



Supporting the Implementation and Development of the EU ETS – LIFE SIDE

FINAL REPLICABILITY PLAN

Action C 5

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1 Introduction

It was evident since the start of the project that the process of conceiving a replicability strategy would require interactions and confrontations with policymakers and stakeholders, as their inputs and involvement was considered crucial both for the development of a replicability plan and for the actual implementation of the replicating effort in the future. The four workshops organised under Action C2 proved extremely useful in this respect. The discussions at these events with policymakers from European and non-European countries, helped to sound the ground for the feasibility of a replication effort in the areas of transferability of the project identified in the workplan (below), to develop relationships with policymakers and stakeholders potentially interested in the transferability process, as well as to conceive a methodology for its implementation. As mentioned above, also the training and final conference were key part of this process, especially for the stakeholders involvement.

This replicability plan is structured in two parts: the first section includes a list of actions that need to be taken in order to replicate the Life Side Project; the second part provides practical recommendations aimed to facilitate the transferability and replicability of the Life Side project results.

The full replicability plan, as it is shown in this document, has three different possible applications. More specifically, the Life Side framework can be replicated in other ETSS outside Europe, in other policy areas, at a member state level.



2 Check list for ETS Assessment

This checklist is intended to be an operational document with the aim of helping to replicate the ETS Assessment and the Life Side Project. The following list of actions can be considered as the backbone of the Life Side Project, as it constitutes a list of steps which need to be taken in order to replicate the project. The actions below are listed in a chronological order, which we consider to be the most appropriate to achieve the replication of the project.

1. Focus of the assessment

Firstly, it is very important to understand what the critical and relevant area of intervention in each specific country, are. By area of intervention, we refer to the list of topics and aspects of the Emissions Trading System that the replication effort is meant to focus on. Life Side focused on the following topics: Free allowance allocation; Competitiveness effects and carbon leakage; Interactions with other policies; Low-carbon innovation and investment; International Dimension. Obviously, this is only a sample of all possible topics. The choice of these topics can be complex, and a good way to start is to have a fresh look at both academic and other policy assessment reports published in your country and abroad.

2. Expert group

A second important step is the establishment of an “expert group”. The expert group is a fundamental element in the project, having the role of advising and validating all key project actions. In order for the expert group to be as much beneficial as possible to the project, it is advisable to select experts from different areas of expertise, such as:

- Policymakers involved directly in the ETS design;
- Policymakers not directly involved in the ETS but with some interest in environmental policies;



- Policymakers from different geographical areas (Member states, in the EU case);
- Academics;
- Relevant stakeholders (industry, civil society, NGOs, etc).

The expert group can be involved in different steps of the project, from the validation of the topics of interest to the provision of feedback on the assessment results.

3. Discussion and validation of the selected topics with the expert group

Considering the importance of deciding on which aspect of the ETS to focus, the feedback from different stakeholders becomes crucial. The decisional process of the Life Side Project had a circular structure, in which the initial topics of the assessment were discussed with the expert group and then adjusted, accordingly.

4. Definition of criteria for policy evaluation

Once the topics are selected and validated, it is important to define the criteria for policy evaluation that have to be applied in the assessment. In the specific case of the Life Side Project, the following criteria were applied: Relevance; Effectiveness; Efficiency; Coherence (both internal and external) and EU Added Value. An a priori identification of the criteria increases the soundness of the overall assessment and helps to maintain an overall objectiveness with respect to the assessment report. Moreover, the adherence to these criteria is fundamental in the phase of promotion of the outcomes, as it helps to explain why and how some results have been achieved.

5. Assessment

The work carried out within the Life Side Project can be considered as a positive analysis, where the “topics and criteria” lens were applied to examine existing academic literature on the EU ETS. This activity of taking stock of existing ex post empirical evidence on the ETS is fundamental, as it constitutes the shared



knowledge on the topic which will be the basis of the subsequent steps in the project work.

6. Feedback from policymakers and stakeholders

The result of this first analysis is the basis of the following discussion with policymakers and stakeholders. Within Life Side, this phase took the form of a series of workshops devoted to the topics selected in STEP 1. It is advisable to make sure that participants in the workshops include experts from relevant areas of expertise, namely policymakers at different level and with different involvement in the ETS; policymakers involved in other climate or energy policies; representatives from the industry, civil society, NGOs; academia, as well as a few members from the expert group. Although it is not necessary to have the entire expert group attending these events, a certain degree of involvement from their side is beneficial.

7. Assessment promotion

Once gathered feedback on the first outcomes of the assessment, from both the policymakers and the academia, the revised outcomes can be transferred to a wider audience. In the specific case of the Life Side Project, results have been transferred through the following channels:

- Publication of a series of policy briefs, one for each of the topics of the assessment, summarising both the results of the preliminary literature analysis and the feedback from policymakers and stakeholders during the workshops.
- Ad-hoc training courses targeting policy makers, practitioners and other relevant stakeholders. The courses can be both residential and online. In order to ensure effective learning they should offer several engaging activities, such as video lectures, readings, as well as interactive online activities (in the case of online courses).

A final conference organised at the end of the project can be a very effective means for disseminating the results of the assessment and of the project, in general. The conference



should target high-level policy makers and stakeholders, including representatives from European institutions, the industrial sector, NGOs and academia.



3 Application of the replicability plan to different contexts

The following section lists a series of practical recommendations useful for the replication of the Life Side Project in all the three contexts mentioned above, namely, to other ETSs outside Europe,;to other policy areas and at a member state level.

- 1) Timing is fundamental. The project should ideally start before or during the phase of consultation for the creation of a new ETS, or during the revision of an existing system.
- 2) A broad involvement of all different stakeholders is vital. In particular, in our experience there is a great interest in considering the climate policy portfolio in its overall complexity, rather than limiting the study to the ETS. This means that it becomes crucial to have a direct involvement of policymakers from other environmental areas, such as the energy sector.
- 3) It is crucial for the correct functioning of the project, to share the choice of both topics and criteria with the expert group, and to validate them in an extensive discussion with the policymakers.
- 4) When selecting the topics of the assessment in STEP 1, it is strongly recommended to place a peculiar emphasis on policy interactions and the efficacy of the overall policy portfolio. Considering the policy portfolio as a whole, rather than focusing on a single policy analysis, allows to increase the impact of the assessment, especially in terms of its environmental and social effects.
- 5) The importance of considering the policy portfolio in all its complexity needs to be reflected also in the choice and composition of the expert group. Ideally, the expert group should have policy representatives from all the different policy areas included in the portfolio.
- 6) Building an international partnership is also relevant. Climatic challenges go beyond the border of single countries and organising multi-country partnerships becomes increasingly relevant.



- 7) When establishing the expert group, attention should be paid to give voice to all groups of stakeholders, avoiding to include too many representatives from the same interest group.
- 8) Reading other reports and assessments on the ETS (or similar topic) by other groups of experts can be beneficial. It generally provides a different and fresh look to the topic.
- 9) Emphasis should be placed in trying to involve the expert group as much as possible. Sending materials before the meetings and providing frequent updates can be a way to increase their commitment towards the project.
- 10) The workshop and the trainings need to take place in venues which can be reached easily by everybody
- 11) Training longer than two days might not be effective as stakeholders often have very busy agendas.
- 12) In the creation of the expert group, attention should be paid to give voice to all the groups of stakeholders. Avoiding to have too many representative of the same interest group is also relevant.