

Asia's Economic Crossroads: Climate Shocks, EV Surge, and Green Growth in

Environmental Economics · Practice Test · 20 Questions

1. Which Southeast Asian country has seen a significant surge in electric vehicle (EV) sales in March 2026, more than doubling from February, amid rising oil prices?

- A) Vietnam
- B) Thailand
- C) The Philippines
- D) Indonesia

2. What is a major concern for India's agriculture sector due to climate change, as highlighted in early 2026 reports?

- A) Excessive fertilizer use
- B) Water scarcity due to erratic monsoons
- C) Over-reliance on imported seeds
- D) Decreased demand for rice and wheat

3. Which East Asian nation is investing heavily in a "Green Transformation" (GX) strategy, aiming to align climate policy with industrial growth and spurring over \$1 trillion in investments over the next decade?

- A) South Korea
- B) Taiwan
- C) Japan
- D) China

4. Southeast Asian agricultural exporters are rethinking strategies due to US tariffs and climate shocks. What is one of the proposed shifts for resilience?

- A) Increasing reliance on single-crop exports
- B) Focusing solely on domestic markets
- C) Moving from bulk commodity exports to higher-value, branded, and processed products
- D) Reducing investment in agricultural technology

5. What is a key challenge for Vietnam's renewable energy expansion, despite its rapid growth?

- A) Lack of international investment
- B) Insufficient solar irradiance
- C) Transmission bottlenecks and slow grid reinforcement
- D) Over-supply of fossil fuels

6. Indonesia is strengthening its palm oil industry through sustainability certification. What is the aim of the mandatory Indonesian Sustainable Palm Oil (ISPO) certification for downstream businesses by 2027?

- A) To reduce palm oil production volume
- B) To boost the sector's global competitiveness and enhance sustainability governance
- C) To shift focus entirely to palm kernel oil
- D) To restrict exports to neighboring countries

7. What factor is accelerating the shift towards electric vehicles (EVs) in Southeast Asia as of May 2026, alongside climate commitments?

- A) Government subsidies for gasoline vehicles
- B) Falling battery production costs
- C) Surging global oil prices due to geopolitical conflicts
- D) Increased availability of public charging infrastructure

8. Which of the following is a major environmental challenge in Southeast Asia that is leading to overflowing landfills and health risks, prompting calls for a ban on single-use plastics?

- A) Deforestation
- B) Plastic pollution
- C) Desertification
- D) Air pollution

9. According to a UN report in early 2026, what is a significant trend in the Asia-Pacific region concerning Sustainable Development Goals (SDGs)?

- A) The region is on track to meet nearly all SDGs by 2030
- B) Notable progress in reducing greenhouse gas emissions
- C) The region is set to miss nearly nine out of ten measurable SDG targets by 2030
- D) Biodiversity loss has significantly decreased

10. How are carbon pricing systems in Asia, such as those in Japan and South Korea, intended to drive decarbonization efforts?

- A) By providing free carbon credits to industries
- B) By establishing a price signal for emissions to encourage reductions
- C) By solely focusing on international carbon trading
- D) By removing all environmental regulations

11. What is the primary goal of Indonesia's revised export levy rates on palm oil products implemented in March 2026?

- A) To increase the volume of raw palm oil exports
- B) To reinforce domestic demand through the mandatory biodiesel program and support energy self-sufficiency
- C) To discourage foreign investment in the palm oil sector
- D) To shift production entirely to biofuels

12. Which Asian nation is a global leader in EV production and price competitiveness, with a significant portion of its electric models priced below \$25,000 by early 2026?

- A) India
- B) South Korea
- C) Japan
- D) China

13. What is a key economic consequence of water scarcity in India, as reported in April 2026?

- A) Increased agricultural exports
- B) Decreased food inflation
- C) Threats to agricultural GDP growth and potential for higher food inflation
- D) Reduced reliance on groundwater

14. The Asian Development Bank (ADB) unveiled a new financing mechanism in April 2026 called the Rapid Resource Reprogramming and Deployment Option (3RDO). What is its purpose for developing member countries in Asia?

- A) To fund new fossil fuel exploration projects
- B) To provide emergency financing for rapid response to crises
- C) To subsidize the export of agricultural goods
- D) To invest in traditional infrastructure projects

15. What is a major driver for the growth of the eco-packaging industry in Southeast Asia, with governments implementing policies like plastic import bans and Extended Producer Responsibility (EPR) programs?

- A) Decreasing consumer demand for sustainable products
- B) Abundance of cheap, single-use plastic alternatives
- C) Regulatory frameworks and government initiatives
- D) Limited availability of eco-friendly materials

16. How is Japan's "Green Transformation" (GX) strategy different from previous approaches to sustainability?

- A) It focuses solely on government-led regulations and subsidies
- B) It prioritizes market-led competitiveness and private-sector innovation linking environmental goals with industrial growth
- C) It promotes increased reliance on fossil fuels for economic stability
- D) It discourages international cooperation on environmental issues

17. What is the main reason cited for the accelerated shift towards renewable energy and nuclear power in Southeast Asia as of April 2026?

- A) A decrease in global financing costs for green projects
- B) Disruptions in oil supplies due to geopolitical conflicts
- C) A sudden drop in demand for electricity
- D) Abundant domestic reserves of fossil fuels

18. Which of the following accurately describes the impact of the EU's Carbon Border Adjustment Mechanism (CBAM) on Asian exporters, according to reports in early 2026?

- A) It has a significant overall impact that severely damages all Asian exports
- B) Its impact is limited and decreases with the implementation of effective domestic carbon pricing systems
- C) It only affects agricultural exports from Asia
- D) It incentivizes Asian countries to increase their carbon emissions

19. What is a projected outcome for East Asia and the Pacific by 2050 under high-emissions scenarios, as warned by the World Bank?

- A) A significant increase in economic output by up to 20%
- B) No discernible impact on economic output
- C) A reduction in economic output by up to 20%
- D) A shift towards increased reliance on fossil fuels

20. What initiative is Japan pursuing to strengthen cooperation with the Global South and contribute to international environmental rules, such as a treaty to address plastic pollution?

- A) The Trans-Pacific Partnership (TPP)
- B) The Asia Zero Emission Community (AZEC) initiative
- C) The Belt and Road Initiative (BRI)
- D) The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)