

Worksheet 9 – Environmental Policy in the Central European Context course

I advise you to work through the following problems /questions well and as a group (make sure though that no one is free-riding); it's the ticket to performing reasonably well on the exams. Number of points indicates the expected scope of the answer (should roughly correspond to time in minutes).

- 1) **[10 points]** Which renewable resources have we discussed? Pick one and describe in detail (how does it work; what are the advantages and what are potential problems and solutions to those problems if any).
- 2) **[15 points]** Based on what we discussed and based on Dan's contribution, explain how the government motivates companies or individuals (why do they need to do that, anyway?) to invest into green energy, specifically photovoltaic projects, in the Czech Republic. What are the obvious dangers of poorly set (too high, in this case) prices of green energy? How big a problem the newly passed (retroactive) taxation of revenues from green projects is? Also think about the investment's payback time before and after the new tax – are those investors just “greedy” or is the government really endangering the future of green projects, what do you think?