

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.

1. a) Thailand have prepare to deal with the problem of climate change by reducing green house gas to zero or net zero emission as climate change impact Thailand. The target is too keep the temperature lower than 2°C

b) It can use carbon tax and cap and trade policies. As using carbon tax, it will set a tax to the price of fossil fuel, so firm will produce less emissions. Cap and trade also increase the benefit to the firm that produce less emission and also the others can buy a permit for emit carbon more.

2. Agree. As at marginal cost is equal, the cost effective allocation. If the point it sum up the minimum cost of total controlling of all emissions source can produce carbon.