

Carbon Emission Analysis

DATA 5100, Final Project

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Agenda

Introduction

- Domain Problem
- Libraries Used

Data Description

- Data Sources
- Collection + Preparation

Analysis

- Methodology
- Timeline of Analysis
- EDA Overview

Results

- Model Results
- Testing Results
- Expansions

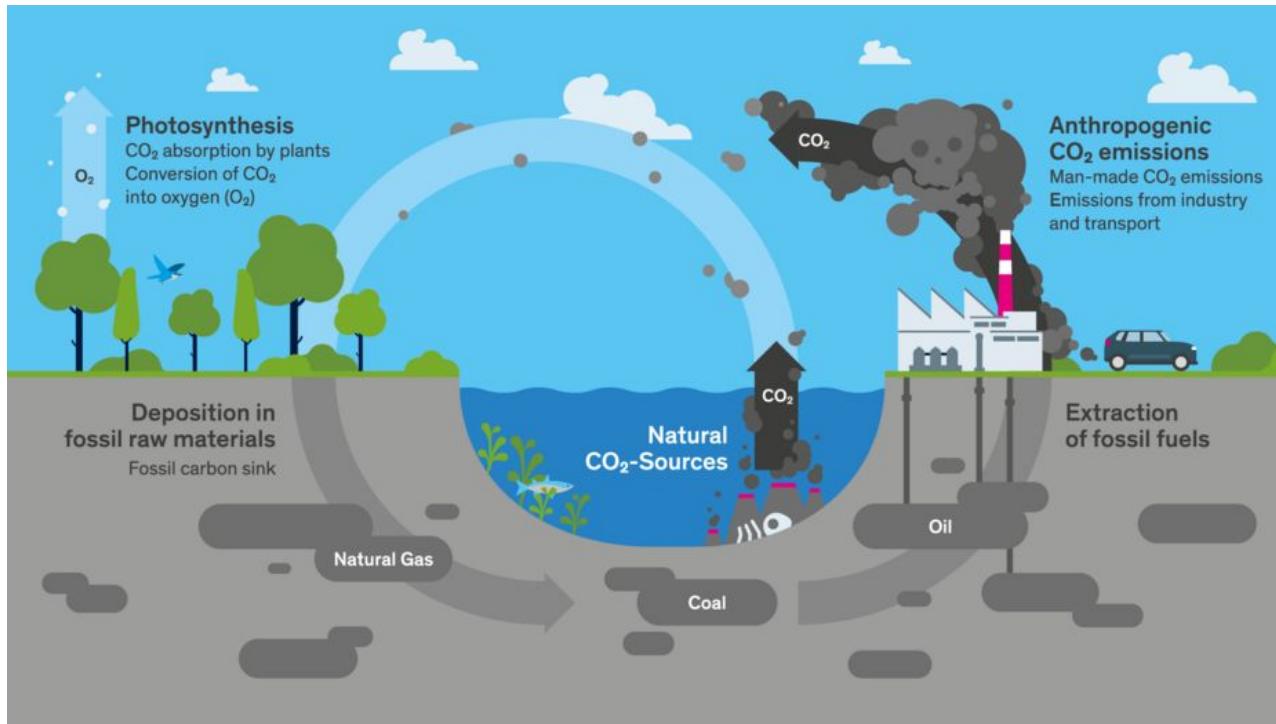
Conclusion

- Key Takeaways

Introduction

- Domain Problem
 - Libraries Used
-

What is Carbon Dioxide Emission?



<https://www.myclimate.org/en/information/faq/faq-detail/what-is-co2-and-where-does-it-come-from/>

Domain Problem



“Is higher share of renewable energy in total energy supply associated with lower per-capita CO₂ emissions?”

Python Libraries

Data Processing

Cleaning and Standardization

- **pandas** - ETL and Merging
- **numpy** - Numerical operations
- **pycountry** - ISO-3 codes

Visualization

Statistical plots and Styling

- **seaborn** - Heatmaps, Scatterplots
- **matplotlib** - Fine tuning, styling

Modeling

Regression and Features

- **Statsmodels** - Fixed Effects, Robust SE
- **Scikit-Learn** - Lagged features

Data

- Data Sources
 - Data Preparation
-

Data Sources

- **International Energy Agency (IEA) - Global Energy Review**
 - Electricity generation by source
 - Annual country level data, 2010 - 2024
- **Global Carbon Atlas - Global Carbon Atlas Database**
 - CO2 emissions per capita
 - Cross country reporting
- **World Bank Group - World Development Indicators**
 - Gross Domestic Product (GDP)
 - Population
 - Country level indicators

Data Preparation

Standardization

- Cleaned individual data sets
- Applied ISO-3 Codes

Merge and Filter

- Kept only countries in all 3 sources.
- Removed regions / aggregates
- Merged on ISO-3 and Year

Engineering

- Log transformations
- Lagged features 1 and 2 years
- Final data set - 140 countries

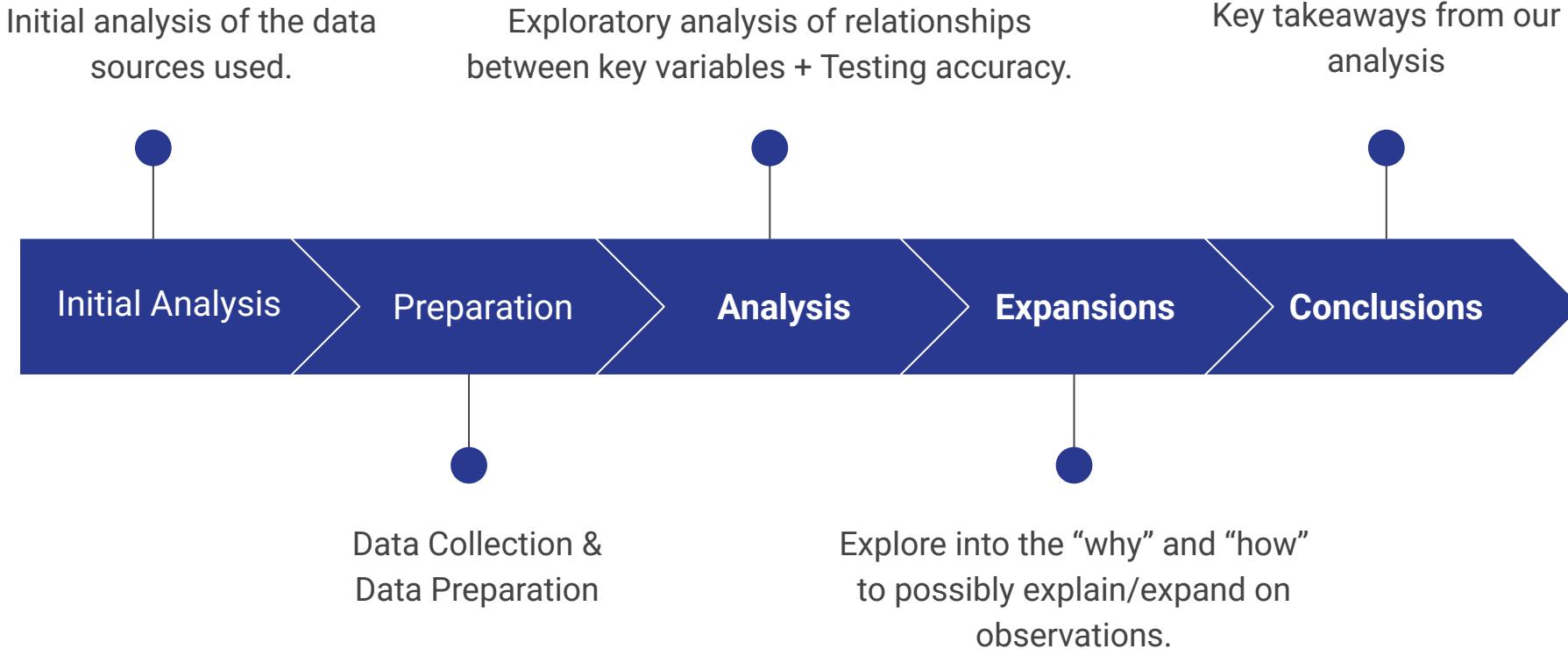
Analysis

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Methodology

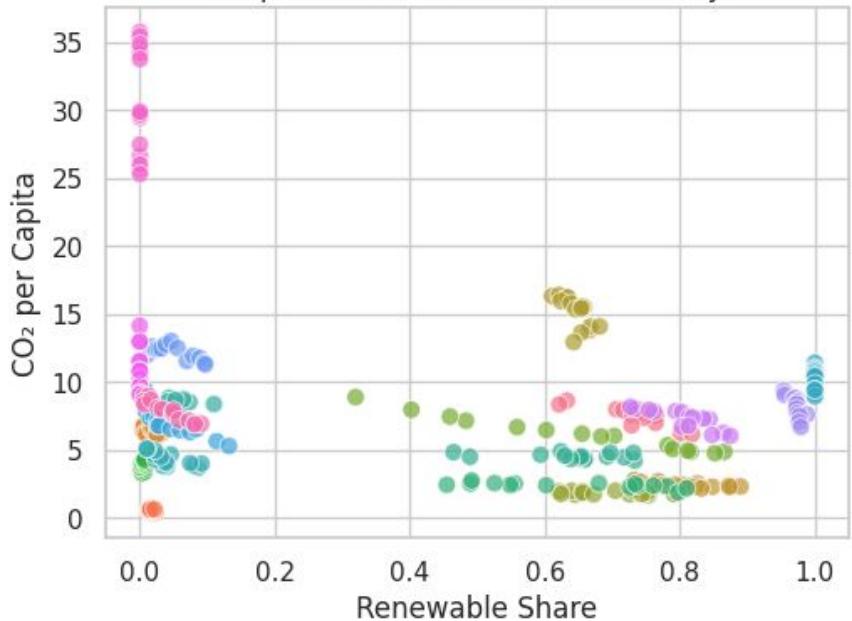
- **Study Design**
 - Comparative observational study
 - Quantitative, correlational analysis
 - Multi-country panel data set
- **Key Variables**
 - CO2 emissions per capita
 - Renewable energy share
 - Gross Domestic Product per Capita
 - Population
 - Country identifiers
 - ISO - 3 Codes
 - Year

Timeline of Analysis

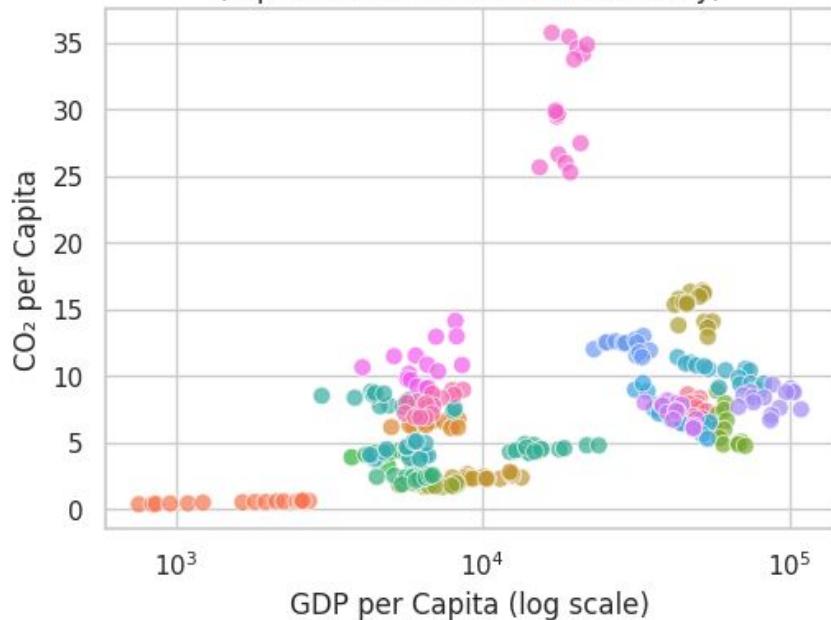


Exploratory Data Analysis

Renewable Share vs CO₂ per Capita
(Top 10 + Bottom 10 Countries Only)



GDP per Capita vs CO₂ per Capita (log scale)
(Top 10 + Bottom 10 Countries Only)



Country (iso3)
AUT
BGD
BLR
BRA
CAN
COL
DNK
DZA
ECU
HRV
IRN
IRQ
ISL
ISR
KOR
NOR
NZL
TKM
TTO
ZAF

Results

- EDA
 - Fixed Effects Panel Regression
 - Model Quality & Statistical Results
 - Lag Analysis
 - Robustness Checks
 - Interpretation of Model Performance
 - Expansion Analysis
-

Fixed Effects Panel Regression Results

Do Renewables Reduce CO₂ emissions?

- Country-year panel model (2010-2024)
- Controls for all time-invariant country factors + global year shocks
- Key predictors
 - Renewable energy share
 - GDP per capita
- **Main finding:** Higher renewable share → lower CO₂ emissions per capita
- Effects remain after controlling for economic conditions

Model Quality & Statistical Results

What's our evaluation of the model quality?

- High explanatory power ($R^2 \approx 0.985$ in baseline fixed effects model)
- Strong statistical significance for key variables
- Renewable share coefficient
 - Negative, statistically significant ($p < 0.001$)
 - Suggests measurable emissions reduction
- GDP per capita: positive and significant, consistent with higher energy demand

Lag Analysis

Do Renewables Reduce Emissions Immediately or Over Time?

- Tested 1-year and 2-year lags of renewable share
- **Current-year coefficient:** large, negative significant
- **1-year lag:** smaller but still negative and significant
- **2-year lag:** negative but not statistically significant
- Interpretation: strongest impact occurs in year of adoption and the following year

Robustness Checks

Do the Results Hold Under Different Assumptions?

- Removed outlier countries (very high/low emissions or renewable share)
- Re-estimated the lag model
- **Effects remain negative and stable**
 - Signs of coefficients unchanged
 - Magnitudes highly similar
 - Main conclusions remain intact
- Confirms findings are not driven by a few extreme cases
- Strengthens confidence in overall conclusions

Interpretation of Model Performance

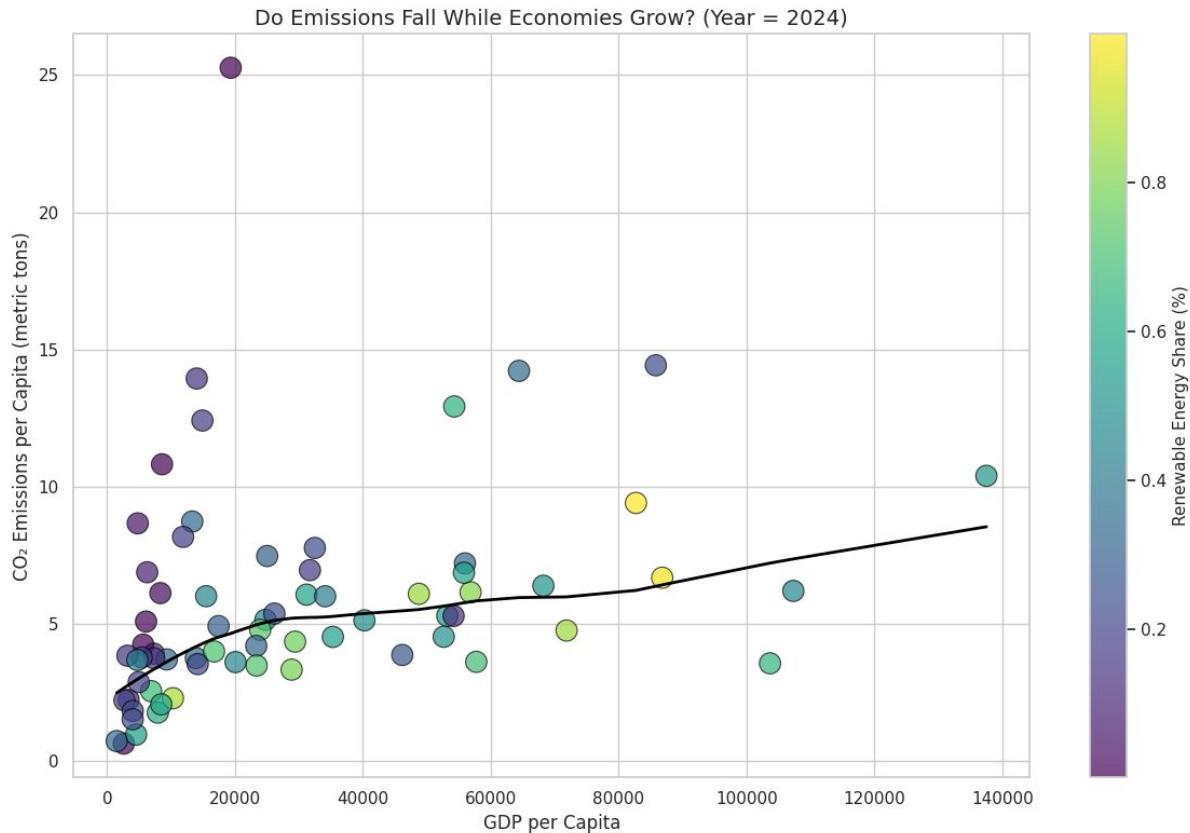
How Well Do the Models Answer the Research Question?

- Clear and consistent evidence across all models
- Renewable share increase → lower CO₂ per capita
- Effect appears to be both immediate and with a short-term lag
- Supported by statistical significance and robustness
- Models effectively answer the central research question

Expansions

Is it possible for CO₂ emissions to fall even when economies grow?

- Higher renewable share → generally lower CO₂ per capita
- Emissions can flatten or decline at mid/high GDP levels
- Economic growth **does not automatically mean higher emissions**
- Clean energy makes “decoupling” growth from emissions possible



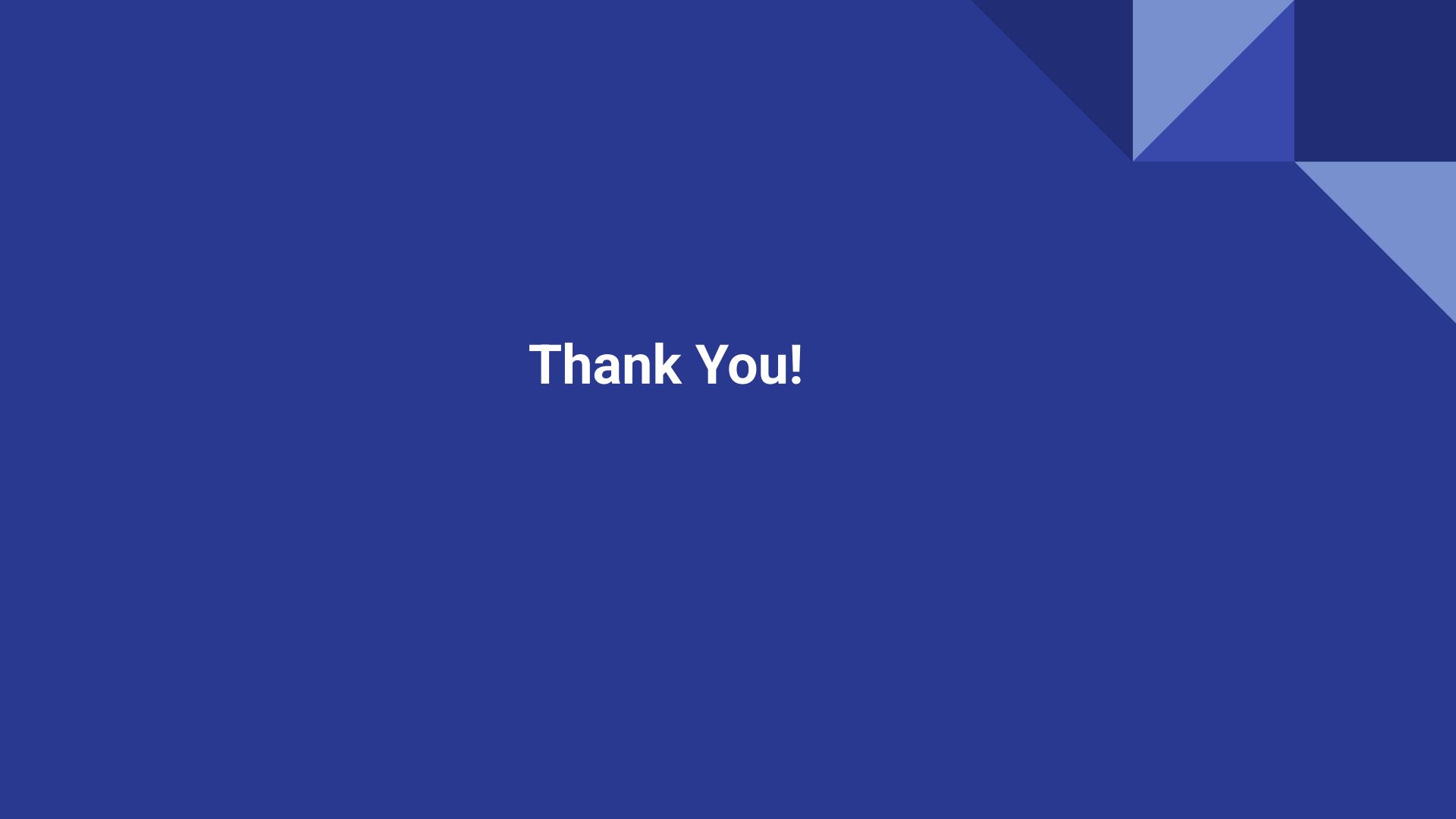
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Key Takeaways

- Higher renewable shares → lower CO₂ emissions per capita
- Emissions can decline **even with economic growth**
- **Lag analysis** shows reductions persist over future years
- **“Decoupling”** the relationship: Renewable energy breaks the historic GDP–emissions link
- Clean energy expansion supports sustainable development





Thank You!