

## Quiz 3

(5 points)

Time: 29 October 2021 at 14:50-15:20 (30 minutes)

There are 2 questions. You need to answer all two questions. Please **submit** your answers in a PDF file with a file name “**Quiz3\_StudentID\_FirstName Surname**” via BE Moodle class before **15:30**.

### Question 1: (2.5 points)

“Thailand will formally announce a new pledge to achieve carbon neutrality by 2065 at the COP26 in UK in November 2021.”

- a. What could be the reasons driving Thailand to set carbon neutrality target at COP26?
- b. What policies could be used to achieve carbon neutrality in Thailand?

### Question 2: (2.5 points)

“A cost-effective allocation of a uniformly mixed fund pollutant is where marginal costs are equalized for all sources or firms.” Do you agree with this statement? Explain the reasons supporting your answer.

# Question 1

a.) The reason that Thailand want to set carbon neutrality target at COP26 is that the government regards climate change to be one of the most concerning issues, as studies have warned that international climate change mitigation efforts have not been strong enough to stabilise the global climate.

b.) The policies that we can use are mitigation and adaption , such as promoting clean energy transition, or planting trees to absorb carbon

# Question 2

I agree, because at the effective allocation of a firm pollution, the marginal cost will equal to the marginal damage cost or the point at which the marginal cost of controlling the marginal unit of pollution equals to the damage caused by the marginal unit ( $MC_1 = MC_2$ )