**Award: ESRC Centre for Climate Change Economics and Policy**

**Project: Carbon, Competitiveness & Trade (CCCEP Phase 2)**

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**Overview of project aims**

Unilateral climate policy can potentially harm competitiveness of businesses in regulated areas while leading to “carbon leakage” and thereby being ineffective. However, this is not necessarily so. Agglomeration rents and other location specific advantages imply that a certain degree of unilateral climate policy can be deployed without leading to leakage. In this project we search in several ways for evidence of carbon leakage. We also try to come up with ways to determine tipping points for climate policy; i.e. levels of policy stringency that would render unilateral measures counterproductive.

**Overview of data**

In this project we are relying on three types of data sources:

1. Data collected by the Carbon Disclosure Project (CDP, <https://www.cdp.net/en> )
2. The ORBIS dataset from Bureau van Dijk (<http://tiny.cc/fr121y> )

In accessing these datasets we are restricted by data owners not to pass them on to third parties. However, in each case other researchers will be able gain access by engaging with the data providers directly.

**CCCEP publications**

1. Antoine Dechezlepretre & Caterina Gennaioli & Ralf Martin & Mirabelle Muuls, (2014). "[**Searching for carbon leaks in multinational companies**](https://ideas.repec.org/p/lsg/lsgwps/wp165.html)," [GRI Working Papers](https://ideas.repec.org/s/lsg/lsgwps.html) 165, Grantham Research Institute on Climate Change and the Environment.
2. Antoine Dechezlepretre, Stefania Lovo, Ralf Martin, Misato Sato (2018) “Does climate change pose a risk to competitiveness? - Global firm level evidence” mimeo LSE
3. Jonathan Colmer, Ralf Martin, Mirabelle Muuls, Ulrich Wager (2018) “Emissions Trading, Firm Behavior, and the Environment: Evidence from French Manufacturing Firms”, mimeo LSE