alliances in 2022.

- Observers in the Informal Expert Working Group on CBAM.
- Member of the Working Group on CO2 Infrastructure, the Working group on the CCUS Vision Document and the working group on the CCUS Industrial Partnership, set up by the Commission in preparation to the 2022 CCUS Forum.
- Member of the European Clean Hydrogen Alliance, set up by the Commission with the goal to bring together industry, public authorities, civil society and other stakeholders.

## Governance

The European Roundtable on Climate Change and Sustainable Transition was launched as a think tank in 2016, and was established as an independent non-profit organisation under Belgian law in November 2018. ERCST's headquarters are located at rue Archimède 61, third floor, 1000 Brussels, Belgium.

ERCST is governed by its Board, in accordance with its articles of association. The daily management is delegated to Mr. Andrei Marcu, president of the Board and Executive Director of ERCST. The intellectual solidity and neutrality are ensured by the Scientific Committee.

The goal of ERCST is to:

- a) participate and contribute to the European and global political debate on global warming;
- b) contribute to the climate change policy debate to ensure that the energy transition is well managed, economically efficient and fair, and addresses issues of economic and trade competitiveness;
- c) be a place where all points of view are heard in this debate;
- d) provide solutions that are objective, pragmatic and evidence-based;
- e) collaborate with governments, multilateral institutions, think tanks, the business community, the academic world and any other actors necessary to achieve these objectives; and
- f) ensure that the contribution and solutions provided by ERCST are politically feasible and consistent with local economic and social realities.

ERCST aims to provide rigorous intellectual analysis, stemming from the



experience and input of its staff, as well as other research available, and the input of the stakeholders who join its activities. It will represent its own views and will strive to ensure in a very strict way its independence and integrity.

The core values of ERCST are non-discrimination, openness and transparency, participation and accountability. These underpin the principles and behaviour, of ERCST and help to maintain mission alignment throughout all operations and activities while sustaining the highest ethical practices.

ERCST has a strict policy of transparency and disclosure of activities and sources of support.

## Team



**Mr. Andrei Marcu** is the founder, member of the board and Executive Director of ERCST. He has vast experience in managing policy-focused organisations, creating partnerships, managing stakeholder relations and fundraising. His focus has been on sustainable development, climate change and energy.

In different capacities, he has been engaged in multilateral negotiating processes and subsequent implementation action, both at the global and sectorial level. He has acted as negotiator for developing countries, coordinator for the G-77 and China, and as representative of the international business community.

During his career, Mr. Marcu has performed at the highest managerial level, both in business organisations and in non-profit organisations. He created, and successfully managed the CEPS Carbon Market Forum and was the founder and CEO of the International Emissions Trading Association (IETA), as well as acted in a number of leadership positions in the area of public policy.



**Ms. Alexandra Maratou** joined ERCST in 2020 as a Senior Policy Analyst. She focuses on economic and climate change policies at the European and international levels, including carbon pricing and border carbon adjustments.

She has 12 years of professional experience in policy research and analysis, with a focus on energy, climate and the environment. Prior to ERCST, she worked for consultancy COWI, where she conducted studies on behalf of the European Commission and other public sector clients. In the outset of her career, she worked as a research assistant at Cambridge University's Electricity Policy Research Group, where she inter alia conducted research on low-carbon electricity generation technologies, and innovation.

Alexandra holds an MSc degree in Environmental and Resource Economics from University College London, as well as a BA degree in Economics from the Athens University of Economics and Business.



**Mr. Juan Fernando López Hernández** is an economist specialised in EU Climate Policy and has recently joined ERCST as Manager & Senior Policy Analyst. Prior to ERCST, Juan worked as an Adviser in Climate Change & Energy at the European Industrial Minerals Association focusing on the EU ETS and other files such as CBAM, ETD and the RED and sustainable finance.

Beforehand he was a trainee at the European Commission, where he contributed to the European Commission proposal for an EU Multiannual Financial Framework, and Climate Mainstreaming co-chaired by DG CLIMA.

With a solid academic background and previous management work experience at university, he holds a University Degree in Economics and a Masters Degree in European Studies from the University of Sevilla. In 2017 he obtained a Masters Degree in Economics of the EU at the College of Europe in Bruges, with a specialisation in European Public Policy Analysis. In 2019, he was invited by the European University Institute to present his master thesis on "[The impact of political announcements on the EU ETS](#)", at the Florence School of Regulation (FSR) Climate Annual Conference.



**Mr. Antonio Fernandez** joined ERCST in early 2021 as a Policy Analyst. He focuses on energy and climate policy developments with a particular focus on the Hydrogen economy and the New Green Deal.

Before joining ERCST Antonio gained valuable professional experience in the fields of energy and environment, international trade and banking in 4 different EU countries, working for renowned private and public organisations such as the British Parliament, the Spanish Embassy in Berlin, Santander Bank or Iberdrola. At Iberdrola Antonio was responsible for the daily monitoring and reporting on EU legislative and non-legislative procedures in the fields of Energy, Climate and Sustainable finance with special focus on the New Green Deal.

Antonio is a fully qualified lawyer that also holds a M.B.A. from ICEX-CECO, with focus on international trade, a LL.M. in European Business, Competition and Regulatory Law from FU Berlin, as well as a Master in Professional Development from University of Alcalá in Madrid.



**Ms. Sachi Vohra** joined ERCST in October 2021 as a Researcher based out of India. Her work focuses on climate policy, carbon pricing, market-based mechanism, national and international climate policy discourse. Prior to ERCST, she worked as a Research Associate in The Energy and Resources Institute (TERI) in New Delhi. She was also a volunteer in a grassroots level organisation to promote ground level implementation of clean energy

transition in the Himalayan regions.

Sachi holds a MSc in Climate Science and Policy from TERI University and a bachelor's degree in Geography from University of Delhi.



**Mr. Bartek Czyczerski** joined ERCST as a Senior Policy Manager in March 2022. His work will focus on sustainable finance and hydrogen.

He has 17 years of experience in European affairs: as a diplomat, civil servant and managing director of the largest, multisectoral Polish business federation in Brussels (Business & Science Poland). Under his leadership, BSP was accepted as a member of the Platform on Sustainable

Finance.

Bartek has extensive experience in policy areas of international trade and economic relations, as well as the Green Deal agenda, including CBAM, sustainable finance & taxonomy, hydrogen and competition.

As a diplomat, he coordinated the matters related to international trade in the Permanent Representation of Poland to the EU. Bartek advised political hierarchy and represented national economic interests within the EU institutions. He participated in the EU inter-institutional negotiations from the working level to the involvement of EU leaders. He has been a member of multiple EU bodies, notably Chairman of the EU Council legislative working group and member of EU Trade Policy Committee. Bartek also advised the Polish delegation during the negotiations at the 9th WTO Ministerial Conference of the Trade Facilitation Agreement.

Bartek led the design and implementation of national policy on EU trade legislation, trade defence and the WTO dispute resolution. He also represented the Polish government in domestic litigations related to international trade.

Bartek is a regular speaker at conferences on European affairs (Politico, the Polish Climate Summit, ERA, C5), to media, in the national and the European Parliament, at the international trade law summer program. His research appeared in Global Journal on International Trade and Customs, Euroactiv, Rzeczpospolita and Monitor of Customs.

After obtaining a law degree at the University of Wroclaw he continued his post-graduate education at the Warsaw School of Economics (Project Management), the London School of Economics (MBA Essentials) and the Oxford University (Executive Leadership Program).



**Ms. Lisa Hornsey** joined ERCST in February 2022 as Office Manager. Previously, she led Sourcing and Operations for specialist retailers in Western Europe. Most recently, she led the Supply Chain team within an international NGO – Oxfam. Lisa graduated from Royal Holloway, University of London, and holds an MBA from Solvay Business School.



**Ms. Elena Bonfiglio** joined ERCST in 2022 as a Policy Analyst. She works on climate change policy both at the European and international levels, with a focus on negotiations related to Article 6 of the Paris Agreement and CCS-U technology.

Previously, she worked as a Finance Assistant for the European Environmental Bureau in Brussels and did internships as a Junior Consultant at the United Nations Convention to Combat Desertification in Bonn and as a ESG expert at Ecomate in Milan.

Elena holds a double degree in Economics and international Policies from Università della Svizzera Italiana (Switzerland) and Graduate School ASERI (Italy) with a thesis on a comparative analysis of cap-and-trade systems implemented worldwide.



**Ms. Pauline Nouallet** joined ERCST in 2022 as a Senior Policy Analyst. She focuses on economic and climate change policies at the European and international levels, including carbon pricing and border carbon adjustments.

She has 8 years of professional experience in policy research and analysis, with a focus on energy, climate and the environment. She has strong experience in conducting impact assessment and evaluation of public policies, as well as producing and appraising business cases of public infrastructure projects. Prior to ERCST, this experience has been gained through working in consultancy, non-departmental public bodies as well as in research institutes.

Pauline holds an MSc degree in Environmental, Energy, and Climate Change Economics from AgroParisTech, as well as a certificate in Impact Evaluation of Policies and Programmes from the United Nations University (UNU-Merit).

**Ms. Bente De Graeve** joined ERCST as a Junior Researcher in August 2022.

Prior to joining ERCST, she obtained two masters. She holds a master's degree in Advanced European Integration and Global Studies, for which she wrote a dissertation concerning climate justice in urban adaptation. She has also studied English and Swedish at Ghent University, with an Erasmus exchange at Stockholms Universitet. Throughout her studies she has gained extensive international experience, studying in Ghent, Stockholm, Berlin, Nice and Istanbul.



**Ms. Mehtap Alper Saglam** joined ERCST in October 2022. She holds a Bachelor's degree in electrical engineering and a Master's in Energy Science and Technologies from Istanbul Technical University. Her thesis concerned Demand Side Flexibility in the Turkish Power System.

Between 2010 and 2016, Mehtap worked as a procurement and quality assurance and control expert. She worked on multi-component R&D and innovation projects co-financed by the EU and Turkey within the scope of Instrument for Pre-Accession Assistance-IPA under the Competitive Sectors Program managed by the Ministry of Industry and Technology.

Since July 2016, Mehtap has been working as an energy expert and a member of the R&D projects evaluation committee in the Energy Market Regulatory Authority. Specifically, she follows national and international policies and regulations on power system flexibility, balancing markets, energy storage systems and demand side response. She published an expertise thesis on a Review of Power System Flexibility and Assessment of New Flexibility Options for the Turkish Power System.

In 2020, Mehtap provided consultancy as a Grid Code Development Expert for six months to the Azerbaijan Energy Regulatory Agency under an EBRD financed TA Project.

Lastly, she is a member of CIGRE's Working Groups C1.C4.46 on optimizing power system resilience in future grid design and C1.47 on Energy Sectors Integration and impact on power grid, as well as Eurelectric Turkey's Innovation and Digitalization Working Group.

**Ms. Jeanne Marullaz** joined ERCST in December 2022.



Prior to ERCST, she obtained a joint master's in Global Economic Governance and Public Affairs, for which she wrote a dissertation on ways to align financial markets with the objectives of the climate transition. In the meantime, she received the degree qualification of « Policy Officer in European and International Organisations » recognized by the French state and corresponding to level 7 of the European qualification framework. Jeanne also studied Economics and Management at Panthéon-Assas Paris II University with an Erasmus exchange at Universidad Autonoma de Madrid. She has gained extensive international experience throughout her studies, studying in Paris, Madrid, Berlin, Nice, and Rome.

## Senior Fellows

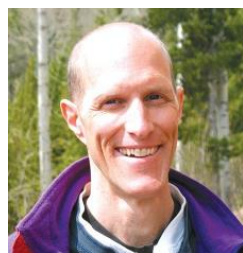


Jean-Yves Caneill

**Mr. Jean-Yves Caneill** joined ERCST as Senior Fellow in 2018 after a successful thirty-year long and distinguished career at Electricité de France (EDF), where he was responsible for climate change policy. He has been strongly involved in the European and international debate on climate issues, attending the climate negotiation conferences for Eurelectric.

In recent years, he has been strongly involved in dialogues with EGTT, TNA, TEC and CTCN process (UNFCCC) through WBCSD and ICC. He was member of the CTCN Advisory Board for one year, representing the private sector. He is also following the GCF issue as an observer. He is also involved in different collaborations with MIT, CEPS, and IDDRI.

Jean-Yves advises ERCST on issues ranging from the EU Emission Trading System to the decarbonisation of the power sector and international climate change negotiations under the UNFCCC.



**Mr. Aaron Cosby** is a Senior Associate to ERCST. He is a development economist with 25 years' experience in the law and economics of sustainable development, particularly in the areas of trade and climate change. Aaron is also a Senior Associate at IISD, an advisor to IGF, and a member of the Green Growth Knowledge Platform Research Committee on trade and



competitiveness. Aaron also has consulted to a wide variety of governments and institutions.

Aaron provides advise to ERCST and works on projects related to Response Measures under the UNFCCC and the nexus between trade and climate policies.



**Mr. Olivier Imbault** is a Senior Fellow at ERCST. Before joining ERCST Olivier Imbault chaired the Business Europe Working Group Energy & Climate for more than six years. Olivier has developed a broad experience in EU regulations and leadership role in the European debates on energy transition, climate change and sustainable development. He brought with him a more than forty years' experience in the industry and energy sectors after a long career in Air Liquide, where he was successively CEO of the Italian subsidiaries, Vice President of the Mediterranean and African Zone and Vice President Europe Energy and Industry affairs. Olivier holds an engineering degree from Ecole Centrale Lyon and an MBA from INSEAD Young Manager Program. In the same period, Olivier has acted as representative of the Chemical Industry in the development of the Italian energy market as President of the Italian Chemical Industry Energy Committee and Member of Confindustria.



**Mr. Tomasz Chruszczow** is a Senior Fellow at ERCST. Tomasz Hhas been active in the field of environmental protection for more than 30 years, with a special focus on climate change, industrial emissions and waste management. Tomasz, served in Polish and European industry organisations as a representative of Polish glass manufacturers, including as the Vice President of CPIV – Standing Committee of European Glass Industries.

In the international realm, Tomasz has been the EU lead climate negotiator and Head of Polish delegation at UN Climate Conferences, Chair of the EU WPIEI Climate Change during Polish EU Council Presidency, High-Level Climate Champion and chair of UNFCCC global negotiations, Chair of the UNFCCC Subsidiary Body for Implementation – SBI as well as the Subsidiary Body for Scientific and Technological Advice – SBSTA, Member of the UN Adaptation Committee 2012-2015, negotiating on behalf of the EU final provisions of the Paris Agreement on forestry during Paris COP21. Tomasz graduated from the Technical University of Warsaw.



**Mr Bill Thompson** joined ERCST as a Senior Fellow in January 2022. Bill is currently Co-Chair of the UK Emission Trading Group's ETS Workgroup. The WG comprises UK major ETS emitters, relevant UK Trade Associations, Verifiers, Traders and Accreditation Authorities. UK Government Ministries BEIS and HM Treasury also participate alongside regulators from the UK Devolved Authorities and the UK Environment Agency.

Bill was previously Director Climate & Energy Policy – Europe for the BP plc Group Policy Team. He has extensive regulatory experience from having worked and lived in Brussels for five years. He also served as a representative on relevant climate & energy in Fuels Europe, CEFIC, Business Europe, CONCAWE, IETA and IOGP. He has extensive operational and regulatory experience of the EU ETS and the UK ETS and their evolution as well as of the UNFCCC Kyoto & Paris Climate Agreements.



**Ms. Natalie Kushko** is a Senior Fellow at ERCST. Natalie is a senior sustainable low emission economic development, climate change, and international carbon markets expert with over 20 years of experience in inter-governmental UNFCCC negotiation, extensive on-ground experience on UNFCCC flexible mechanisms, climate change policy-making and implementation on international and national levels, as well as regional level in emerging markets of Eurasia region. Ms.

Kushko currently is a Team Leader of national and international experts and firms supporting the GoU on second Ukrainian NDC development under Paris Agreement EBRD, also providing international legal expertise and, planning and supervising transparent and inclusive stakeholders' consultation process for over two years on second NDC development process. She served as Team Lead of UNDP project providing support to Ukrainian Parliament on sustainable energy and environment issues.

## Founding Members

ERCST has four founding members with backgrounds in industry, academia, and government affairs:

- Andrei Marcu, ERCST
- Michael Mehling, MIT
- Philippe Chauveau, Solvay
- Tomasz Chruszczow, ERCST

## Board

ERCST is directly governed by its Board, in accordance with its articles of association. The Board is currently comprised of:

- Andrei Marcu, ERCST
- Michael Mehling, MIT
- Philippe Chauveau, Solvay
- Mahua Acharya, Convergence Energy Services Ltd, Government of India
- Piotr Arak, Polish Economic Institute

## Scientific Committee

ERCST has a Scientific Committee which is comprised of representatives of affiliated think tanks, providing the intellectual solidity, and ensure neutrality. The Scientific Committee of ERCST is currently comprised of the following members:

- Emilie Alberola, Eco Act
- Neeraj Prasad, former manager of the World Bank Climate Change team
- Stefan Schleicher, Wegener Center for Climate Change, University of Graz
- Susanne Droege, SWP
- Sebastian Oberthür, Institute for European Studies, VUB

Other members may be invited to join the Scientific Committee by agreement with the existing Members of the Committee, subject to approval of the board.

## ERCST Membership

ERCST currently has two categories of members:

1) Funding members are companies that are supportive of ERCST and its activities and pay a yearly membership fee.

2) Associate Member are those that are supportive of ERCST and its activities, without providing financial support. This category may include think tanks, associations, and governments, as well as international organisations.

## Participation

ERCST is a non-profit and non-advocacy organisation. Participation in ERCST is open to all stakeholders, including academia, research institutions, business organisations, foundations, think tanks, associations, non-governmental organizations, Member States of the EU, non-EU governments, as well as subnational entities.

## ERCST Products and Activities

ERCST's outputs and activities (papers, seminars, roundtables, etc.), are undertaken strictly under the responsibility of the ERCST and do not represent, nor are they in any way meant to represent an endorsement by ERCST members or any stakeholders of their contents or of the statements made during discussions. All ERCST activities are undertaken under strict Chatham House Rules.

## Annex 1: List of events held in 2022

<b>No.</b>	<b><u>Event Title</u></b>
1	Border Carbon Adjustment in the EU: EP draft position
2	ETS Revision for Phase IV: Draft Report by the rapporteur in the ENVI Committee
3	EU Taxonomy: extension framework and interplay with transition pathways
4	Just Transition Governance and Financing across EU Member States
5	Hydrogen: completing the regulatory puzzle
6	Informal Forum on Implementation of Article 6 of the Paris Agreement – February 2022
7	Price signal for carbon and impact on decarbonisation
8	State of the EGD: two years after
9	CBAM Global Townhall 2022
10	EU-Turkey Climate Policy Dialogue: Role of Civil Society in developing climate policies
11	Article 29a EU ETS Directive – EU Measures in the event of excessive price fluctuations
12	Border Carbon Adjustment in the EU – CBAM Scope 2 emissions
13	Joint roundtable ‘The IMF proposal for an international carbon price floor: a quantitative analysis’
14	EU Taxonomy: impacts on other policies
15	Shaping ERCST’s feedback on the hydrogen and decarbonised gas package
16	Development impact of EU’s CBAM
17	Border Carbon Adjustment in the EU – Launch of Report on Exports in CBAM
18	The impact of commodity prices on energy transition and regulatory framework
19	Roundtable on Just Transition Framework
20	Informal Forum on Implementation of Article 6 of the Paris Agreement- April 2022
21	2022 State of the EU ETS Report – Launch
22	The International Dimension of Hydrogen
23	Designing Carbon Contracts for Difference
24	2022 State of the EU ETS Report – Launch Webinar
25	CBAM Global Townhall 2022

- 26 State of the EU Green Deal, the climate dimension of REPowerEU
- 27 EU-Turkey Climate Policy Dialogue: Policy Vision Roadmap for Civil Society
- 28 “Crunch issues” in the hydrogen and gas Directive
- 29 Nuclear energy and gas in the EU Taxonomy
- 30 Hydrogen and the RED Delegated Acts
- 31 Informal Forum on Implementation of Article 6 of the Paris Agreement- April 2022-Pre SBSTA Article 6 Bonn
- 32 Article 6: Side event at SBSTA 57 Bonn
- 33 Border Carbon Adjustment in the EU: Launch of Report on Indirect Emissions in the EU CBAM
- 34 ETS Revision for Phase IV. The EU ETS under trilogues
- 35 Informal Forum on Implementation of Article 6 of the Paris Agreement- 2022-Sept 2022
- 36 CBAM Global Townhall 2022 – Session 3: Carbon Clubs and International Cooperation on CBAM/BCAs
- 37 The State of the European Green Deal: Quo vadis EGD?
- 38 Hydrogen: State of play of the regulatory framework
- 39 EU Energy Transition with Energy Security
- 40 Border Carbon Adjustment in the EU: Launch of Report on International Cooperation on BCAs/CBAM
- 41 Green bonds – State of play. What is in it for transition?
- 42 Expert Consultation: CBAM: Different Approaches and Evolving Circumstances
- 43 ETS Revision for Phase IV. The EU ETS under trilogues
- 44 The matrix: sustainable reporting requirements
- 45 ERCST x WEF: Scenarios and Strategies for Carbon Competitiveness
- 46 The principle of technological neutrality and hydrogen incentives
- 47 Border Carbon Adjustments in the EU: Launch of Report on CBAM: Does CBAM need to be aligned with the evolving circumstances?
- 48 Informal Forum on Implementation of Article 6 of the Paris Agreement- April 2022-Pre COP27 Sharm El Sheikh, Egypt
- 49 COP27 Side Event: WEF x ERCST Panel: Carbon Pricing and Trade: What Future?
- 50 COP27 Side Event – Article 6: Understanding the current state of play and its role in unlocking the potential of VCMs
- 51 Post-COP27: In conversation with Jake Werksman
- 52 Transition plans towards Paris alignment: beyond sustainable finance

# ERCST

European Roundtable on  
Climate Change and  
Sustainable Transition

## Annex 2: List of publications released in 2022

<b>No.</b>	<b><u>Title of Publication</u></b>
1	Reflection note on Carbon Contracts for Difference (CCfDs)
2	Key issues in the EU ETS revision
3	Addressing “Crunch Issues” in the EU CBAM: A Review of the ENVI Committee Rapporteur’s Draft Report
4	EU ETS Review: EC PROPOSAL VS DRAFT ENVI REPORT. 09.02.2022
5	Policy Brief: The hydrogen and decarbonised gas market package
6	Policy Brief: EU ETS Directive Review: A focus on the Article 29a.
7	Treatment of Exports in the EU CBAM
8	Policy Brief: Unlocking the governance challenges of Just Transition in the EU
9	ERCST feedback to the hydrogen and gas package proposals
10	2022 State of the EU ETS Report
11	ERCST EXPLANATORY NOTE: EU ETS Compliance 2022
12	Policy Vision Roadmap for Civil Society
13	Policy Brief: A reaction to the ENVI Committee Report
14	Position paper – ERCST’s response to the Department for Business, Energy & Industrial Strategy’s open consultation for Developing the UK Emissions Trading Scheme (UK ETS)
15	Funding mechanisms under the revised EU ETS and Social Climate Fund
16	ERCST feedback to the RED Delegated Acts. Focus on Hydrogen
17	ERCST Reflection Note – Gas and nuclear energy in the EU Taxonomy
18	Indirect Emissions in the EU CBAM
19	Policy Brief – The EU Taxonomy: what next?
20	ERCST’s response to the Department for Business, Energy & Industrial Strategy’s UK ETS – Registry Data Publication Consultation
21	Policy Brief: EU ETS Review 2 months after the start of trilogues
22	International Cooperation on BCAs
23	Carbon Contracts for Difference (CCfDs), presentation of ERCST’s survey results
24	Industrial partnership for CCUS
25	Scaling up and trading CO2 storage units (CSUs) under Article 6 of the Paris Agreement – Potential challenges, enablers, governance and mechanisms



<b>26</b>	The EU Green Bond Standard – state of play. What is in it for transition?
<b>27</b>	Taking stock of the EU hydrogen regulatory framework
<b>28</b>	Reflection Note: EU ETS Review: Under the shadow of the energy crisis
<b>29</b>	The EU ETS is not going to solve the energy crisis, but can provide inspiration
<b>30</b>	CBAM Report: Aligning the Design with Evolving Circumstances