

Thematic Session

(a) Name of the organizer

Soocheol Lee(Professor of Faculty of Economics, Meijo University in Japan)

(b) The title of the proposal

Designing the policies on carbon tax, carbon leakage and free trade toward sustainable future in East Asia

(c) A short description of the theme

East Asia is a key region in the global economy, including both the second and third largest global economies already and, led by China, continuing to expand at a rapid rate. This economic growth has led to unprecedented gains in prosperity in the region but it has also led to increasing environmental pressures and energy issues accounting for almost one-third of global CO₂ emissions of the world.

This session describes and assesses the current situation and policies that are aimed at the development of sustainable, low-carbon economies in East Asia(mainly China, Japan, Korea and Taiwan). We consider how existing policies, including carbon and energy taxes, and regulations on nuclear power compare with those of the rest of the world, and how they could be improved upon. Our analysis is carried out in the context of the region's growing economic and environmental interdependence. We employ a variety of analytical approaches, including the application of advanced energy-environment-economy (E3) models such as macro econometric model(E3ME-Asia) and CGE(Computable General Equilibrium) model so as to get scientific answers for our three main research issues below.

The first issue of the session is “how could East Asian countries design energy/carbon taxes or other carbon-pricing instruments?”(paper i below) . The second is “how could East Asia could provide a solution to issues of competitiveness and carbon leakage by carbon-pricing policies”(paper ii below). And the third is “how should East Asia choose and coordinate low-carbon policies in the tide of free trade like TPP(Trans-Pacific Partnership)?”(paper iii below).

The ultimate aim of the session is to improve the fundamental understanding of possible future energy and environmental initiatives and, thus, to facilitate improved policy coordination between the countries in East Asia. We believe that our collection of analyses will provide valuable insight to our three key research issues, and that we have opened the door to further detailed analyses of possible policies and pathways – including assessments using E3 models –

leading to a sustainable low-carbon future in East Asia. We view our contribution as work-in-progress and are very much looking forward to feedback from the session participants.

(d) Titles and authors names (*○ marks means speakers*)

i . The double dividend of an environmental tax reform in East Asian economies

/○Seung-Joon Park, Yuki Ogawa, Takeshi Kawakatsu, Hector Pollitt/

ii . Competitiveness issues and carbon leakage

/Hector Pollitt, Alicia Higson, ○Sungin Na, Seonghee Kim, Yuki Ogawa, Seung-Joon Park/

iii . An environmental assessment of FTA in East Asian regions using the CGE modeling approach

/○Hikari Ban and Kiyoshi Fujikawa/

(e) Abstracts

Paper i

2 pages: the title of paper, name(s) of author(s), objectives, methods adopted, the(expected) major findings, references

Paper ii

2pages

2 pages: the title of paper, name(s) of author(s), objectives, methods adopted, the(expected) major findings, references

Paper iii

2pages: the title of paper, name(s) of author(s), objectives, methods adopted, the(expected) major findings, references