

# Status of Russian Climate Related Policy / Статус регулирования выбросов в России

Round Table organised by the AEB SHES and Energy Efficiency Committee  
“Russian Climate Policy: Developments and Prospects”

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# Generally Known Facts

- COP 21 - Reduction of well more than 2% in greenhouse gas reductions ("GHG") worldwide is agreed
- Russian Intended Nationally Determined Contributions ("INDC") provides for reducing GHG emissions by 25-30% from 1990 levels by 2030
- Russian INDC is seen as neither ambitious nor costly

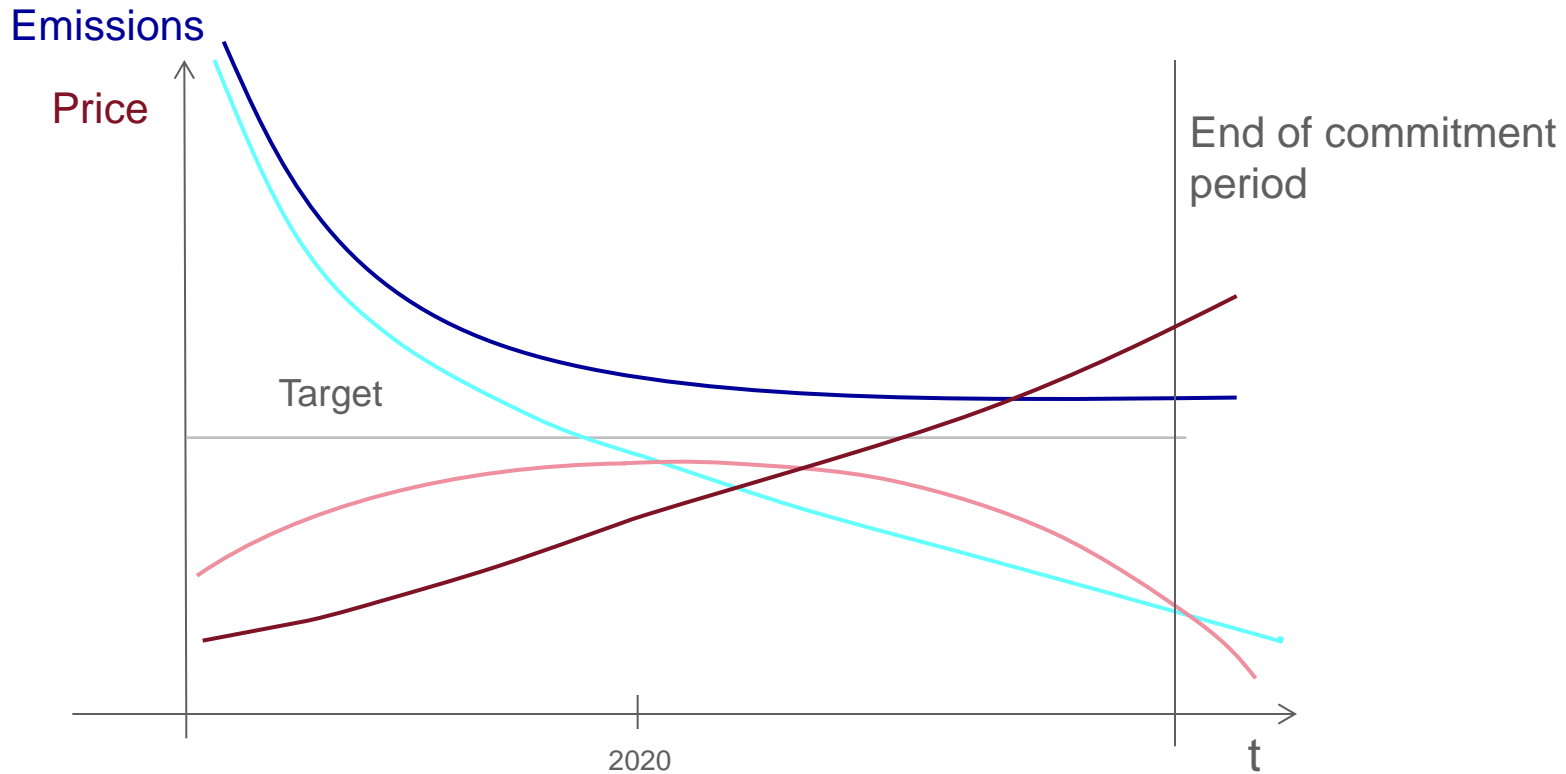
What does the assumption that targets can easily be exceeded mean for us?

# Companies Emitting in Russia

## Trading System

- if the economy pays for the targets being exceeded and benefits if less than targets bare is emitted, companies can plan how to sell surplus
- surplus can only benefit Russia and Russian companies, if a trading system is in place. As a trading system would need to be agreed with other countries in advance, it is likely to be predictable. Accordingly, Companies will most likely have the time required to undertake the measures required for the reduction of emissions
- a trading system would react flexibly, see:

# Companies Emitting in Russia (2)



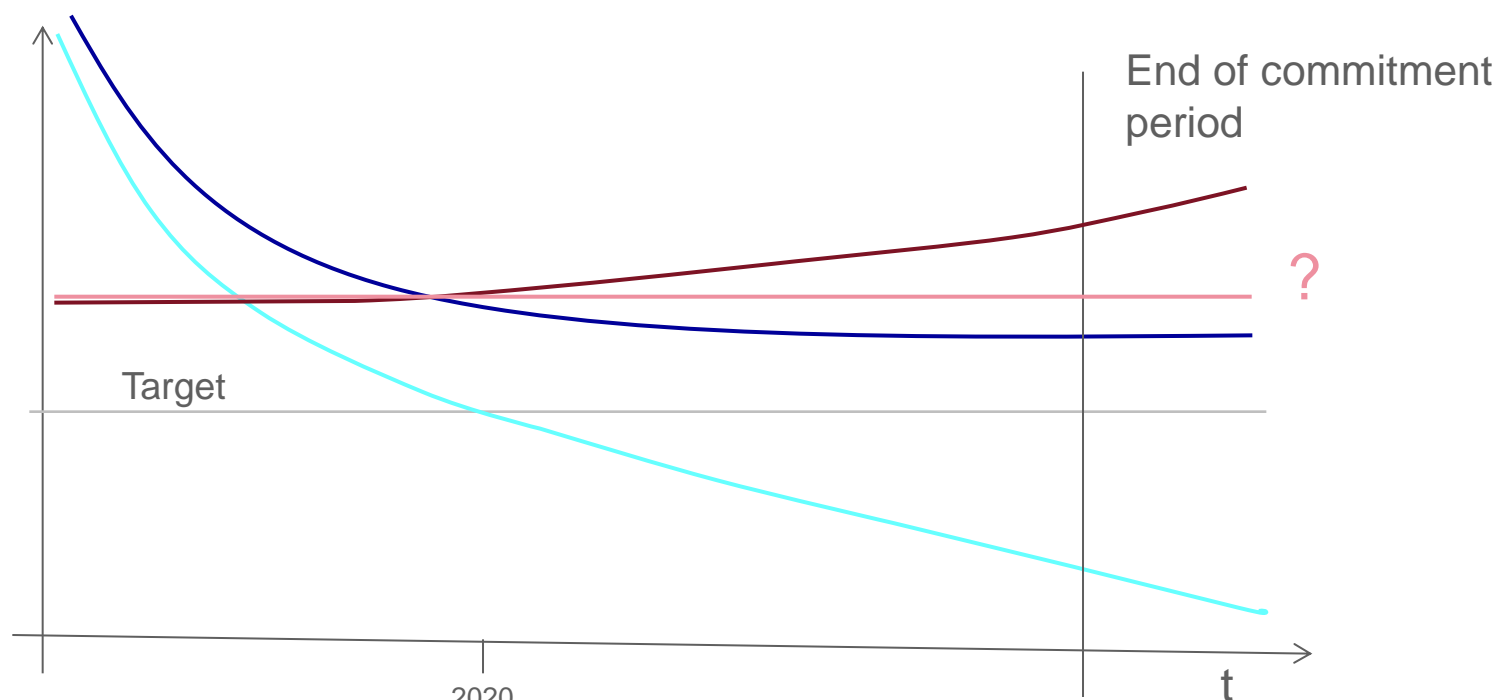
# Companies Emitting in Russia (3)

## Tax

- payments to be made or excess would go to state
- companies would not themselves or through others benefit from keeping below the target
- no flexible reaction, see

## Tax

## Emissions

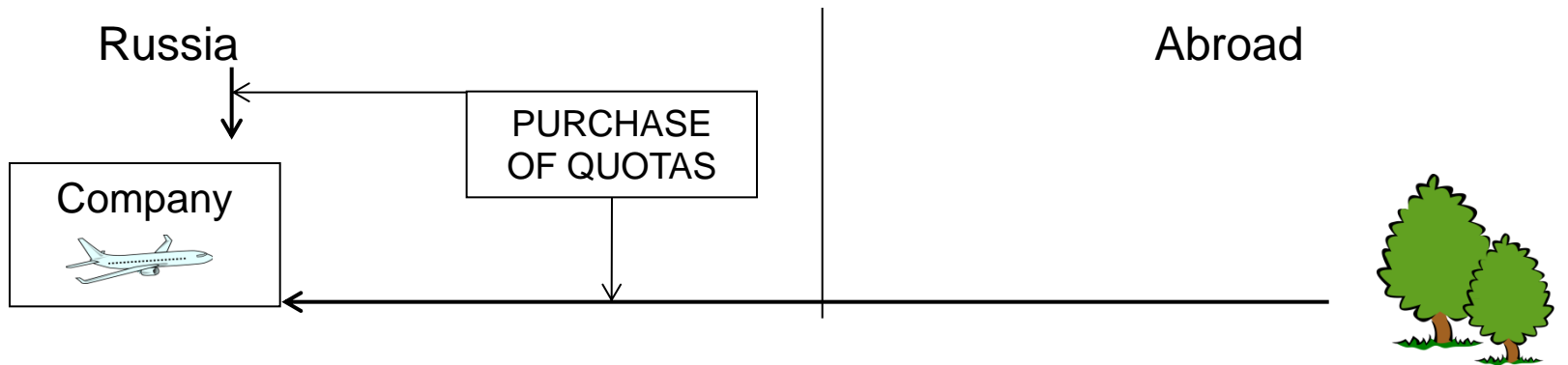


# Carbon tax - potential monetary burden

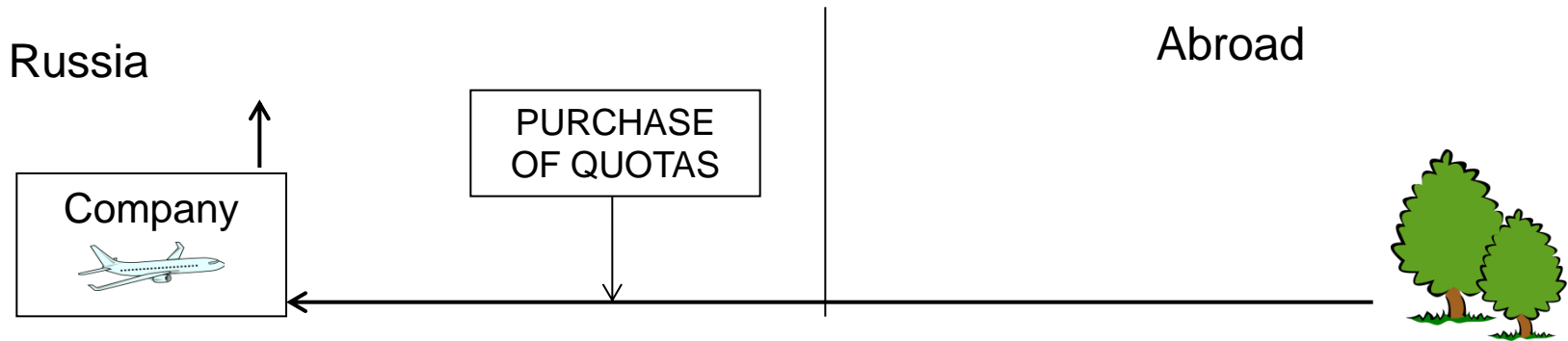
Company	Emissions (tCO2 per year) (USD)	Scenario 1 (world min - Poland - USD 1 per tCO2) (USD)	Scenario 2 (USD 10 per tCO2 – e.g., Iceland) (USD)	Scenario 3 (USD 30 per tCO2 – e.g., Denmark) (USD)	Scenario 4 (Oleg Deripaska's proposal - USD 15 per tCO2 – e.g., United Kingdom) (USD)
Gazprom	110 700 000	110 700 000	1 107 000 000	3 321 000 000	1 660 500 000
Surgutneft egaz	1 272 000	1 272 000	12 720 000	38 160 000	19 080 000
Evraz	45 550 000	45 550 000	455 500 000	1 366 500 000	683 250 000
Uralkaliy	1 850 000	1 850 000	18 500 000	55 500 000	27 750 000
Inter RAO	95 300 000	95 300 000	953 000 000	2 859 000 000	1429500000

# Companies Having International Reduction Commitments

## TRADING SYSTEM



## TAX



# Regions

## Tax

- Regions can neither influence nor predict systems for the taxation of emissions. Accordingly, if there were taxation, there would be a disjunct with the proposed energy efficiency linked parameters for the evaluation of governors
- It is beneficial to plan many measures at a local level, for instance,
  - the need for energy of a specific type
  - the replacement of energy sources



# Views

Government Reaction slow in terms of

- conceptualizing scenarios for climate policy as a whole
- deciding on how detailed implementation could look like and what parts of the existing infrastructure can be used
- trading system would generally be feasible, Kazakhstan has one and is thinking about linking to the European Trading System (ETS)