

## **ABSTRACT**

This thesis is an exploratory study of the efficiency of the use of carbon emissions trading as a way to reduce the carbon emissions that cause climate change. Climate change is a significant issue related to sustainable development and the study explores into the phenomenon and measures taken and implementation of actions for sustainable development. Carbon emissions trading is driven by the commitments made by signatories to the Kyoto Protocol of the United Nations Framework Convention on Climate Change. The Kyoto Protocol provides emission trading programs usually referred to as the Kyoto flexibility mechanisms, through emissions trading, clean development mechanism and joint implementation mechanisms thereby creating what is now known as the "carbon market". The study therefore reviews climate change, sustainable development and their interlinkages which discussions lead to an assessment of implications of carbon emissions trading. Finally, the thesis provides conclusions of the study and recommends options for achieving carbon reductions.