**Topic: Tax and subsidy policy for emissions reductions**

**Pre-class assignment**

**Task 1**

Read Krupnick and Parry (2012), for an early perspective on policy instruments for reducing emissions.

**Task 2**

From your reading, you should have determined that there are roughly three policy instruments for reducing emissions:

**1. Optimal Imposition Theories**

Definition: Optimal imposition theories aim to identify the most efficient and equitable methods for reducing pollution through government intervention.

**2. Emission Taxes**

Definition: Emission taxes, also known as pollution taxes or environmental levies, are charges imposed on the emission of pollutants.

**3. Subsidies to Reduce Emissions**

Definition: Emission subsidies provide financial incentives to encourage the adoption of cleaner technologies or practices.

You are to produce a 10 minute, case study-based presentation, on one of these policy instruments for reducing emissions. The case studies should be specific examples of where the policy has been implemented and how, and an evaluation of its success. You will give this presentation in the associated lecture.