



carbon as a new asset class

Concerted international action to address the issue of climate change can be traced back to the setting up of the International Panel on Climate Change (IPCC) in 1988. It was established by the World Meteorological Organisation (WMO) and the United Nations Environment Programme (UNEP) to assess all the scientific, technical and socio-economic information relevant for the understanding of climate change, and to examine the options for adapting to and mitigating its effects. Emmanuel Fages provides a synopsis of the development of climate change mitigation through the market mechanisms.

SINCE THE INTERGOVERNMENTAL Panel on Climate Change (IPCC) was established, the issue of climate change has assumed an increasingly high political profile, and two major international agreements have been reached to try and address this: the United Nations Framework Convention on Climate Change (UNFCCC),

and the Kyoto Protocol (an extension to the provisions of the UNFCCC that sets binding targets for greenhouse gas (GHG) emissions on the developed countries that have ratified it). The UNFCCC was a report drawn up through international governmental negotiation, the text of which was adopted in May 1992 at the UN's headquarters in