

## **Norway's climate change policy.**

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Norway's first measure to directly address GHG emissions was a tax on CO<sub>2</sub> emissions introduced already in 1991. This tax is still in force and today covers about 69% of the CO<sub>2</sub> emissions. In addition to the CO<sub>2</sub> tax, GHG emissions are controlled through a licence system under the Pollution Control Act, agreements between industry and the government, and taxes introduced to reduce methane emissions from landfills, and emissions of HFCs and PFCs. From 1 January 2005 an emissions trading system, very similar to the EU trading system, has been introduced for the period 2005-2007. The trading system includes CO<sub>2</sub> emissions from industries not subject to CO<sub>2</sub> tax and will reduce CO<sub>2</sub> emissions by about 1 million tonnes in the three-year period. Norway also has a comprehensive policy for energy efficiency and increasing the use of renewable energy sources, as well as for research and development. Special attention is paid to the prospects of carbon capture and storage in North Sea geological structures, as well as to hydrogen technology.

It has been estimated that by 2000, the total effect of these measures was a reduction in emissions of 8-10 million tonnes CO<sub>2</sub> equivalents, which implies that emissions would have been 15-20% higher without the measures implemented in the 1990s.

Norway's policy mix for the period 2008-2012 has not yet been decided. It is likely that the same elements as today (taxes, licences, agreements and emissions trading) will form the building blocks of the strategy, but the "strength" of the various elements will be further evaluated.

The results of the recent Arctic Climate Impact Assessment (ACIA) have given us further evidence that climate change is already taking place at an alarming rate, illustrating that more ambitious mitigation efforts are urgently needed. Scientific knowledge presently suggests that to avoid dangerous effects, the global mean temperature should not increase above 2 degrees. This should be used as guidance for our future work. Norway is convinced that governments now have to start serious talks about the future, taking into account the many ideas that have been presented by the research community. We believe that the following elements should guide our discussions on a future global climate change regime: Wide participation of countries; be perceived as fair by governments and private sector; be perceived to support sustainable development in all countries; not be overly complicated (need to monitor compliance). Differentiated commitments and the various flexibility elements (multi-gas, multi-year, market based mechanisms) in the Kyoto Protocol should be retained. In addition to controlling the level of emissions over the coming years, the future regime should include cooperation on adaptation and strengthened efforts on technology research, development and deployment.