

# **THE CARBON EMISSION CONSCIOUS MANUFACTURER**

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## **ABSTRACT**

This paper investigates the carbon emission conscious manufacture's decisions on production quantity and its effect. This paper integrates carbon emission cost to the traditional economic production quantity (epq) model and checks the new decisions of manufacturers, who are under carbon tax mechanism or carbon cap-and-trade mechanism, the most adopted ways to reduce carbon emission. The results provides insight to manufacturers under different carbon reduction mechanisms.