Industry Capacity Building with Respect to Market-Based Approaches to Greenhouse Gas Reduction:

U.S. and Australian Perspectives

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This thesis is presented for the degree of Doctor of Philosophy of Murdoch University.
I declare that this thesis is my own account of my research and contains as its main content work that has not previously been submitted for a degree at any tertiary education institution.

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**Figure 10.2. Framework for Industry Capacity Building with Respect to GHG Reduction**

1 Use of Figure: This is a visual representation of the framework. Refer to Sec. 10.4 for a written example of its application. Note the many shared steps in the capacity building process for both market-based and command control type programs. Following the boxes from left to right:

1) The initial factor in capacity building is the voluntary or mandatory nature of action.
2) If voluntary then CEO commitment becomes critical before action is taken.
3) If the program, either voluntary or mandatory, is command and control than the issues identified under Themes 1, 3 and 5 will apply. If market-based, then all issues identified under Themes - 5 will apply.
4) External Influences are those factors that are beyond the direct control of a company, though these can be influenced to some degree.
5) Internal Processes are those activities which take place inside the company to prepare for, implement and monitor GHG reduction initiatives. This provides feedback for both improving program performance and responding to changes in the external environment.

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**External Influences**

- **Is participation voluntary?**
  - **YES**
    - **Precursor to Action:** CEO commitment
  - **NO**
    - **Command & control**

**Internal Processes**

- **Is program market-based or command & control?**
  - **Market Based**
  - **Command & control**

**THEMES 1 & 3**

1. Need for consistent govt. policy
2. Need for standardised GHG accounting
3. Need for Tripartite Approach to GHG reduction

**THEMES 2 & 4**

1. Need for Tripartite Approach to GHG reduction
   - **Drivers**
   - **Motivations**
   - **Current culture & systems**
   - **Risks**
   - **External stakeholders**

**THEME 5**

4. Need to ‘commoditise’ carbon
5. Overcome internal resistance to change with respect to GHG reduction

**Identify**

- **Drivers**
- **Motivations**
- **Current culture & systems**
- **Risks**
- **External stakeholders**

**Vision**

- **Determine:**
  - Where do we want to go?
  - How do we get there?

**Action Plan**

- **Determine Actions**
  - (Use ‘menus’)
  - Budget for actions
  - Staffing
  - Cross-functional interaction
  - Technical issues
  - Timing
  - Products/services
  - Risk
  - Training
  - Communications

**Implement**

- **Precursor to Action:** CEO commitment
  - **YES**
  - **Market Based**
  - **Command & control**

**Reflect, Revisit, Refine**

- **Data collection & Analysis**
- **Report to upper management**
- **Revisit Key Themes & Internal Processes**
- **Reengage with stakeholders, drivers, motivators, etc.**
- **Incorporate lessons learned and stakeholder feedback**

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