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Effective Global Carbon Markets

Networked Emissions Trading Using Disruptive Technology


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- PART I Introductory matters and background
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- 1 Introduction to effective global carbon markets
- 2 Background: the problem of and response to climate change
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- PART II The carbon market from three perspectives
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- 3 Compartmentalisation of the carbon market
- 4 The nature of what is traded in the carbon market
- 5 Carbon market diversity and reasons to connect
-
- PART III The proposal
-
- 6 The networked market on distributed ledger technology – concept and theory
- 7 Practical implementation of the proposed networked market
-
- PART IV Analysis of the proposal
-
- 8 Governance structure for the networked market
- 9 Analysis of the networked market – legal issues
-
- PART V Concluding matters
-
- 10 Conclusions on effective global carbon markets
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- **APPENDIX**
- (i) *Rules governing market operation and jurisdictional participation*
- (ii) *Rules governing transactions*
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
Legend

 Networked Market Ledger

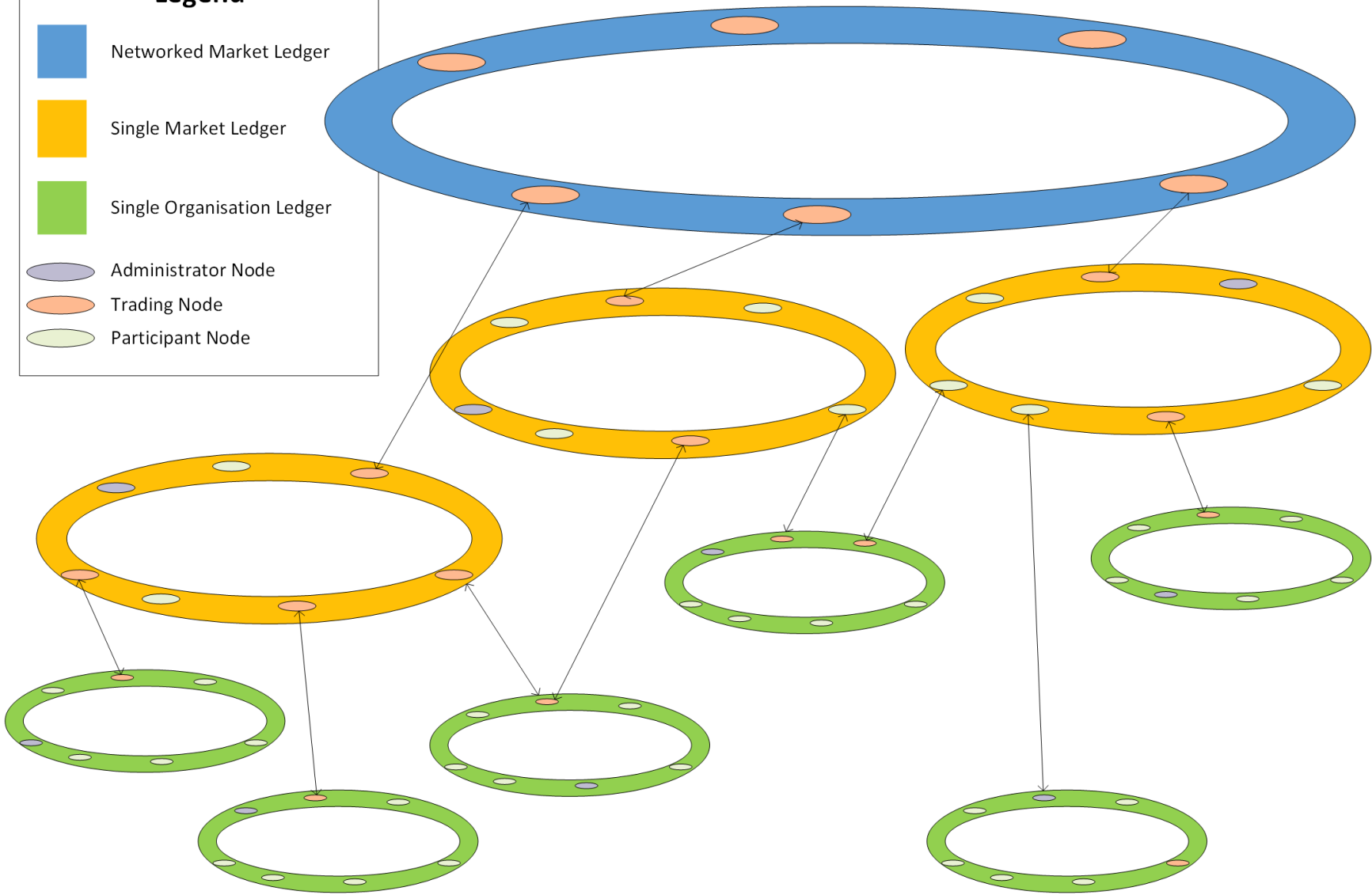
 Single Market Ledger

 Single Organisation Ledger

 Administrator Node

 Trading Node

 Participant Node



<i>Supervisory/ Regulatory</i>		<i>Self-regulatory Market Operation</i>		<i>Independent Market Information</i>
Overriding Supervisory Bodies		Smart Contracts Rules as code * Transaction rules * Environmental boundaries	←	MV assessment
Climate UNFCCC (COP/CMA/subsidiary body)	→			Regulatory body (ESMA model) ↓
Global Financial (IOSCO committee)	→	Network of carbon markets	←	Assessors (CRA model)
* acting conjointly		Administrators of participating ETSs as permissioned owners		* independent, objective, technical process * regulatory body independent but overseen by and ultimately answerable to Supervisory Bodies * assessors from the private sector
* domestic financial regulators of participating jurisdictions	→	Authorised entities trading		

7. Overriding supervisory bodies, acting conjointly

6. Financial regulators

5. Market discipline

4. MV assessment process

3. Code for the transactions (smart contracts)

2. Network imposed conditions on jurisdictions joining

1. Jurisdiction electing to join network