

Planning and Climate Change: A Local Emissions Trading Scheme

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Existing policies on climate change aren't focused in land use planning and local level actions. The main objective of this study was to find a way of inducing good local practices to reduce climate change using a cap and trade program.

It has been designed a market of emissions licenses between local authorities where national government is responsible to set greenhouse gases limits of emissions and removals for each local authority and to give them a quantity of licenses according to these limits. During the commitment period, local authorities have the flexibility to choose the best climate change mitigation policies and should return a number of licenses corresponding to the difference between emissions and removals in that period. If their policies have success and the difference between emissions and removals is less than their limits then municipalities can bank the remaining licenses or can even sell them to other participants that exceed their limits. This system has been called Local Indirect Emissions Trading Scheme.

Portuguese case was used to test the difficulties of implementing the Local Indirect Emissions Trading Scheme. This system encloses transport and land use, land use change and forestry sectors.

Local Indirect Emissions Trading Scheme has good conditions to be implemented although there are findings of some vulnerabilities related to complexity and to lack of information to calculate volume of emissions. If this scheme is implemented than it can promote local policies to reduce anthropogenic impacts on climate change.

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