## Technical & policy segment The economics of carbon neutrality at the national level





The analysis conducted under the Deep Decarbonization Pathways (DDP) initiative shows that

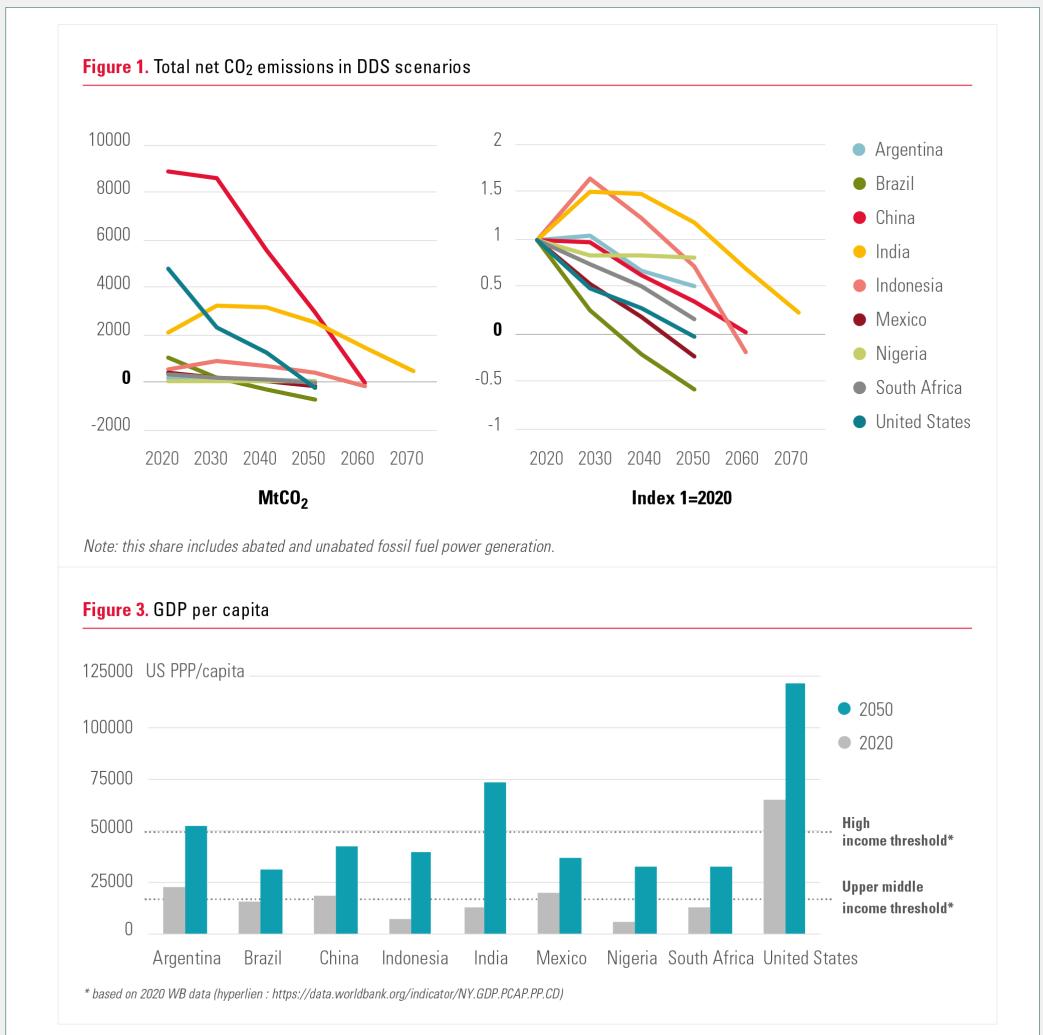
- It is possible for all countries to achieve carbon neutrality
- Carbon neutrality can be compatible with key national development priorities

This requires adequate policy packages to

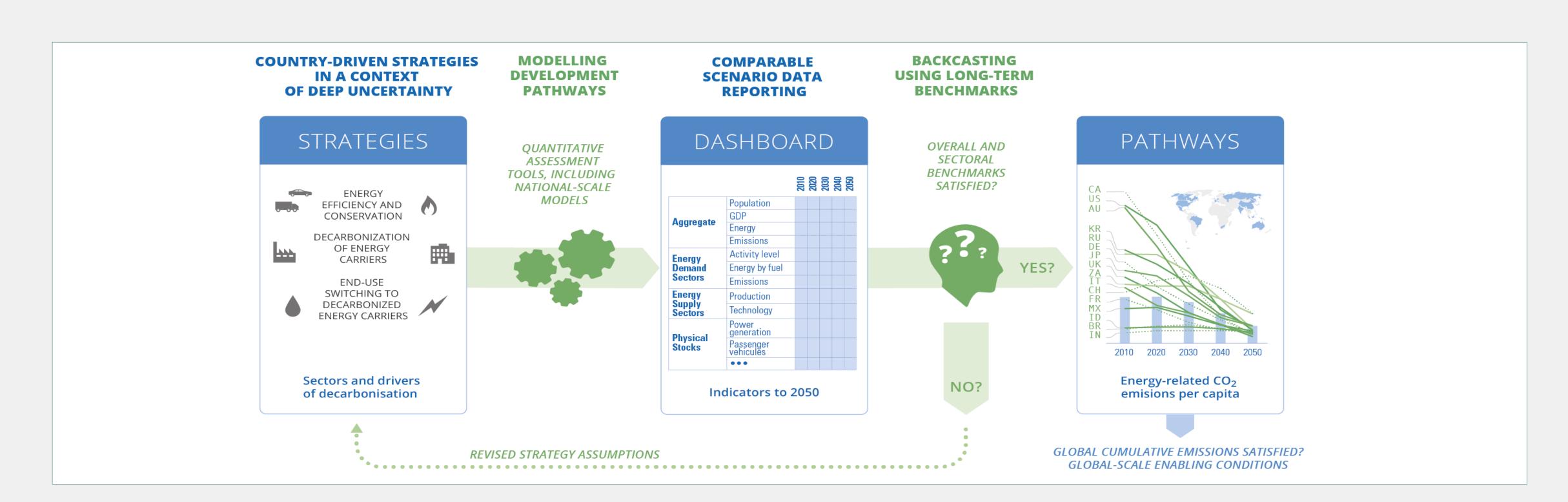
- trigger immediate emission reductions
- prepare well future profound transformations of all economic systems

Cf. DDP Annual report 2024. "Making it happen: national pathways to net zero". IDDRI.





3. À Pathways design framework to design long-term low emission development strategies and inform decisionmaking



## 4. Economic insights from national pathways to net zero

National policies and international cooperation can turn the structural changes in economic and industrial systems required by carbon neutrality into opportunities for development

- Economy-wide effects of localizing renewable energy value chains in South Africa & Mexico
- Pro-active industrial policies to unlock development opportunities in Argentina
- Downstreaming the mineral industry in Indonesia
- Decarbonizing the steel sector while supporting domestic industrialization in South Africa

## Country-specific measures targeting vulnerable populations can prevent development delays in the low-carbon transition

- Labor market reforms in Brazil
- Accompanying measures in the low carbon transition of the passenger transport sector in USA
- Preventing increase of electricity through reduced capital costs for renewables in Argentina

5. Rey methodological lessons learned

We need national research coalitions to better inform economic policies in the climate change transition

- Structured collaboration btw climate/sectoral experts & experts on economy, social sciences etc...
- Focus on joint narratives that can inform inparallel different modelling tools



WAISMAN Henri – Director Deep Decarbonization Pathways (DDP) initiative, IDDRI





