

Are there international spillovers in carbon pricing?

Context

The European Union has developed its carbon market with the idea of setting an example for other similar initiatives around the world. More recently, it presented its Carbon Border Adjustment Mechanism not only as a way to solve the problem of carbon leakage, but also as a way to encourage its trade partners which have not already done so to set up their own carbon market.

Although carbon market initiatives have in fact multiplied, both in developed and less developed countries, it has not been established that it results from a virtuous contagion effect (spillovers) from pioneer countries or groups of countries. However, the validation of a spillovers effect would lead to substantially reducing fears that an ambitious climate policy would be to the detriment of the initiating country or group of countries, particularly its competitiveness. The aim of the internship is to implement a test of this hypothesis by mobilizing the tools of spatial econometrics.

Missions

- Completion and cleaning of panel data on carbon pricing initiatives. This step will draw in particular on the work carried out within the framework of the Pladifes programme.
- Cross-referencing with data on trade between countries in order to determine the intensity of trade and to deduce measures of proximity between countries.
- Definition of a spatial econometric strategy to determine the sign and magnitude of spillover effects in the adoption of carbon pricing instruments and/or the level of pricing.
- **A deliverable in the form of a Working Paper must be written during the internship.**

Profile

This position is aimed at master level students/engineering students with training in environmental economics, in data manipulation, and with a good command of econometrics. Knowledge of spatial econometrics is not a prerequisite but is an asset. The candidate must have organizational and writing skills, autonomy, and the ability to work in conjunction with the Chair's various contacts. A strong personal interest in the fields of climate change economics is expected.

Duration: Starting March-April 2025 for a 6-month period

Place : Chaire Economie du Climat, Palais Brongniart, 28 Place de la Bourse, 75002

CEC Salary: €1,200 gross per month + Lunch vouchers (face value 9€)

Contact and documents: send CV, Cover letter **plus** Master 1 grades and Master 2 grades available in **ONE PDF ONLY** to claire.berenger@chaireeconomieduclimat.org indicating the internship offer's **(only 2 applications maximum on all CEC internships offers)**

Closing date for applications: 17/01/2025

Interviews from 20/01/2025

Final response to applicants: 10/02/2025