

FLEXIBILITY MECHANISMS IN THE KYOTO PROTOCOL
AND KOREA'S LEADING ROLE IN PARTICIPATION

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Abstract

This thesis explores the question whether the flexibility mechanisms in the Kyoto Protocol, while intended as cost-effective means to achieve greenhouse gas emission reductions, may also function as side-payments that developing countries will take in exchange for participation in the treaty. To answer such a question, it singles out Korea as a case study, because its rapid economic growth within a short period situates Korea as a country to understand the conflicting interests of both developing and developed countries regarding the Kyoto Protocol and the flexibility mechanisms. This thesis finds that inherent shortcomings of the flexibility mechanisms, combined with the United States' decision not to ratify the Kyoto Protocol, have made the flexibility mechanisms too weak incentives to ensure developing countries' meaningful participation. Interviews with the Korean policymakers also indicate that Korea will not consider the flexibility mechanisms as attractive rewards for joining the Kyoto Protocol with reduction targets. To warrant developing countries' participation, this thesis suggests that reduction targets should be linked to national economic growth, so that developing countries' concern on development may be accommodated while the countries may benefit from the sale of easy surplus reductions. It recommends a two-stage participation strategy for Korea, by which Korea may accept binding reduction targets in the third commitment of 2018-2022 on the condition that reduction targets are indexed to the national economic growth rate.

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