Major Environmental Policies

October 2026

1. Ministry of Environment Promulgates Amendments to Articles 3-1 and 9 of the *Regulations Governing the Collection of Carbon Fees* and Articles 11-1 and 17 of the *Regulations Governing Self-Determined Reduction Plans*

Taiwan officially launched its carbon fee system in 2025. By May 2026, all 461 facilities subject to the fee, representing 240 companies, had completed their payments, marking a historic milestone in Taiwan's carbon pricing system. To strengthen implementation and accommodate newly regulated businesses regarding the time they need to complete greenhouse gas inventories, registration, and verification, as well as to apply for approval of self-determined reduction plans, the Ministry of Environment solicited input from a broad range of stakeholders and promulgated amendments to Articles 3-1 and 9 of the *Regulations Governing the Collection of Carbon Fees* and Articles 11-1 and 17 of the *Regulations Governing Self-Determined Reduction Plans*. These amendments aim to ensure procedural fairness, support industrial transition, and deliver tangible emissions reductions.

Emissions reduction is the central objective of the carbon fee system. The Ministry of Environment's amendments to Article 3-1 of the *Regulations Governing the Collection of Carbon Fees* and Article 11-1 of the R*egulations Governing Self-Determined Reduction Plans* are intended to allow newly regulated businesses sufficient time to establish a complete emissions baseline and prepare and submit applications for self-determined reduction plans. The amendments specify that businesses meeting the criteria for carbon fee liability for the first time must begin reporting and paying carbon fees in the year following the year in which they are required to complete the inventory, registration, and verification of their greenhouse gas emissions for the preceding year. The Ministry emphasized that self-determined reduction plans are designed to achieve tangible emissions reductions. Accordingly, the amendments do not exempt businesses from their obligation to pay carbon fees. Rather, they require newly regulated businesses to first complete emissions inventories and verification and establish baseline emissions data, then use that information to develop reduction measures and apply for the approval of self-determined reduction plans that will serve as the basis for compliance checks.

Article 9 of the *Regulations Governing the Collection of Carbon Fees* was also amended. During the public comment period, the proposed use of early action project credits drew considerable attention from stakeholders. The Ministry of Environment explained that the amendment addresses the transition of credits issued under the previous system within the existing regulatory framework, including the three-year usage period, the deduction cap, and the 0.1 deduction ratio applied when businesses at

high risk of carbon leakage use these credits to deduct chargeable emissions. It does not alter the carbon fee system's policy objective of promoting tangible emissions reductions. To avoid granting overlapping benefits, Article 17 of the *Regulations Governing Self-Determined Reduction Plans* was also amended to specify that when reductions exceeding the designated targets are assessed for approval after the implementation period of a self-determined reduction plan ends, reductions attributable to government-subsidized measures must in principle be excluded. These amendments aim to ensure a smooth transition from the early action reduction system while preventing the same emissions reductions from benefiting both from carbon fee-funded subsidies and from formal approval as reductions exceeding the designated targets, balancing the practical needs of industry with fairness of the system.

The Ministry of Environment emphasized that implementing the carbon fee system requires balancing environmental objectives, administrative feasibility, and industry's practical implementation needs. These amendments preserve the system's fundamental principles of putting a price on carbon emissions and making emissions reduction its central objective. Businesses must continue to conduct emissions inventories, register their emissions, complete verification, and meet designated annual targets as required by law. Those that fail to meet these targets will revert to the standard fee rate and must pay for the resulting difference. The carbon fee system is a key foundation for Taiwan's efforts to achieve net-zero emissions by 2050. The ministry will continue to engage with industry, local governments, and stakeholders across society to help businesses build their emissions inventory capabilities and develop reduction measures, working together to advance the low-carbon transition and achieve national emissions reduction goals.

2. Executive Yuan Amends Article 4 of the Regulations for Revenues, Expenditures, Safeguard, and Utilization of the Greenhouse Gas Management Fund to Authorize Credit Guarantees and Interest Subsidies for Special-Purpose Loans

To help businesses secure financing for their low-carbon transition, the Executive Yuan promulgated an amendment to Article 4 of the Regulations for Revenues, Expenditures, Safeguard, and Utilization of the Greenhouse Gas Management Fund on September 14, 2026. The amendment adds "loan credit guarantees and interest subsidies for greenhouse gas reduction and climate change adaptation" to the fund's authorized uses, establishing the necessary legal basis for government financing to support business decarbonization. The Ministry of Environment has allocated NT$500 million from the Greenhouse Gas Management Fund to provide credit guarantees and interest subsidies for net-zero transition loans. On September 17, 2026, the Ministry and the Chinese National Federation of Industries jointly held a capacity-building workshop to launch outreach efforts and introduce the "Financing Support for Business Decarbonization—Greenhouse Gas Management Fund Special-Purpose Loan Program."

The workshop was chaired by Lin-Yi Tsai, Director-General of the Climate Change Administration, and brought together representatives from more than 30 industry associations, including those in the petrochemical, steel, cement, and electronics sectors, to exchange views and provide industry input. Director-General Tsai noted that the special-purpose loan program encourages businesses to prioritize replacing existing equipment with energy-efficient alternatives to reduce energy costs and improve energy efficiency. It also supports businesses in strengthening their climate adaptation capabilities and resilience.

The Ministry of Environment stated that it will soon release the “Implementation Guidelines for Credit Guarantees and Interest Subsidies for Special-Purpose Loans under the Greenhouse Gas Management Fund,” following broad consultations on the draft with stakeholders. Eligible applicants include small and medium-sized enterprises and large enterprises registered under the Company Act, the Business Registration Act, or the Limited Partnership Act. Loan proceeds may be used for capital expenditures on machinery and equipment for emissions reduction measures, including switching to low-carbon fuels, adopting negative emissions technologies, improving energy efficiency, using renewable energy, and upgrading production processes. Under the program, the Climate Change Administration will partner with the Small and Medium Enterprise Credit Guarantee Fund of Taiwan to provide credit guarantees covering up to 90% of each loan. The Ministry will also provide a subsidy covering one percentage point of the annual loan interest rate for up to five years. Each eligible enterprise may borrow up to NT$50 million, subject to additional limits of 80% of total project costs and three times its paid-in capital. Enterprises whose self-determined reduction plans have already been approved by the Ministry may submit their existing approval documents in place of a technical feasibility review report, substantially simplifying the application process.



Director-General Lin-Yi Tsai delivers remarks at the information session for the "Financing Support for Business Decarbonization—Greenhouse Gas Management Fund Special-Purpose Loan Program."



Group photo of participants at the information session for the "Financing Support for Business Decarbonization—Greenhouse Gas Management Fund Special-Purpose Loan Program."

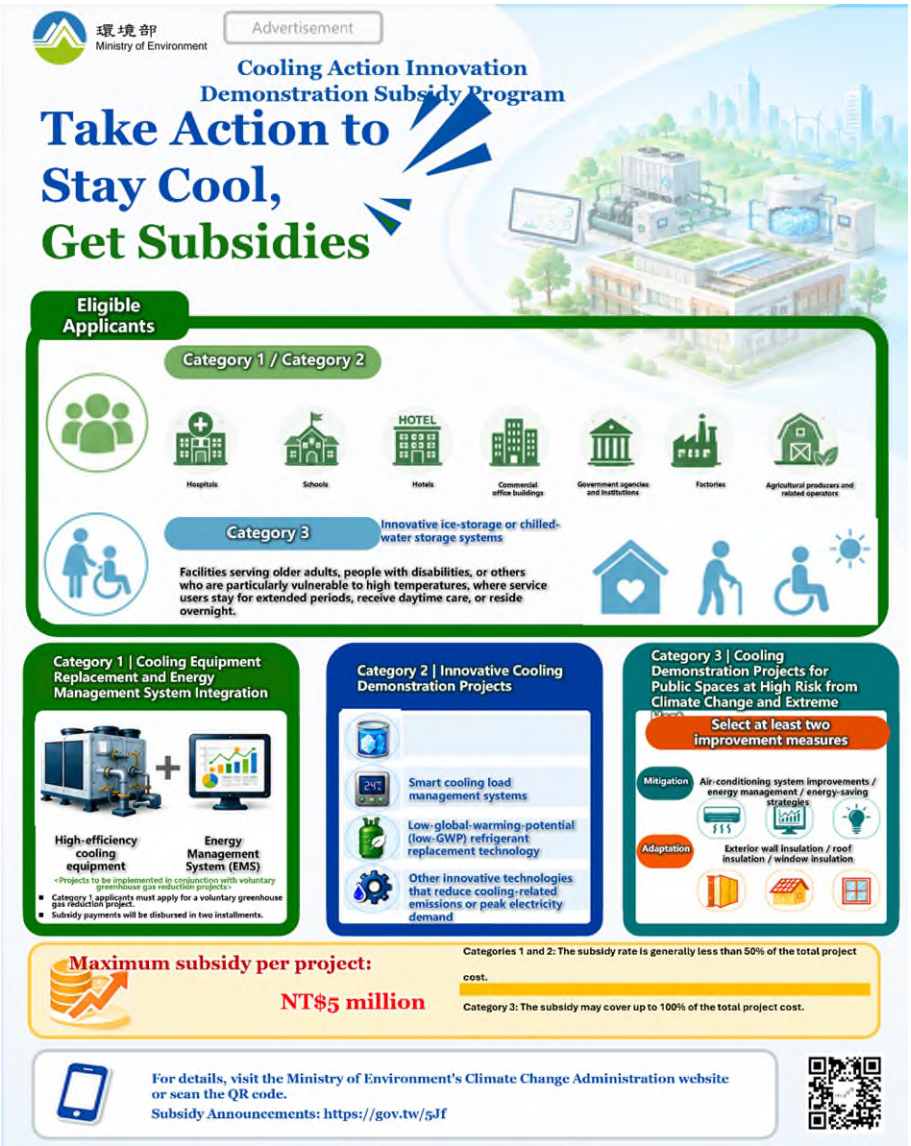
3. Ministry of Environment Revises Cooling Action Innovation Demonstration Subsidy Program to Support Climate-Vulnerable Groups and Sites at High Risk from Extreme Heat

In response to global warming, increasingly frequent extreme heat, and rapidly growing demand for cooling, the Ministry of Environment launched the "Cooling Action Innovation Demonstration Subsidy Program" on August 6, 2026. The program aims to demonstrate and promote cooling solutions that conserve energy and reduce peak electricity demand. The Ministry has now revised the program to add a new subsidy category, "Cooling Demonstration Projects for Climate-Vulnerable Groups and Public Facilities at High Risk from Extreme Heat," to strengthen vulnerable populations' capacity to adapt to high temperatures.

The Ministry explained that the program will continue to provide subsidies for cooling equipment replacement or innovative demonstration projects at hospitals, schools, hotels, commercial or office buildings, government agencies and institutions, factories, and agricultural product businesses. The newly added third category, "Cooling Demonstration Projects for Climate-Vulnerable Groups and Public Facilities at High Risk from Extreme Heat," extends support to legally established welfare institutions for older adults, long-term care facilities, welfare institutions for people with disabilities, and

other eligible care facilities. Supported measures include equipment replacement, installation of energy management systems, energy efficiency improvements to building envelopes, and roof insulation upgrades. The Climate Change Administration will select subsidy recipients following on-site assessments, with the aim of strengthening climate resilience and improving indoor thermal conditions.

The program's first category—installation of high-efficiency equipment, energy management systems, and smart control remains in place. However, the revised provisions require all subsidy recipients in this category to submit voluntary greenhouse gas emission reduction projects for approval, to establish demonstration projects and help convert the resulting emissions reductions into quantifiable, tradable reduction credits. The second category, which supports innovative cooling demonstration projects, remains unchanged.



Promotional Graphic for the Revised Cooling Action Innovation Demonstration Subsidy Program

4. Ministry of Environment Announces Draft Amendments to the Categories and Emission Limits of Hazardous Air Pollutants from Stationary Pollution Sources

To expand controls on hazardous air pollutants from stationary sources and strengthen efforts to reduce the associated health risks, the Ministry of Environment released draft amendments to the *"Categories and Emission Limits of Hazardous Air Pollutants from Stationary Pollution Sources"* for public comment on September 23, 2026. The proposed amendments would add 31 hazardous air pollutants to the regulated list, further broadening regulatory coverage to reduce health risks and protect public health.

The Ministry of Environment stated that the proposed amendments draw on pollutant lists issued by the World Health Organization and regulatory authorities in the United States, Germany, Japan, South Korea, and other countries. Candidate substances were identified by also considering Taiwan's existing air pollutant emission standards, the substances subject to air pollution control fees, and industry-specific emission standards. The candidates were then further screened using hazard criteria adopted by the International Agency for Research on Cancer, the European Union, and other international bodies, as well as those specified in relevant regulations. These criteria—including carcinogenicity, mutagenicity, reproductive toxicity, and persistent, bioaccumulative, and toxic properties—formed the basis for selecting the 31 additional hazardous air pollutants.

The Ministry of Environment explained that 73 hazardous air pollutants are currently listed under the *"Categories and Emission Limits of Hazardous Air Pollutants from Stationary Pollution Sources,"* and the proposed amendments would add 31 more. The Ministry will progressively introduce supporting regulatory measures, including the reporting of hazardous air pollutant emission quantities and periodic emissions testing, and establish emission standards following assessments of current industry conditions. It will also consider levying air pollution control fees on hazardous air pollutants based on their environmental impacts and regulatory needs to achieve tangible pollution reductions.



31 Additional Hazardous Air Pollutants

5. Circular Label Program Expands: More Products and Services Now Eligible for Case-by-Case Review

On September 1, 2026, the Ministry of Environment announced that the Circular Label program was accepting applications for case-by-case review, effective immediately. Applications first opened in July for 12 types of products and services across five major categories with established technical specifications. Businesses may now also apply for the case-by-case review of products and services not yet covered by technical specifications, provided those products or services demonstrate circular characteristics, such as reduced use of natural resources, use of recycled materials, fully recyclable single-material construction, reusability, or repairability to extend their useful life. This expansion gives more innovative circular products and services the opportunity to earn the Circular Label.

The Resource Circulation Administration explained that the Circular Label program was established under the "Operational Guidelines for Promoting Circular Products and Services." The label identifies products and services with circular characteristics, encourages industry investment in their development, and encourages public- and private-sector organizations and consumers to purchase them. The new mechanism allows businesses to apply for the Circular Label through a case-by-case review of innovative products and services that demonstrate circular characteristics but are not yet covered by established technical specifications.

Applications for a case-by-case review under the Circular Label program are also en-

tirely paperless. Businesses can apply through the online system and upload self-assessments and support documentation demonstrating their products or services' circular characteristics. The review consists of two stages. The first checks application documents for completeness, while the second involves expert review. Straightforward products or services with complete supporting documentation will generally undergo a document-based review. Where necessary, reviewers may conduct product sampling and testing, visit service locations, or invite applicants to attend a review meeting to provide further explanations. Successful applicants will be authorized to use the Circular Label for up to three years, with administrative fees waived for the first year of application.

Beginning in 2026, purchases of products and services awarded the Circular Label through case-by-case review also count toward government agencies' green procurement performance. By setting an example for the private sector, government procurement can stimulate market demand for circular products and services. The Resource Circulation Administration encourages providers of products and services with circular characteristics to apply, helping bring more circular innovations to market and expand the benefits of resource circulation.



Circular Label application infographic

6. Taiwan Marks a Decade of Progress in Mercury Management, Aligning Controls on 15 Product Categories with the Minamata Convention

On September 1, 2026, the Ministry of Environment convened representatives from the Ministry of Economic Affairs, Ministry of Health and Welfare, Ministry of Agriculture, Ministry of Labor, Ocean Affairs Council, National Science and Technology Council, and other agencies for the *"2026 Press Conference and Results Presentation on the National Chemical Substances Management Policy Guidelines and Action Plan—A Decade of Progress in Mercury Management in Taiwan."* Experts, scholars, industry associations, nongovernmental organizations, and relevant government units at all levels also attended. The event showcased Taiwan's major achievements in mercury management over the past decade and laid a stronger foundation for collaboration in the next phase of chemical substance management. Deputy Minister of Environment Yein-Rui Hsieh attended the event and remarked, "Leaving the mercury era behind and moving toward a mercury-free future is the most precious environmental gift we can give the next generation."

Mercury is internationally recognized as a heavy metal pollutant requiring stringent controls because of its high toxicity and tendency to accumulate in the environment over time. To strengthen global management of mercury pollution and its associated risks, the United Nations spearheaded the Minamata Convention on Mercury, which entered into force on August 16, 2017. Before the convention entered into force, the Executive Yuan had already approved the “Implementation Plan for the UN Minamata Convention on Mercury” on June 27, 2016. Through a coordinated division of responsibilities, ministries and agencies have advanced controls on mercury at its source and in products, waste recycling and treatment, reductions in pollutant releases, environmental monitoring, and occupational exposure management. Over the past decade, these efforts have established a management system covering mercury’s full life cycle.

In terms of progress in source control, the Ministry of Environment has classified mercury as a Class 1 toxic chemical substance since 1991 under the Toxic and Concerned Chemical Substances Control Act. Mercury production is currently prohibited in principle, with an exception for mercury recovered from products derived from waste treatment and resource recovery. Its import, sale, and use are also prohibited, except for specific industrial applications for which no substitutes are available.

Environmental monitoring and contaminated site remediation also continue to advance. Relevant ministries and agencies conduct monitoring and spot testing of emissions from stationary sources, ambient air, effluent, river environments, drinking water, and marine water quality. Over the past decade, remediation has been completed at 10 mercury-contaminated sites, allowing them to be removed from the list of regulated contaminated sites. Taiwan also works with international partners to monitor long-range atmospheric transport and track the movement and distribution of mercury in the environment.

Regarding product controls, Taiwan has prohibited the manufacture and import of 9 major categories of mercury-containing products since 2021. As of July 2026, prohibitions on the manufacture and import of 6 additional categories had been introduced under the *Toxic and Concerned Chemical Substances Control Act*, the Restrictions on the Importing of Mercury-Added Products, the *Environmental Agents Control Act*, the Restrictions on the *Manufacture, Import, and Sale of Dry Cell Batteries, the Cosmetic Hygiene and Safety Act*, the *Medical Devices Act*, and the *Space Development Act*. This expanded regulatory coverage from 9 to 15 major categories, encompassing batteries, blood pressure monitors, cosmetics, lighting products, mercury vacuum pumps, photography film, tire balancers, spacecraft propellants, and other products.

To protect public health, the government continues to monitor and conduct spot testing of commercially available foods, crops, aquatic products, animal feed, and traditional Chinese medicinal materials. Overall, the results show that the vast majority meet national standards. In the very few cases of noncompliance, authorities promptly traced the source and required the affected products to be removed from sale and destroyed. The government also promotes permissible occupational exposure limits for mercury and measures to protect worker health to ensure a safe working environment for frontline workers.

The Ministry of Environment emphasized that mercury management is a long-term undertaking that requires sustained commitment and collaboration across sectors. Guided by developments under international conventions, domestic monitoring results, and advances in industrial technologies, the Ministry will continue to promote interagency coordination, professional exchanges, and public dialogue to create a mercury-free environment and build a healthy, sustainable home for all.



Representatives of participating organizations and distinguished guests at the press conference marking a decade of progress in mercury management in Taiwan.

7. International Partners Cooperate for Better Energy Resilience and Net-zero Actions at the 2026 GCTF Workshop in Taipei

The Joint Committee of the Global Cooperation and Training Framework (GCTF), comprised of the Ministry of Foreign Affairs, the American Institute in Taiwan, the Japan-Taiwan Exchange Association, the Australian Office in Taiwan, the Canadian Trade Office in Taipei, and the British Office in Taiwan, worked together to hold the "International Workshop on Strengthening Energy Resilience and Supply Chain Security" with the Ministry of Environment (MOENV) in Taipei from 16 to 18 September 2026. Aiming to promote global net-zero transition and sustainable development, brought together more than 40 international experts and scholars from 28 countries to share their experience, 186 participants from Taiwan and abroad, further deepening the solid cooperation network among GCTF international partners.

The MOENV stated that the opening ceremony was jointly opened by Environment Minister Peng Chi-Ming and representatives from the Taiwan offices of several countries. In his opening speech, entitled "Taiwan's Net-Zero Transition in Action", Minister Peng stressed that energy resilience is an important foundation for promoting net-zero transition and national security. He pointed out that Taiwan’s determination to achieve the transition to net-zero by 2050 remains unchanged, and its Nationally Determined Contribution (NDC 3.0) has set a target of reducing net emissions by 38±2% by 2035,

compared to the 2005 level. To achieve this, Taiwan is currently implementing a diverse carbon pricing mechanisms, in which the carbon fee system, combined with voluntary reduction plans, is expected to reduce approximately 45.2 million metric tons of CO_2 emissions annually by 2030, and is also expected to encourage green investment of up to NT$700 billion. Furthermore, the government is steadily advancing Taiwan's emissions trading system (ETS) and bilateral international carbon credit cooperation programs. In terms of sustainable finance, inter-ministerial efforts are pushing forward green finance while preventing greenwashing, with a NT$10 billion green growth fund supporting emerging net-zero industries. The government is also advancing a dual-law governance framework involving the *Resource Circulation Promotion Act* (資源循環推動法) and the *Waste Disposal Act* (廢棄物清理法), which aim to make resource circulation a key feature of national infrastructure, deepen the circular economy, and offer practical experience that can contribute to global sustainability efforts.

The MOENV mentioned that the first day of the workshop focused on three major topics: "renewable energy," "critical mineral supply chains," and "maritime security." The experts in the workshop engaged in in-depth exchanges on green energy development, energy storage applications, critical mineral supply chain resilience, and the security of shipping lanes and liquefied natural gas (LNG). Forward-looking solutions to the energy security challenges posed by extreme climate and geopolitics were proposed and exchanged, can line with the goals of "Green Growth and 2050 Net Zero Transition", set as part of Taiwan's "National Project of Hope ".

The MOENV noted that the international speakers and participants of the GCTF workshop took a field trip to a facility in Taoyuan on the third and final day to visit industrial facilities in Taoyuan to see the latest applications of resource circulation and waste-to-energy, translating policy dialogue into industrial practice, as they viewed real world applications of resource circulation and waste-to-energy. The interactions facilitated through this international forum will help strengthen policy implementation, deepen security partnerships, and help to jointly build a sustainable, low-carbon, and highly resilient global energy environment.



Minister Peng (third from left) with other officials at the GCTF "International Workshop on Strengthening Energy Resilience and Supply Chain Security"



Minister Peng speaking at the GCTF "International Workshop on Strengthening Energy Resilience and Supply Chain Security"

8. Paris Agreement Article 6 Implementation: Deputy Minister of Environment Hsieh Takes Part in Launch of Taiwan-Paraguay Carbon Credit Pilot Program

On 9 September 2026, Deputy Minister of Environment Hsieh Yein-Rui led a delegation from Taiwan to the Chaco region in Paraguay on a field visit to an afforestation, reforestation, and revegetation (ARR) project site. The delegation, along with the Director of the Planning Division of the environment ministry of Paraguay (Ministerio del Ambiente y Desarrollo Sostenible, or MADES), and the Director of Dirección de Mercados de Carbono (director of carbon markets), attended and witnessed the launch ceremony of the *"Paris Agreement Article 6 Pilot Operation"*. This project is a collaboration between the Green Energy and Environment Research Institute of the Industrial Technology Research Institute (ITRI) in Taiwan, and Paraguayan companies. A tree-planting ceremony was held at the project site, signifying that Taiwan-Paraguay cooperation on climate and carbon markets is gradually moving from institutional exchanges to project implementation.

The Ministry of Environment (MOENV) stated that the core aim of Article 6 of the Paris Agreement on international cooperation in emission reduction is to avoid double counting. Therefore, corresponding adjustments are required for the “Internationally Transferred Mitigation Outcomes” (ITMOs) obtained from emission reduction projects. This small-scale ARR project, initiated by ITRI in collaboration with Paraguayan companies, can be seen as a pilot project in carbon credit cooperation. It involves step-by-step testing of key aspects such as project design, third-party verification, carbon removal quantification, monitoring, reporting and verification (MRV), carbon credit issuance, and host country authorization and subsequent transfer of credits. The experience gained from the project will serve as a foundation for expanding carbon credit cooperation and promoting institutional alignment in the future.

Deputy Minister Hsieh Yein-Rui stated that true, meaningful international cooperation involves not only exchanges on systems and policies, but more importantly, coordinated use of each other's resources, technologies, and practical experience to build a cooperative model that can be implemented and promoted continuously. For cooperation in terms of forest and carbon markets, Taiwan focuses not only on the volume of mitigation outcomes or carbon credits ultimately issued that can be issued, but also on the environmental integrity, scientific basis, monitoring and information transparency of the project, as well as the tangible benefits this brings to local sustainable development.

The delegation exchanged views on topics such as digital MRV methods, satellite monitoring, biochar, and Article 6 of the *Paris Agreement*, in addition to learning about local conditions for forest restoration. The MOENV emphasized that it will continue to build up experience in international carbon market cooperation through multi-faceted exchanges between government, research institutions and businesses, explore cooperation models that combine environmental integrity and substantial mitigation benefits, and strengthen the partnership between Taiwan and Paraguay in the fields of climate governance and transition to net-zero.



Deputy Minister Hsieh Yein-Rui of the MOENV took part in the launch ceremony of a *Paris Agreement* Article 6 pilot program, jointly implemented by ITRI and Paraguayan companies



An on-site tree planting to mark the project launch, with Deputy Minister Hsieh Yein-Rui of the MOENV and representatives of Paraguay's environment ministry, MADES

9. Taiwan-U.S. Forum Seeks to Transform Water Circulation and Create New Value in Water Resources

On 16 September 2026, the Ministry of Environment (MOENV) held the *"Water Sustainability - Taiwan-US Resource Circulation Technology Exchange Forum"* under the Taiwan-US Environmental Technology Cooperation Agreement. Experts from the U.S. Environmental Protection Agency along with domestic industry, academia and research teams were invited to discuss water purification technologies and policies, and to explore in-depth explore pathways for resource recovery and circular use of industrial process wastewater.

The rapid growth of AI, data centers, and high-performance computing in recent years, while at the same time extreme weather has presented severe challenges to water resources. In his address to the forum, Deputy Minister of Environment Yeh Jiunn-Horng emphasized that in the context of climate change it is crucial to improve the circular use of water resources and recover valuable resources from water, in order to meet the booming AI industry's urgent demand for water and other resources. The Ministry of Environment (MOENV) has been endeavoring to transform its water management strategy in recent years, shifting from traditional "end-of-pipe pollution treatment" to a "resource circulation" approach to wastewater management and processing. This shift has led to upgrades in water management across four major areas: energy recovery, resource recovery, smart technology, and hazard reduction. It is hoped that the exchanges between Taiwan and the United States, as well as with various sectors in Taiwan, will lay a solid foundation for Taiwan's future water governance and treatment policies.

During the forum, U.S. Environmental Protection Agency personnel Cissy Ma, a senior research engineer, and Heather Strathearn, an engineer, presented the circular water economy (CWE) policies followed in the United States. Since the implementation of Clean Water Act (CWA), nearly 40% of the more than 16,000 publicly operated wastewater treatment plants now have advanced treatment capabilities. To improve the reuse of water, the U.S. launched the *"Water Reuse Action Plan 2.0 (WRAP 2.0),"* which includes 27 new initiatives to recover energy, carbon, nutrients, and reclaimed water. This aligns with Taiwan's approach and is a key reason for deepening cooperation between Taiwan and the U.S.

In related areas, Taiwan's industry-academia-research teams shared promising water purification technologies and application examples, including:

I. **Ammonia nitrogen recovery technology:** A thin-film capacitive enrichment system can increase the concentration of ammonia nitrogen in wastewater by 7.3 times, significantly improving the efficiency of recovery. When connected to an ammonia nitrogen stripping and recovery system in a pilot plant, it was found that the pilot-scale system achieved an ammonia nitrogen removal rate of over 99%. This resource recovery plant uses ammonia nitrogen stripping and evaporation crystallization technology to produce over 730 metric tons of industrial-grade ammonium chloride every year.

II. **Copper ion recovery technology:** Secondary micro-electrolysis and an AI-enabled dosing technique are used in several circuit board factories to keep the copper ion concentration in wastewater below 0.2 mg/L, improving the water quality of the receiving water body. The recovery of copper and savings in chemical use and sludge treatment costs result in approximately NT$68 million of benefits every year.

III. **Phosphate recovery technology:** Phosphoric acid can be concentrated from 0.2% to over 60% for recovery. Compared with traditional chemical precipitation, this method can be used to recover phosphorus resources, while reducing operating costs by about 50% and CO_2 emissions by 62%.

IV. **Aeration system optimization technology:** The introduction of high-efficiency aerators alleviates the clogging of sludge and reduces power consumption by 15.7%.

In line with international trends in circular economy and sustainable transformation, the MOENV emphasized that recovering valuable substances in wastewater from industrial processes and recycling water resources have become an important direction for pollution prevention and resource circulation. The MOENV aims to adopt a three-pronged "regulation-driven, technology-guided, and economic incentive" strategy to accelerate the application of cutting-edge technologies, hoping to encourage greater participation from industry, government, academia, and research institutions, create new value from the water resource circulation, and move towards the goal of net-zero sustainability.



Attendees of the "Water Sustainability - Taiwan-US Resource Circulation Technology Exchange Forum"

10. Ministry of Environment and Financial Supervisory Commission Collaborate on "Five Aspects of Sustainability Cooperation" to Give Practical Help to Enterprises with Transitioning to Sustainability

In an effort to reduce reporting burdens on enterprises and adapt to the trend of simplifying implementation of the EU Omnibus I sustainability simplification package, the Ministry of Environment (MOENV) and the Financial Supervisory Commission (FSC) initiated inter-ministerial consultations to promote "five aspects of sustainability cooperation", while maintaining Taiwan's national sustainability goals. By harmonizing greenhouse gas inventory requirements, developing local carbon emission factors, and setting anti-greenwashing guidelines, the government will help companies reduce the costs of substantive emissions-reduction actions. This will allow resources to be allotted toward real carbon reduction actions and help consolidate the sustainable competitiveness of Taiwan's capital market.

The five aspects of sustainability cooperation are as follows:

I. **The principle of proportionality is adopted to only balance information quality with reduced compliance burdens:** With the practices of major international markets in mind, the scope of application for the third phase of mandatory disclosure of sustainability related data will be adjusted to include businesses with paid-in capital of NT$2 billion or more, as well as businesses subject to mandatory GHG inventory registration and verification under MOENV rules. The number of companies subject to the mandatory disclosure requirements has been reduced from 1,970 to approximately 560 (a decrease of about 70%), but this still covers more than 87% of the market capitalization of all listed companies and about 96% of the carbon emissions. For smaller listed companies in Phase 3, Scope 3 disclosure will be voluntary, with exemptions from disclosing information, other than climate-related information, for the first two years. This allows companies to focus their resources on the most effective carbon reduction actions.

II. **GHG inventory and assurance requirements are harmonized to ensure "a single input eliminates repetitive work":** A conversion module has been added to the MOENV's "Mandatory Greenhouse Gas Reporting System" to address the issue of repetitive calculations and verifications for businesses. Businesses will only need to input data once, and the system will automatically convert and generate two sets of data based on the different Global Warming Potential (GWP) values used by the MOENV (AR5) and the FSC (AR6). In addition, the FSC will allow listed companies to directly cite the GHG inventory results of businesses regulated by the MOENV, and accountants may also accept reports of the MOENV's verification bodies for assurance purposes. Detailed harmonization arrangements are under discussion, with the aim of thoroughly reducing multiple audits, the redundant work for enterprises, and the costs thereof.

III. **The domestic carbon footprint database is expanded to address Scope 3 carbon concerns:** To address difficulties reported by companies in obtaining Scope 3 data, the MOENV continues to continue interagency collaboration to develop local carbon-footprint emission factors for "semiconductor" and "electronics manufacturing", which have a high export share, as the highest priority. The database now identifies factors applicable to Scope 3 accounting in the MOENV's carbon footprint database and will be reviewed annually, and at least 100 local factors will be reviewed and newly added each year to provide companies with more locally representative and credible data sources.

IV. **Guidelines against greenwashing are published to safeguard the integrity of the capital market:** Based on international standards, the MOENV will focus on corporate sustainability claims and external communications to prevent inappropriate use of sustainability awards of sustainability awards or exaggeration of partial performance. The ministry is to hold a corporate seminar in October 2026, while the "Guidelines for Anti-Greenwashing of Enterprises that Use Sustainability Awards and Sustainability Labels" are due to be released at the end of December 2026. The guidelines adhere to the principles of truthfulness, validity, appropriateness of scope, and avoiding vague or ambiguous claims, and provide self-assessment tools to help companies establish credible sustainability declarations.

V. **ESG (environmental, social, governance) assessment and incentives are integrated to guide investment toward tangible environmental benefits:** The MOENV aims to guide enterprises to further translate their sustainability investments into concrete environmental benefits and, therefore, encourages enterprises to engage in substantive actions such as urban and national greening initiatives, environmental education, reducing food waste, and green procurement. The MOENV will work with relevant agencies to develop practical disclosure guidelines and work to include the above-mentioned actions in the FSC's ESG assessment bonus items, thereby providing tangible incentives for companies to implement environmentally friendly practices.

The MOENV emphasized that the sustainable development goals and the 2050 net-zero emission pathway remain unchanged. The policy simplifies reporting procedures and reduces compliance burdens without weakening Taiwan's commitment to emissions reduction, without compromising the determination to reduce carbon emissions. MOENV will continue to improve the underlying GHG inventory framework and work closely with the FSC to help companies through a smooth transition to sustainability.



Minister Peng Chi-Ming (third from left) and other officials at the MOENV-FSC meeting on sustainability reporting.



Minister Peng (left) and Chairman Peng Jin-Lung of the Financial Supervisory Commission (right)

11. Taiwan Deepens International Green-Label Cooperation Through Two Tracks, Supporting ICT Access to Global Sustainable Procurement Markets

On 30 September 2026 the Ministry of Environment (MOENV) held the "International Cooperation and Exchange Forum and Green Mark Signing Ceremony" to help industries in Taiwan reduce green trade barriers and seize global green procurement opportunities. Witnessed by Minister of Environment Peng Chi-Ming, the *"Mutual Recognition Agreement (MRA) for Green Marks"* between Japan and Taiwan was officially signed with the Japan Environment Association (JEA), and the "Memorandum of Understanding (MOU) for Cooperation on the Green Mark Program and the Electronic Product Environmental Assessment Tool (EPEAT) Program" was signed with the Global Electronics Council (GEC), signifying that Taiwan's green verification mechanism has been further aligned with international green procurement and verification systems.

MOENV Minister Peng Chi-ming stated that in recent years Taiwan's private enterprises have shown particularly strong momentum in green purchasing, setting a record with the amount of private green procurement recently exceeding NT$100 billion for the first time. For leading technology companies such as TSMC, about 80% of the reported green procurement value comes from products carrying the Green Mark, ENERGY STAR,

or EPEAT labels, covering information equipment such as laptops, monitors and computers. This indicates that Taiwan's industry has a strong and substantial demand for green-labelled products, and the cooperation responds to industry demand for greater international alignment.

There are three highlights to the recently formalized international collaboration:

I. **Highlight 1— “Breakthrough”: the cooperation between Japan and Taiwan has entered substantive mutual recognition, which reduces certification costs and time to market.**

   The "Mutual Recognition Agreement (MRA) for Green Marks" officially signed by Taiwan and Japan will substantially facilitate verification procedures. The first wave of mutual recognition will target major exports from Taiwan, including imaging equipment (printers, scanners) and information products (PCs, laptops, monitors). The verification results for jointly recognized test items will be accepted by both sides, thus allowing for "one set of verification results recognized across participating schemes". This will significantly reduce cross-border verification costs and time to market for products.

II. **Highlight 2— “Linkage”: The EPEAT MOU was signed to help information and communications technology (ICT) supply chains meet major international environmental, social and governance (ESG) procurement criteria.**

   A cooperation MOU was signed with the Global Electronics Council (GEC) on institutional alignment and green procurement with green and sustainable electronic products at the core. EPEAT is one of the important reference systems for green procurement. This cooperation will help the domestic ICT supply chain to stay on top of the latest international carbon footprint and circular design requirements and seize the opportunity to connect with large global ESG procurement orders.

III. **Highlight 3— “Services”: Taiwan’s Environment and Development Foundation (EDF) is designated as the single point of contact, allowing applicants in Taiwan to directly connect with international partners.**

   The EDF has been designated as the designated one-stop contact point for international eco-label and sustainability label programs. Businesses no longer need to deal with complicated cross-border communication and repetitive testing in different locations. In other words, one-stop technical consultation is provided through the EDF, providing one-stop technical consultation and helping Taiwanese businesses prepare applications and connect with relevant international labeling schemes.

The MOENV stated that the forum was attended by representatives from the JEA and GEC, while experts from five countries, including Sweden (TCO), Singapore (SEC), and Thailand (TEI), participated in in-depth discussions via video teleconferencing. In the afternoon, an "International Eco-Label Application Exchange Session" was arranged to provide practical guidance to domestic businesses in their efforts to expand into overseas markets, making Taiwan's Green Mark an important bridge to international green

markets.

The MOENV emphasized that this event demonstrates a substantial breakthrough as Taiwan's Green Mark is becoming internationally recognized. The MOENV will continue to deepen its cooperation with eco-labeling organizations in other countries, help Taiwanese companies reduce the costs of cross-border verification and enable Taiwan's high-quality green products to play a greater role in the global sustainable supply chain.



Officials at the "International Cooperation and Exchange Forum and Green Mark Signing Ceremony"



Minister Peng Chi-ming delivers his keynote address at the “International Cooperation and Exchange Forum and Green Mark Signing Ceremony”.



The MOENV signs a mutual recognition agreement for Green Marks with the JEA, witnessed by Minister Peng.



The MOENV signs an MOU on Cooperation on the Green Mark Program and the EPEAT Program with the GEC, witnessed by Minister Peng.