

APEIS Training Workshop

# **Problems faced with specific policy simulation**

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# General problems

- ✂ **International trade balance**
- ✂ **Accumulated stock change during the time period**
- ✂ **Substitution among intermediate energy input in production sectors**
- ✂ **Big country: something maybe changed**

# Specific problems on policy simulation

## 1. Emission cap: SO<sub>2</sub>

✂ How to add additional investment for SO<sub>2</sub> reduction?

## 2. Emission tax: SO<sub>2</sub> tax and NO<sub>x</sub> tax

✂ PSO<sub>2</sub>.FX = 420Yuan/t-SO<sub>2</sub> (current);

✂ PSO<sub>2</sub>.FX = 630Yuan/t-SO<sub>2</sub> (after July 2005);

✂ PNO<sub>x</sub>.FX = 630Yuan/t-SO<sub>2</sub> (after July 2005);

## 3. Fuel tax to constrain the rapid growth of petroleum products

✂ charged from production side or consumption side?

## 4. Energy structure optimization

✂ Increase the investment on clean energy?



**thank you!**