

Changes Of International Economic Law Based On The Environment Of Low Carbon Economy

Lei Wang

Guizhou Guida Law Firm, Guiyang City, Guizhou Province, 550000, China

Keywords: Low-Carbon Economic Environment; International Economic Law; Economic And Trading Environment; Relationship; International Tax Laws; Impact

Abstract: As a new kind of economic form, low carbon economy is characterized with many prominent advantages of low energy consumption, less pollution and emission with high-efficient development of energy and utilization in place, which has lead to its popularity among various industries for development. This paper holds the discussion on the practical changes of international economic law based on the low carbon economy against the background of economic globalization and analyzes the relationship between international trade law and the trading environment of low-carbon economy, the real impact of low-carbon economy on international tax laws is taken into consideration.

Against the background of the continuous growth of the global economy, environmental problems caused by the utilization of energy use have become increasingly prominent. Correspondingly, "Low-Carbon Economy" emerges in response to such condition, which will also arouse more issues related to international economy and laws and thus attracting wide attention of the international legal community. In the process of in-depth study of low-carbon economic environment, it is necessary to deeply understand the influence and change of international economic law based on low-carbon economic environment[1].

1. "Low-Carbon Economy"

"Low Carbon Economy" is derived from the concept of sustainable development, which is capable of reducing the high consumption of non-renewable energy of our country in the current stage mainly by institutional innovation, technological innovation, industrial transformation and development of new energy and other means. Besides, greenhouse gas emissions will be reduced by the development of low carbon economy to ensure that the current economic and social development and ecological environmental protection will reach the economic development status with win-win scenario[2].

"Low-Carbon Economy" itself is characterized with low pollution, low energy consumption and low emissions, and the nature of economic model and function is clear-cut, that is, the reasonable and efficient use of energy, the in-depth development of clean energy with the purpose to achieve the goal of green GDP. The industrial structure will be optimized in a innovative manner based on energy technology and emission reduction technology so as to ensure the fundamental transformation of development concept of human beings[3]. In general, the emergence of low carbon economy is effective in response to the changes of current social environment, climate, energy and other aspects. Besides, low carbon economy is closely connected to the **International Economic Law**, which put forward the higher requirements on the **International Economic Law** with the hope to timely change relevant law in order to pursue the rapid development pace of current low carbon economy[4].

2. Changes of the International Trade Law based on the environment of "Low-Carbon Economy"

International Trade Law is an important part of international economic law, which has undergone changes in the context of "low-carbon economy".

2.1 The basic situation of the development of low-carbon international economy and trade

In order to effectively alleviate the change of living environment of human beings caused by climate change, the new low-carbon economy has been completely formed, which indicates that the current economic environment and low-carbon environment have been integrated, and the two factors are coexisted. In the International trade environment, the **International Trade Law** and relevant policies are constantly introduced, such as carbon label, carbon footprint and so on, which have become important standards for the measurement of new **International Trade Law**. Correspondingly, the International Trade Law is made with changes in the new situation, such as carbon labels is increasingly attracting the attention of consumers, which belongs to a new type of labeling method. Analysis is conducted based on the expected amount of carbon emission contained in the products in the life period, that is, as the carbon footprint is larger, more carbon dioxide will be discharged by the product in the consumption cycle. Considering the severe issues of current global warming, many consumers begin to attach importance to carbon labels, hoping to pursue low-carbon economic and environmental development in carbon labels. In many European and American countries, relevant laws and regulations based on the **International Trade Law** have been rolled out. Taking Britain for example, since 2007 the UK's largest supermarket TESCO followed the relevant laws and regulations of the International Trade Law and required that all products in the supermarket must be labeled with information on carbon emission, hoping that customers can cultivate good sense of environmental protection. At present, other developed countries are positively promoting carbon label including France, Germany, Italy, the United States, Canada, Japan, South Korea in response to the pace of changes in the International Trade Law based on the impact of low-carbon economy[5].

2.2 The conflict of liberalization of the development of low carbon based international trade and economy

The impact and changes of the **International Trade Law** based on international low-carbon economy is also reflected in the conflict of trade liberalization. As is known to all, against the background of economic globalization, the free trade among countries is frequent and non-discrimination principle is universally adopted by the countries. However, low carbon economy has exerted prominent influence to the International Trade Law as the new rules have slowed the process of free trade and carbon labels become new barriers of low carbon trade and economy, which directly influenced the non-tariff trade policies and exert great influence to the production of products and supply as well as the international trade relations. Considering that developing countries fail to possess the advanced technology to accurately measure carbon footprints, they are forced to buy the low-carbon technologies of developed countries in the process of the international trade, thus losing the cost advantage in industrial production. This also shows that the monopoly of developed countries on low-carbon economy and technology is very obvious, which seriously damages the freedom of international trade, and show serious discrimination against developing countries.

With the promulgation of **Kyoto Protocol, the United Nations Convention on Climate Change**, the developing countries also wish to display their capabilities in the relatively free international trade, such as China began to provide processing for primary products for developed countries, while bear carbon tariffs for developed countries and independently confront the non-tariff trade barriers, so the influence of low carbon economy environment on international trade of developing countries is more apparent[6].

3. The changes of the International International Law based on “Low-Carbon Economy”

The impact of the development of low-carbon economy on the **International Investment Law** is clear-cut. Taking China as an example, the low-carbon economy brings a large number of foreign-funded enterprises, which directly destroys China's domestic production environment, most of the enterprises are trade processing enterprises. As a world class trading power, China pays

special attention to the development of export-oriented economy since the reform and opening up. Therefore, economic benefits can be gained at the expense of the environment inevitably, and regulatory measures on various carbon emission are developed in China, such as carbon emissions trading policy, carbon tax policy, rectification and containment policy for energy-intensive enterprises[7].

In fact, the change of the **International Investment Law** based on low-carbon economy environment is mainly reflected in the following three aspects: Firstly, it prevents a large number of enterprises with high carbon emission from developed countries to China, and strictly prohibits the transfer of carbon pollution. Secondly, it encourages and supports clean energy, especially the introduction of enterprises producing new energy and low-carbon material. Thirdly, it is made with the hopes to pursue the application of new and high energy technologies and to alleviate the environmental pressures brought about by economic problems in the country. After the reform and opening up and reform in low carbon economy and trade policy in our country, the **International Investment Law** will inevitably be affected by severe low carbon economy, it encourages foreign investment in geology to transfer internal carbon pollution, which leads to obvious impact on China's extensive economic growth mode. **The International Investment Law** completely eliminates the problems of carbon pollution and carbon emissions in the international trade, which exerts prominent alleviation effect on the imbalance of domestic industries

As for capital exporting countries, low-carbon economy has a greater impact on the **International Investment Law**. As a matter of fact, the method of law + moral restriction is adopted in the law to ensure that countries should constrain each other through multilateral treaties for implementation of green trade and investment. As far as developing countries are concerned, China is no longer the main target country of carbon pollution emission of developed countries[8].

4. The changes of the International Finance Law based on the environment of “Low-Carbon Economy”

The change of the **International Financial Law** based on environment of low carbon economy is carried out in accordance with **Kyoto Protocol**, which explicitly proposes three market mechanisms for carbon emissions trading, including the international emissions trading, it refers to the use of organizations, the joint mechanism between developed countries to reduce emissions, and achieve clean development of carbon emission. In the **International Finance Law**, the low-carbon economic environment is reflected in the comprehensive optimization of emission reduction technologies and emission reduction processes with hopes to clarify the responsibilities of different countries in the process of greenhouse gas trading and deeply explain the gradual prosperity of the international carbon financial market to ensure the effective improvement of various legal and normative systems.

In the norms of the **International Financial Law**, the trading subjects of international carbon emission can be generally divided into two categories: One is based on project trading or quota trading, which refers to a comprehensive mechanism of allocating and purchasing and selling carbon emission. Taking the European Union System as an example, as early as 2005, countries of the European Union had enabled all the carbon emissions trading scheme that made deep analysis on relevant legal mechanism of impact of allocation of carbon emission of UN countries on emission rights and remaining carbon emission of enterprises. The process of low carbon economy is guided based on the International Finance Law and the relevant contents are improved. Besides, the **International Finance Law** effectively expounds the trading environment of low carbon economy. Driven by low carbon economy, the investment direction of international finance is transformed to clean energy. The investment of international finance under new economic system highlights the adjustment process of environment of low carbon economy. In light of banks, the **International Finance Law** is backed from them to roll out new derivatives of low carbon economy, such as carbon fund, carbon securities and carbon futures, etc. These products can expand the current low-carbon economic market, and banks can assume the responsibility of allocation and constraint of credit funds of carbon economy, so as to ensure that carbon fund traders bear their own

financial value, and corresponding legal problems will also become increasingly prominent[9].

5. The change of the International Tax Law based on environment of “Low-Carbon Economy”

The global economic era brings about the transformation of national economy, among which the transformation of low-carbon economy is what most countries expect. The transformation of low-carbon economy has an inevitable impact on the **International Tax Law**. For developed countries, their demand for petrochemical energy may decrease in the process of developing low-carbon economy. Therefore, petrochemical enterprises will analyze and adopt various policies on low-carbon economy and energy-saving emission reduction, and roll out various tax laws and policies. For example, taxation, subsidies and so on directly affect the national tax. From the perspective of **International Tax Law**, it is necessary to adjust the issue of transnational taxation. At the same time, the pricing mechanism of low-carbon emission is clarified to comprehensively coordinate carbon energy, carbon emission and energy with the purpose to establish new tax for low carbon emission and clarify new tax rate.

In terms of carbon tariffs, the changes caused by low-carbon economic environment to carbon tariffs is prominent. The production of carbon-intensive products is inhibited by improving the carbon emission of intensive enterprises, thus achieving low carbon emission reduction and effectively curbing global warming. In China, carbon tariff is promoted based on the joint role of the **International Economic Law** and **International Conventions**. Besides, the carrier of international economy is broken down based on carbon tariff to effectively develop the exporting economy of developing countries. In this process, the export competitiveness of low-carbon products of developing countries and developed countries is expected to be improved and changed through the **International Tax Laws**, especially the export economy of developing countries is more expected to be promoted. At present, considering that the low-carbon economy is still in initial development period in China, the enforce-ability of tax law has not reached the ideal intensity[10].

Conclusion

In the era of carbon economy, the development of low-carbon economy has become the trend of the times, and its impact on various economic laws in the world is quite enormous and cannot be ignored. This paper is conducted with research on the impact and necessity of low-carbon economic environment on different international economic laws and regulations respectively, hoping that all countries in the world will spare no effort in the process of pursuing public economy, environmental protection and optimization and stability of world economic system so as to ensure the development of low-carbon economic environment is well achieved.

References

- [1] Wang Yuxuan. Reform of the International Economic Law under the influence of low-carbon economy[J]. Workers Law World, 2018(4):11.
- [2] Su Xinfang. Reflections on economic law in the development of China's low-carbon Economy[J]. Caixun, 2017 (3): 8.
- [3] Huang Guangqiu, Xu Cong. Research on sustainable development and policy simulation of energy industry from the perspective of low-carbon economy[J]. Coal Engineering, 202, 52 (5): 187-193.
- [4] Yan Jun, Xu Hao, Huang Wanqi. Research on the evaluation of development of low carbon economy in Zhenjiang city [J]. China Collective Economy, 2020(20):21-22.
- [5] Han Qilu. Environmental protection and analysis of development of China's low-carbon economy[J]. Environment and Development, 2020, 32(6):219,221.

- [6]Huang Yifeng. Opportunities of new energy transformation in China's electric power industry under low-carbon economy[J].Technology Wind,2020(20):148.
- [7]Zhang Lan.Deployment of financial strategy of enterprises under the concept of low-carbon economy [J].Low Carbon World, 2020,10(7):213,215.
- [8]Hu Luya.Analysis on low carbonization in international trade supply chain [J].Fujian Quality Management,2020(12):156-157.
- [9]Luo Rui. New development of international trade under low carbon economy[J]. China Business & Trade,2020(2):75-76.
- [10]Guo Yujiang. Analysis on the impact of low carbon economy on international trade rules and China's countermeasures[J].Market Modernization,2020(8):73-74.