



# **A Review of the Economic Impacts of AOSIS-Type Proposals to Limit Carbon Dioxide Emissions**

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*Prepared for:*

**Global Climate Coalition**

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## **I. Executive Summary**

### **Overview**

As directed by the Conference of the Parties, the Ad Hoc Group on the Berlin Mandate is considering proposals to limit greenhouse gas emissions in the post-2000 period. For example, a group of countries called the Alliance of Small Island States (AOSIS) proposed a protocol to the Framework Convention on Climate Change that would require Annex I countries (OECD, eastern Europe, and former Soviet Union) to limit their carbon dioxide emissions to 20 percent below 1990 levels by 2005. This study compares and contrasts existing macroeconomic modeling studies which use carbon taxes as a proxy for the marginal cost of abatement to evaluate the potential impact of