

Markets: Greenhouse gas emissions traders refocus on state, regional programs

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Carbon market enthusiasts have largely given up on the idea of federal legislation on greenhouse gas emissions. Instead, most are now looking to establish cap-and-trade in the United States gradually, through the spread of regional programs... Expectations for next month's Cancun talks are even lower than what they were last year for the Copenhagen talks. Günter Hörmandinger, an environmental counselor for the European Union delegation to the United States, acknowledged that most negotiators don't really know what to expect to come out of Cancun even though the bar is set low. He said the European Union's position was that the outcome there "needs to address at least some of the priorities of all parties" but he could not elaborate on how that may come about. Many are also suggesting that failure at Cancun could seal the fate of the U.N. process itself. **Most carbon market players here agree that the balance of power in the global talking rounds will shift from the talks hosted by the office of the UNFCCC to the Major Economies Forum instead.** In the United States, the aftermath of today's election could similarly put to rest the push for federal cap and trade, leaving it up to the states to move forward, at least for the next several years.