

# Mobilizing Business for the Low Carbon Economy ---The Legal Infrastructure We Need

FAN, Chien Te  
Professor of Law,  
Institute of Law for Science & Technology, NTHU,  
Taiwan  
2011/12/8

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## Why Law?

- In terms of political saying:
- As a president, Obama said in the celebration of the Earth Day 2010, the passing cleans energy and climate legislation “**will safeguard our planet and spur innovation and help us to compete in the 21st century.**”
- Also, it’s highlighted by the politician that the law are aimed to promote a country’s **energy security**, to create millions of **clean energy jobs** that will drive the **economic recovery** and **long-term growth**.

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# What People Expect from the Legislation

- When Passing a law that will **slash dangerous pollution, create green jobs, and put [people] on a path to clean energy** would be a fitting tribute to the millions of Americans who have kept the spirit of Earth Day alive for the past 40 years. A **safer, more sustainable future** is surely a cause for celebration.
- Frances Beinecke President of NRDC, New York City Posted April 22, 2010 in [Reviving the World's Oceans](http://switchboard.nrdc.org/blogs/fbeinecke/my_earth_day_at_the_white_hous.html) , [Solving Global Warming](http://switchboard.nrdc.org/blogs/fbeinecke/my_earth_day_at_the_white_hous.html)  
[http://switchboard.nrdc.org/blogs/fbeinecke/my\\_earth\\_day\\_at\\_the\\_white\\_hous.html](http://switchboard.nrdc.org/blogs/fbeinecke/my_earth_day_at_the_white_hous.html)

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## What Legal Framework We Need?

- Total emission reductions achieved by the proposed **emissions caps**. (*A Cap & Trade Legislation?*)
- Total emission reductions achieved by proposed **caps** and all **other complementary requirements**, such as emission **performance standards** for uncapped sources, **allowances set asides for cost-containment**, and required components of **supplemental reduction programs**, as applicable. (*Energy Efficiency and/or Performance Standard Legislation?*)
- **A range of potential additional reductions** that could be achieved through **incentives** and **other measures**, such as domestic supplemental reductions and requirements for the use of more than one **offset** for compliance, as applicable. (*Renewable Energy Innovation Legislation & Cap & Trade Legislation*)

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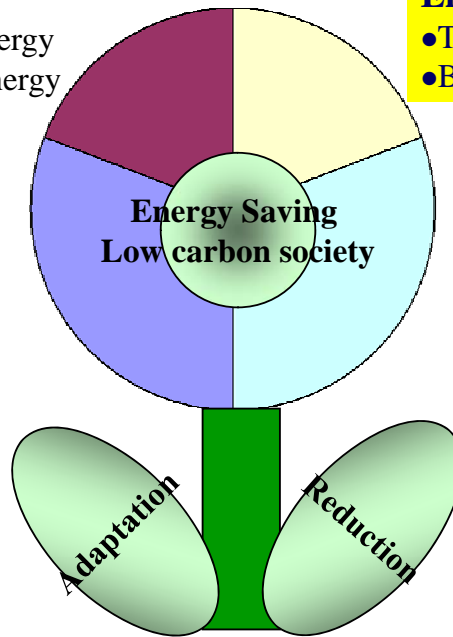
# GHG Reduction and Energy Related Legislation in Taiwan

## Renewable Energy Development Act

- Subsidize renewable energy
- Toward a low carbon energy consumption system

## Energy Management Law

- Efficiency standards
- Consumption management
- Subsidize on technologies and research



## Energy Tax Bill (in drafting)

- Tax on suppliers
- Behavioral change

## Greenhouse Gas Reduction Bill (in reviewing)

- Encouraging early action
- National reduction implementation plan (reduction target included)
- Emissions management
- Emissions intensity
- Cap and trade
- Green procurement and education

## How About the Energy Tax? A Debate of Quantity (Cap) vs. Price (Tax)

- This emissions capping system is a quantity instrument because it guarantees certain emission reductions each year. And although quantity instruments are often more damaging to economic growth than price instruments, like taxes, they make sense for problems that are particularly sensitive to changes in pollution concentrations, like waste water or acid rain.
- In the context of global warming, however, emitting three billion tons of carbon dioxide one year and seven billion the next, has a similar impact as releasing five billion tons both years. Thus a price instrument that can flex with the business cycle makes more sense than cap-and-trade; what we need is a carbon tax.

However,  
It Doesn't Work by Law Itself!

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## Issues Ahead

- What's the goals of legislation?
- Could the law be fairly enforced?
- Would the political atmosphere be supportive?
- Are people willing to sacrifice the contemporary conveniences for the future common goods?
- How the industrial sector is willing to forbear the cost of low carbon economy transimission?

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Thanks for the Presence & Listening  
Your Comments shall be Very Much  
Appreciated