



Regional Cooperation and Integration Policy Open Dialogue (RCI-POD)  
Webinar Series #34

## Developing Carbon Market Linkages in Asia and the Pacific

7 December 2023 (Thursday), 10:00–11:30 (Manila time, GMT+8)  
Microsoft Teams Meeting

Article 6 of the Paris Agreement lays the foundation for international carbon markets and can be a key element of the broader climate policy toolbox that economies in the Asia and Pacific region can employ to accelerate climate action. Article 6.2 provides an accounting framework for managing cooperative approaches that lead to a transfer of internationally transferred mitigation outcomes. It allows economies to sell extra carbon emission reductions they have achieved compared with their target. Article 6.2 covers, among other mechanisms, emission trading between states, linking of emission trading systems (ETSs) or agreed baseline-and-crediting mechanisms. These new approaches and instruments under Article 6 provide opportunities for regional carbon market alliances, which can be useful for Asia and Pacific economies for limiting the potential of emission leakages and perceptions of competitive distortions. Linking the ETSs of two or more jurisdictions can increase the liquidity of a carbon market, offer regulated entities additional abatement opportunities, and reduce the cost of achieving the combined emissions caps of linked ETS. This webinar seeks to understand the theoretical underpinnings and practical implementation of ETS linkages in Asia and Pacific region.

### AGENDA

- 10:00 — 10:05 **Introduction**  
**Moderator: Jong Woo Kang**, Director, Regional Cooperation and Integration Division, Economic Research and Development Impact Department, Asian Development Bank
- 10:05 — 10:45 **Presentation: *Cross-border Market Linkages in Asia and the Pacific: Theoretical and Practical Underpinnings***  
**Junjie Zhang**, Professor, Nicholas School of the Environment, Duke University; Director, Initiative for Sustainable Investment, Duke Kunshan University
- 10:45 — 11:10 **Discussion: *Comments on Prof. Zhang's presentation***
- Presentation: *Is Carbon Market Linkage between the People's Republic of China, Japan, and the Republic of Korea Beneficial for Their Decarbonization Strategies? A Case Study of E3ME Application***  
**Sunhee Suk**, Associate Professor, Graduate School of Fisheries and Environmental Sciences, Nagasaki University
- 11:10 — 11:30 **Open Floor Discussion**

