Major Environmental Policies

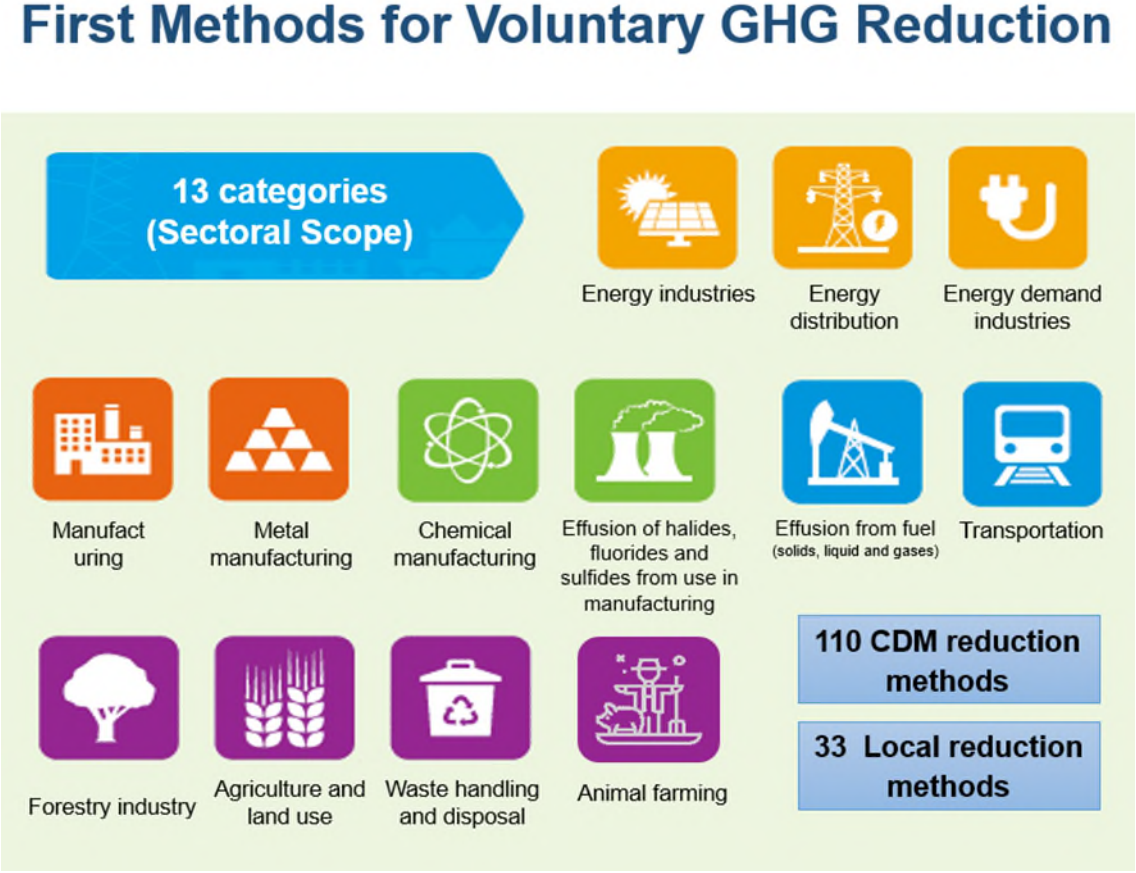
Mar 2024

1. MOENV Releases First Voluntary Reduction Method List

The MOENV just approved 143 greenhouse gas reduction methods under 13 sectoral scopes for voluntary reduction projects according to the *Greenhouse Gas Voluntary Emission Reduction Projects Regulations* (溫室氣體自願減量專案管理辦法) Article 12. The announcement was made public on the Voluntary Greenhouse Gas Reduction Offset Information Platform to provide feasible reduction measures for enterprises or governments of all level which are interested in acquiring offset credits by implementing reduction projects in Taiwan. All aim to achieve greater and faster reduction results.

The MOENV pointed out their experience in promoting the greenhouse gas (GHG) reduction projects have been based on the UN's Clean Development Mechanism (CDM) since 2015. With the existing CDM and local reduction methods in mind, the voluntary reduction projects developed according to Articles 10 and 11 of the regulations shall comply with the MRC principles of being measurable, reportable and verifiable MRC principles. They are also required to incorporate additionality, conservatism, and permanence and avoid causing environmental hazards and repeated calculations. Under the 10 Core Carbon Principles (CCPs) of the Integrity Council for the Voluntary Carbon Market (IC-VCM), a total of 143 reduction methods under 13 sectoral scopes have been reviewed and approved as methods applicable to the first set of voluntary reduction projects. It will allow the MOENV-issued reduction credits to align with internationally recognized quality specifications in order to achieve substantial reduction results. In addition, the MOENV specified that verification by a third-party verification body may be omitted for 10 reduction methods during application and registration. These 10 methods, including replacement of lighting fixtures, water chillers, and other energy equipment, are mature reduction techniques, involve easy and clear calculations and have been carried out. Thus, the administrative procedures are simplified so that applying organizations become more interested without compromising substantial reduction results.

The MOENV emphasized that an enterprise interested in obtaining reduction credits is required to carry out voluntary reduction projects via the approved and announced reduction methods. Application of reduction credits will start only after monitoring shows substantial reduction results.



MOENV announced 143 methods under 13 sectoral scopes for first set of voluntary GHG reduction projects

2. Yunlin River Pollution Remediation Completed Thanks to Central Government Funding

The Yunlin River Landscape Improvement Project has been completed and launched under the witness of Vice Premier Cheng Wen-tsan of the Executive Yuan, the MOENV Minister Shieu Fuh-sheng, Magistrate Chang Li-shan of Yunlin County, and Legislators Liu Chien-kuo and Chang Chia-chun. A new chapter has begun in the history of Yunlin River in Douliu.

Yunlin River, known for its beautiful green riverbanks in early days, was later covered and turned into a parking lot. The foul smell was gone, but so were the shared memories of the locals. As an effort to bring the good memories back and revitalize the river, Legislator Liu Chien-kuo invited the MOENV for several field surveys and worked hard to secure project funding. Starting from 2016, the MOENV had subsidized the Yunlin County Government in project development, and in 2018 approved the pollution remediation project for Yunlin River as a part of the Nationwide Water Environment Improvement Program under the Forward-looking Infrastructure Development Program. The approved total project budget was NT$1.8542 billion, and NT$890,044,000 (82% of the budget) came from the MOENV subsidies. For the entire project, NT$158,047,143 was allocated for landscape improvement, and 82% (NT$129,598,656) was subsidized by the MOENV. The project was designed based on the nature and location along the upstream and downstream. The part of sewage interception and purification mainly collects domestic sewage from the upstream along Daxue Road and directs it to the gravel water purification plant capable of processing 15,000 metric tons every day, and the treated clean water is discharged to Yunlin River. Catch basins and box culverts are

installed at the sewage outlets along the banks of Yunlin River to direct the sewage on sunny days to the Douliu Water Resources Center at downstream for treatment, ensuring clean water for all river sections in the city center and water quality improvement.

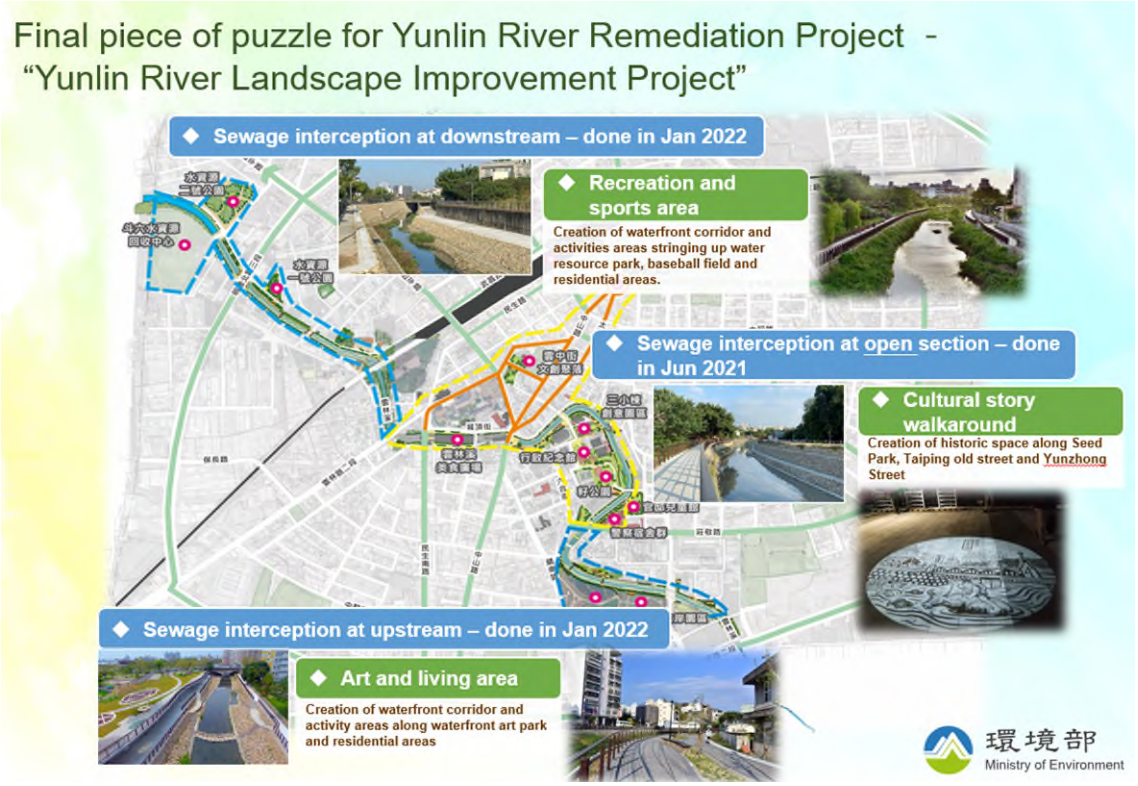
President Tsai Ing-wen had a visit in person to Yunlin River in January 2018 and promised to stand by Yunlin in its development, helping tackle its problems. The project started on 26 March 2019. Thanks to the efforts of Yunlin County Government and all sectors, the beauty of Yunlin River was once again presented in front of the public as the concrete covers were removed. It is now a dream come true for local citizens and an environmental landmark for the city.

As an active effort to improve the water environment, the MOENV has been subsidizing the Yunlin County Government in recent years in inspections and controls of water pollution sources, river patrols, total pollution source controls, and multiple water quality improvement works for Beigang River, Yunlin River, Huwei Drainage and Lunbei Drainage. The MOENV will continue to assist the Yunlin County Government in river remediation and water quality improvement in the days to come.

Minister Shieu said that MOENV will keep working with local governments to gradually turn the water quality of urban rivers for the better through in-situ water purification treatment, building them into areas for water quality improvement, environmental education, recreation and ecological conservation, and creating a new look of clean, safe and comfortable river environment.

Completion and opening ceremony of the Yunlin River Landscape Improvement Project

Yunlin River view 1: Creation of ecological habitats



Yunlin River Landscape Improvement Project

3. Guidelines Preannounced for EIA Preliminary Reviews on Offshore Wind Power

The MOENV preannounced the development of the *Guidelines for Preliminary Reviews of Environmental Impact Assessments for Offshore Wind Power System Development Activities* (風

力發電離岸系統開發行為環境影響評估初審作業要點) on 2 February 2024. The environmental impact assessment (EIA) documents submitted by wind power enterprises complying with the Offshore Wind Power EIA Review Checklist will be subject to the stage-1 preliminary review of the EIA task forcein order to be approved by the Ministry of Economic Affairs (MOEA) for qualification of subsequent selection. Enterprises selected and awarded by the MOEA with power generation capacity will go through the stage-2 EIA review. This will improve administrative efficiency and achieve a win-win for both energy transformation and environmental protection.

The MOEA revised the *Guidelines for Allocating Capacity of Offshore Wind Power Zone Development* (離岸風力發電區塊開發場址容量分配作業要點) in 2023. Under the revisions, "review conclusion of approval suggested by the preliminary meeting of the task force of the MOENV's EIA review committee" is one of the prerequisites for eligibility for the MOEA's selection process. This has resulted in data from repeated field surveys by multiple enterprises for the same site and repeated reviews by the EIA review board, which added extra costs for these enterprises and unnecessary administrative resources for the MOENV. Determined to deal with this unreasonable situation, for offshore wind power development the MOENV has split the preliminary review by the EIA task force into two stages as part of the amendment of the *Guidelines for Preliminary Reviews of EIAs for Offshore Wind Power System Development Activities*.

The MOENV came up with version 1.0 of the checklist in 2022. In consideration of reviews for dozens of offshore wind power projects, the revisions this time address common environmental protection topics and requirements, including wind turbine foundations, shared submarine cable corridors and landing points, wind turbine spacing, bird corridors, conservation measures for whales and dolphins, and environmental monitoring plans. The checklist 2.0 is established and incorporated to the guidelines for preliminary reviews, so now ticking the checklist 2.0 means being approved in the stage-1 preliminary review by the task force. The MOENV will state the conclusion of recommended approval of preliminary EIA review in an official letter to allow wind power enterprises to become eligible to enter the MOEA's selection process. Those awarded with power generation capacity after passing the selection are then required to submit to the MOENV document(s) of proof and proposals of development activities, whose original content are to be revised based on the MOEA-awarded capacity, in order to be approved by the task force for the stage-2 preliminary review. The stage-2 preliminary review by the task force operates with the same procedure in which the task force, consisting of members from the EIA review committee, currently conducts preliminary reviews. Therefore, there will be no restriction or change for public participation or right to voice opinions.

4. Minister of Environment Visits the 3D Air Quality Experiment of Cooperation with NASA in Kaohsiung and Pingtung

The MOENV joined hands with 15 government agencies, 20 academic and research institutes and more than 40 professors and experts in Taiwan and around the world to launch a 3D air quality experiment in Kaohsiung and Pingtung on 1 February 2024, analyzing the correlation between topography, atmospheric circulation and air pollutants, as well as international joint observation of changes in 3D space over time. At the same time, the US National Aeronautics and Space Administration (NASA) are working with Taiwan, South Korea, Thailand, the Philippines and Malaysia on the Asian air quality experiments on flights. Two NASA scientific aircrafts conducted a four-hour air quality observation over central, southern and eastern Taiwan on their way from the Philippines to South Korea on 15 February 2024, providing high-resolution, precise data. This is the MOENV's first large-scale experiment that is essentially an international collaboration

involving multiple government agencies and experts. It was an upgrade from ground-based air quality monitoring to integrated 3D observation, a new page for future collaborative monitoring of the atmospheric environment and an outstanding example for scientific study and international cooperation.

The MOENV said that the precision air quality monitoring instruments on board of the DC8 measured changes in air pollutants from 46 feet (15 meters) up to 11,000 feet (3,300 meters) above Yunlin, Chiayi, Tainan, Kaohsiung and Pingtung. The GIII cruised between Taichung and Pingtung at the altitude of 28,500 feet (8,600 meters), using onboard lidar to measure regional air quality. The 3D air quality experiment in Kaohsiung and Pingtung monitors simultaneously the physical properties, chemical compositions and 3D distribution of air pollutants. Advanced and sophisticated instruments or methods were utilized, such as intensive ground sampling from several local departments, drones, wind profilers, wind lidar, sounding balloons, solar photometers, and satellite telemetry, in addition to two advanced ground-based air quality monitoring supersites jointly operated by NASA and Taiwan and also a vertical spectrometer station from the US National Oceanic Atmospheric Administration (NOAA). Scientific data, such as ozone (O_3), volatile organic compounds (VOCs), particulate matters ($PM_{2.5}$), their concentrations, particle sizes and chemical compositions were collected for 3D scientific research, and will be used for satellite calibrations, air quality model improvement, pollution source analysis and design of air pollution control strategies. The MOENV appreciated the cooperative efforts from agencies at home and abroad including NASA, the Central Weather Administration, the Civil Aviation Administration, Academia Sinica, the Air Force Weather Wing, Air Force Institute of Technology, and local environmental protection bureaus, as well as 45 professors and experts led by Dr. Lin, Neng-Hui of National Central University. It was their supports and participation that made this large experiment of international collaboration successful.

The MOENV Minister Shieu Fuh-Sheng visited the large-scale experiment in this international scientific research project with NASA on 28 February 2024. He expressed his gratitude to the staff of approximately 200 people from many schools, government agencies and local bureaus. They worked tirelessly even during the Chinese New Year Holiday, conducting intensive 3D observation with sounding balloons and drones as well as coordinating NASA flights. Minister Shieu encouraged the participating experts and staff to keep analyzing pollution sources and assisting in design of control strategies through important scientific data from international cooperation, enhancing Taiwan's air pollution control and improve air quality.

Check out the film of Asian air quality experiment by NASA and the MOENV on 15 February 2024 at https://youtu.be/I8YU7xxERdI.

MOENV Minister Shieu Fuh-Sheng went to the observation station in Kaohsiung and visited the experts in charge of the Kaohsiung-Pingtung Region

5. Four Dos and Three Don'ts for Environmental Agents: Safe, Legal and Hassle-Free

People are reminded to keep in mind the four Dos and three Don'ts when selecting, purchasing online or bringing environmental agents back from abroad, in order to ensure legal, safe and effective agents are selected and to avoid breaking the law, as a violation is punishable by a fine between NT$30,000 to NT$300,000.

The Chemicals Administration, MOENV stated that a total of 25,010 environmental agent advertisements, labels, counterfeits, and active ingredients were inspected by environmental protection authorities throughout Taiwan in 2023, of which 96.9% passed.

Looking deeper into the statistics, there were 4,608 environmental agent advertisements, of which 374 were illegal online advertisements, where most of the violations were pesticides or insect repellents claiming to be made of natural substances and other environmental agents, sold over online shopping platforms without a proper license or permit. 20,273 labels were examined of which 388 failed. After random sampling, the active ingredients of 125 environmental agents were analyzed, of which five failed. Also, four environmental agents were found with invalid or forged registrations or prohibited substances. Those responsible for products that failed the inspections were punished according to the *Environmental Agents Control Act* (環境用藥管理法) and ordered to remove the products from shelves by specified deadlines.

Looking at the examination results, the Chemicals Administration recommends the "4 Dos" of environmental agent safety when choosing environmental agents: "1. Do choose the right agent"- pest control needs the right environmental agent; "2. Do choose a legal agent" - it is important to choose an environmental agent with a permit number on its package starting with "Huan Bu / Shu Wei Chi" (環部/署衛製字), "Huan Bu / Shu Wei Shu" (環部/署衛輸字) or "Huan Wei Yao Fang Chong" (環衛藥防蟲字); "3. Do choose a valid agent" - it is necessary to make sure that the manufacturing data and expiration date are shown on the product package in order to stay away from expired

products; and “4. Do know the label” - use the agent correctly according to the label (on the product package) for safety and effectiveness.

The use of online shopping has become a major shopping pattern for the general public, and it is known that domestic environmental agents, or products brought back from international travels, are advertised and sold online or through other advertising channels. If one is not a vendor with a valid environmental agent permit, it is advised not to sell environmental agents online, such as pesticides and mosquito repellent tabs. A violation of advertising illegal environmental agents is punishable by a fine between NT$60,000 and NT$300,000. In addition, selling environmental agents brought back from international travels is also punishable by a fine between NT$30,000 and NT$150,000.

The Chemicals Administration urges all citizens to follow the “3 Don’ts” for environmental agents; “Don’t post” - don’t post any advertisement online for selling environmental agents without a permit; “Don’t buy” - don’t buy any environmental agent from an unknown source and without a permit number of “Huan Bu / Shu Wei Chi” (環部/署衛製字), “Huan Bu / Shu Wei Shu” (環部/署衛輸字) or “Huan Wei Yao Fang Chong” (環衛藥防蟲字); and “Don’t recommend”- don’t recommend any environmental agent that is claimed to kill or repel insects advertised in social media.

It is best not to use environmental agents, or sparingly if one must. The best way to controls pest is to tidy the environment up instead of using environmental agents. If anyone is wondering if an environmental agent is legal or not, they can go to the “Environmental Agent Permits and Pest Control Licenses” of the Chemicals Administration at https://mdc.moenv.gov.tw/PublicInfo to search for the product name and permit number; or, a legal pest control operator or environmental agent vendor can be searched for. More information on how pests behave and how to remove them, or information about illegal environmental agents, can be found at the website “Safe Use of Environmental Agents” at https://topic.moenv.gov.tw/evsu/mp-8.html.

Director General Hsieh, Yein-Rui explains the 4 Dos for using environmental agents and 3 Don’ts for online advertising.

6. Kaohsiung Pig Farm Penalized for Polluting Er-Ren River

Through river water quality measurement stations, the Environmental Management Administration (EMA) of the Ministry of Environment (MOENV) monitors changes in river water quality and effluents from pig farms in the upstream Erren River Basin. Recently, a pig farm in Neimen District, Kaohsiung City, became suspected of illegally discharging high-concentration wastewater. On 17 February 2024, the EMA joined forces with the Environmental Protection Bureau of the Kaohsiung City Government and successfully determined that the pig farm operators had buried pipes and discharged farming wastewater that was not properly treated, thereby exceeding environmental standards. Untreated pig excrement piled up in the river, bringing serious consequences to the water quality of the Erren River Basin, such as waves upon waves of strong odors. The farm owner will be prosecuted according to the *Water Pollution Control Act* (水污染防治法) and asked to make improvements by a given deadline. Violation of Paragraph 1, Article 7 and Paragraph 1, Article 18-1 of the *Water Pollution Control Act* is punishable by a fine between NT$60,000 and NT$20 million. If improvements are not completed by the given deadline, the penalties will be imposed continuously, while for serious violations, suspension of work or business may be imposed and the water pollution control permit (document) may be revoked or, if necessary, the business may be asked to close.

The Southern Center of Environmental Management of the Environmental Management Administration, MOENV, indicated that after an inspection in October 2023, the said farm was warned to collect waste (sewage) water properly and send it to the Erren River Livestock Wastewater Recycling Center to be treated. However, water quality data at the river measurement station showed that there was often substandard water quality at the Er-Ceng Bridge measurement station in Neimen District, Kaohsiung City. By tracing the source upstream, it was found that the color of river water under Guanyin Bridge was strange and there was an obvious smell of pig excrement, which pointed to the said pig farm, which was then targeted under the suspicion of not collecting and treating wastewater before secretly discharging it into the Erren River.

Inspectors negotiated through dense bamboo forest along the river bank and found a shallow spot to cross the Erren River. They found a hidden pipe opening on the slope below the wall of the said pig farm, where farming wastewater was being discharged without proper treatment. As soon as this was found, the inspectors immediately collected samples of wastewater discharges from the hidden pipes, and took drone photos for further evidence. Upon seeing the inspectors and what they were doing, farm workers immediately acted to reduce the wastewater discharged. Little did they know, the inspectors had already dropped a tracer agent at the bypass discharge point inside the site, and found that the tracer agent was indeed discharged outside of the site through the hidden pipe buried underground, providing firm evidence that the pig farm discharged the farming wastewater into Erren River through the hidden pipe.

The Environmental Management Administration urges all animal farmers not to secretly discharge wastewater just to save a few dollars, as this causes deteriorated water quality in the upper reaches of the Erren River. In 2024, the EMA is working with the Environmental Protection Bureau of the Kaohsiung City Government to: intensify inspections of livestock wastewater discharges from pig farms in the Neimen area; implement regional management and continue supervision to ensure operations remain in accordance with licensed documents; identify illegal businesses one by one, and; ensure that wastewater is treated according to applicable regulations with discharged water meeting regulatory standards. Changes in water quality in rivers are intelligently monitored through water quality monitoring points in river basins. Once water quality irregularities are detected, early

responses can be made so as to maintain continuous river water quality and provide residents with a high-quality living environment.

Inspector collecting wastewater after crossing the Erren River

7. "Environmental Education Discovery Center" Offers Fun and Green Credits in Year of the Dragon

To learn more about the environment, the Ministry of Environment (MOENV) recommends visiting the "Environmental Education Discovery Center" (https://eeis.moenv.gov.tw/front/**), which allows visitors to learn about environmental education opportunities provided by the Ministry over the years and to increase environmental knowledge. At this time of year, educational games full of Chinese New Year flavor have been designed for families to play while earning green points for environmental protection. Hopefully, through this exploration process environmental knowledge will spread and the ability to act to preserve the environment will spread among the general public.**

The "Environmental Education Discovery Center" established by the MOENV is designed to provide high-quality environmental education resources and a wide diversity of educational services. The Center is based on an electronic library and the concept of exploratory learning that allows visitors to learn more about environmental topics such as atmospheric environment and monitoring, water and soil environments, resource circulation, climate change, and environmental education. It can be adapted for different modes of education (e.g., environmental teaching, self-learning, participation in activities, learning through competition), and it also provides county/city maps for various learners (e.g., based on age or social background). It provides the resources to fit specific learner needs and widen knowledge about the environment. All were welcome to visit online during the Chinese New Year holidays.

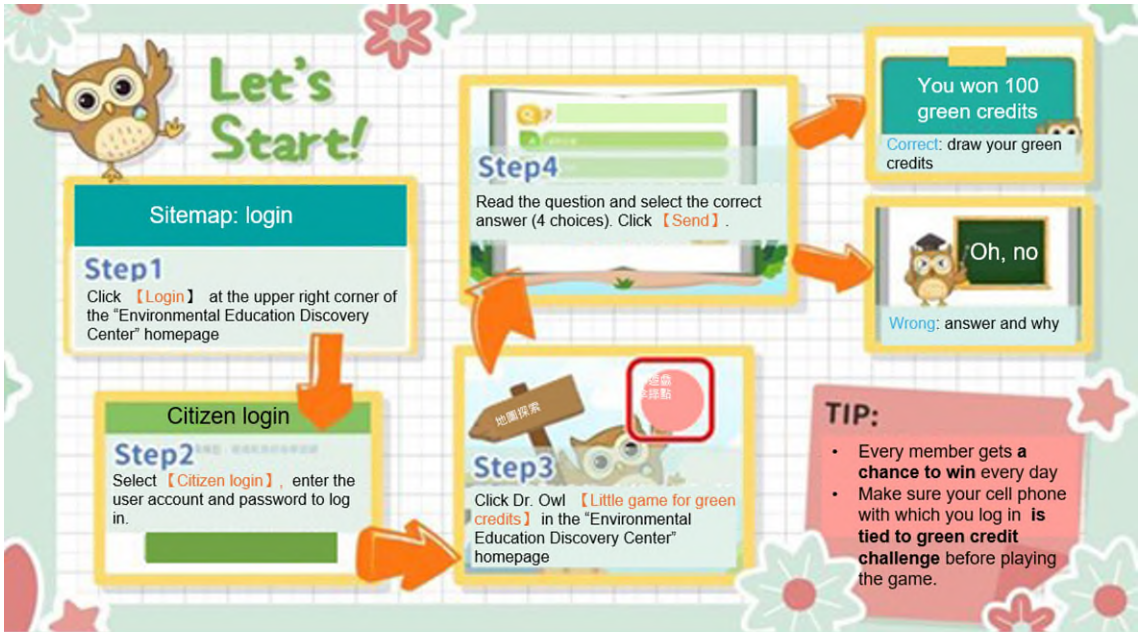
The "Environmental Education Discovery Center" presented a rich assortment of material for children visiting with their parents during the Chinese New Year holidays. There was the "listen to a story about the environment" podcast designed for children, with stories designed to inspire children's environmental awareness, highlight the importance of environmental protection, and develop their knowledge about environmental protection. Reading is the key to wisdom. In the

“Environmental Education Discovery Center,” there are dozens of picture books illustrating local cultural characteristics and environmental topics specific to local counties and cities. Reading with children not only improves parent-child relationships, but also stimulates reflection on how to put environmental protection into practice in daily life.

There are environment-friendly ways to travel during the Chinese New Year holidays. For example, the exploration map provided by the “Environmental Education Discovery Center” for preparing a travel itinerary is helps reduce the resource consumption that comes with traveling. Whether one brings their family to visit a certified environmental education facility, explore a local community with friends and see cultural landscapes, or find an environment-friendly restaurant for some good cuisine, all help to improve bonding between family members during the Chinese New Year holidays, while putting the net-zero green life in practice.

The MOENV has prepared 247 environmental education films packed with rich contents, which can be accessed by going online to the “Environmental Education Discovery Center,” and clicking on “Lifetime Learning”. There are many films to choose from to raise environmental awareness and stimulate discussion on how to care for and play one’s part in environmental protection.

Apart from exploration activities offered by the “Environmental Education Discovery Center,” there are Chinese New Year themed games that allow visitors to earn green credits while having fun during the holidays. Members of the Environmental Education Discovery Center are advised to check that the mobile phone number in their personal account has been linked to collect green credits before playing the games. A correct answer wins an opportunity for up to 5,000 green credits, and everyone has a chance to win every day. The Chinese New Year holidays are the perfect time to have some fun while increasing environmental knowledge.



Online games for green credits

8. Joint Investigation Discovers Repeat Illegal Wastewater Discharges by a Criminal Network

The Northern Center of Environmental Management of the Environmental Management

Administration (EMA), MOENV, working together with the Taoyuan District Prosecutors Office, Squadron 1, the Third Division of the 7th Special Police Corps, and the Department of Environmental Protection of the Taoyuan City Government, found that a gravel yard run by Yuan XX Development Co., Ltd. discharged wastewater and sludge into Shezi River through roadside ditches, contaminating river water quality. It was a violation incurring administrative penalties listed in the Waste Disposal Act. It was also found that the owner of the business, Mr. Hsieh, was a repeat violator, considered to be a more serious violation by the Prosecutors Office. He was placed in custody as approved by the Taoyuan District Court. With the investigation by the Prosecutors Office, five suspects and two legal entities were prosecuted in February 2024, and NT$93.51 million in criminal proceeds were confiscated.

The Northern Center of Environmental Management received a tip in January 2023 that there was illegal dumping of wastewater and sludge into local rivers from a gravel yard at Xinwu, Taoyuan, causing harm to river ecology and coastal algal reefs. The Center joined hands with the Department of Environmental Protection of the Taoyuan City Government to conduct an investigation, which discovered serious pollution deposits and contamination in Shezi River, along Pugong Road at Xinwu, Taoyuan. The Yuan XX Development Co., Ltd. was suspected of this offence by dumping the wastewater and sludge generated at their sand washing yard. For the investigation, hi-tech tools, such as remote-controlled automatic water quality monitoring instruments, were installed for long-term monitoring, which ascertained that the sand washing yard was indeed the pollution source.

With evidence in hand, a task force comprising personnel from the Department of Environmental Protection, the Northern Center of Environmental Management, the 7th Special Police Corps and the Taoyuan District Prosecutors Office, launched a joint criminal investigation on 24 September 2023. Previously, in 2020, the owner of Yuan XX Company, Mr. Hsieh, was sentenced to two years of imprisonment by the Taoyuan District Court for illegal dumping and backfilling of sludge and wastes, illegal wastewater discharging and environmental pollution, carried out under the guise of sand washing done by Hung XX Engineering in Guanyin District, Taoyuan City. However, the imprisonment did not seem to alter his criminal behavior, as he did the same after being released from prison, dumping 420 tons of sand washing wastewater and sludge into Shezi River, contaminating river water quality and devastating the local ecology. It was also found that 12,000 tons of illegal wastes were piled up at the company site. Administrative penalties stipulated in the Waste Disposal Act were incurred in the case of Yuan XX Company, which was investigated and prosecuted by the Taoyuan District Prosecutor's Office.

The task force did not stop there, as they continued to investigate the site where the wastes were illegally piled up at Yuan XX's property. It turned out that the wastes were from interior decoration work which were previously stored at an illegal facility of Jin XX Company, which was a Class B waste disposal firm, and relocated to the investigated site by Rui XX Company, which was also a Class B waste disposal firm, to prepare it for landfilling and coverup. With this in mind, the Taoyuan District Prosecutors Office initiated the second phase of investigation on 30 November 2023 and found that Jin XX Company collected the interior decoration wastes from Tai XX Engineering and Dong XX Construction Materials for illegal storage and incineration, and some of the wastes were given to Rui XX which in turn gave the wastes to Rong XX Company in Changhua for illegal storage and incineration. Jin XX, Rui XX and Dong XX were all legal waste disposal firms but were conducting illegal business behind their legal front offices, as they worked with companies and gravel yards for illegal collection and disposal of wastewater. Thanks to the meticulous efforts of the task force, the entire network of criminal activity was discovered and prosecuted by the District Prosecutors Office, and will face administrative penalties under the *Waste Disposal Act*.

The Environmental Management Administration points out that it, police and prosecutors have established a robust nationwide alliance capable of conducting environmental crime investigations. Information is shared within the alliance concerning environmental crimes across the borders of counties and cities. Task forces can be assembled in the shortest possible time to fight against environmental crimes, and the EMA warns all those with criminal intentions not to challenge the determination of joint investigations against environmental crimes.

Yuan XX Company was found discharging wastewater and sludge that contaminated Shezi River.

An investigator collecting water samples

9. Amendments Promulgated for Regulations Governing Diesel and Alternative

Clean Fuel Engine Vehicle Emissions

To improve coordination of Taiwan's vehicle emission management with international practices, amendments to the "Regulations Governing Issuance, Revocation, and Cancellation of the Certificate of Conformity for Emissions from Diesel and Alternative Clean Fuel Engine Vehicles" (柴油及替代清潔燃料引擎汽車車型排氣審驗合格證明核發撤銷及廢止辦法) were promulgated by the Ministry of Environment on 1 February 2024. The amendments are based on current international practices and are aimed at improving management efforts in Taiwan, and follow the "Regulations Governing Issuance, Revocation, and Cancellation of Compliance Certification for Gasoline and Alternative Clean Fuel Engine Vehicle Emissions Inspections" (汽油及替代清潔燃料引擎汽車車型排氣審驗合格證明核發撤銷及廢止辦法). Key points of the amendments are:

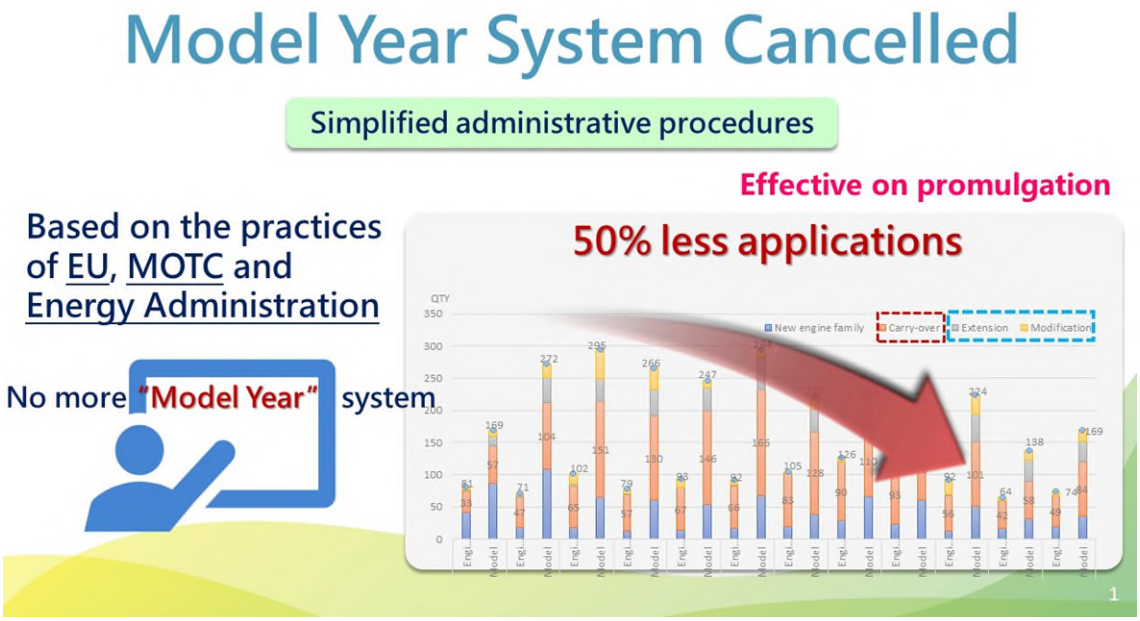
1. The "model year" system is cancelled. There is no need to apply for emission inspection qualification certificate every year if there is no change in emissions for a certain model of car. It is estimated this change will reduce applications by more than 50%, a significant reduction of administrative burdens for both the government and dealers.

2. The test results and qualification certificate issued by the UK are recognized as an effort towards international mutual benefits.

3. Referring to Paragraph 1, Article 409 of the Air Pollution Control Act (空氣污染防制法), the "specified regulation lab" system for car testing will be discontinued as of 1 March 2025, after which the tests can be performed by a test body approved by the central competent authority.

4. A third-party inspection system is introduced for car model inspections based on what the EU has in place for vehicle management. This follows the principle of "user pays", which not only helps save government budget resources but also strengthens the inspection system to ensure vehicle emissions meet air quality standards.

5. The quality control specifications for mass production and the sampling requirements for new car inspections have been revised based on current control practices for gasoline-fueled cars in Taiwan. This ensures the quality of cars produced and embodies emission controls for diesel-fueled vehicles.



Use of the "model year" system has been discontinued to reduce administrative burdens.