

# **Business and eco-social tax reform**

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# My background

- **chemist & economist – not fiscal expert**
- **20 years in global chemical company**
- **now advisor for sustainable energy, business strategy & innovation**
- **aware of ecotax reform since 1987**

# Energy strategy drivers

- **Climate Distortion** - since 1896 Arrhenius
- **Peak Oil** - since 1956 Hubbert
- **EU common energy policy**
- **UN Millennium Development Goals**  
“energy poverty”
- **Limits to Growth – need to innovate**

# What is CSR ?

- **originally Corporate Social Responsibility**
  - social + ecological & human rights -> sustainability
  - all issues relevant for “license to operate”
- **recognises stakeholders – beyond shareholders**
  - NGOs, neighbours, global labour & human rights, ...
  - including governments -> **lobby for instruments**
- **communication and PR key in media society**
  - annual reporting, success stories
  - satisfy shareholders, customers, recruits & employees

# Eco & social tax reform

- **must create a high level playing field**
  - price for carbon creates inter-industry competition
  - eliminates false benefit for polluters
- **must help reward carbon efficiency**
  - better than regulations or additional
  - small part of revenue for R & D
- **must help reduce overheads**
  - controller is the new environmental manager
  - **revenue neutrality** makes labour cheaper
  - less other taxes needed

# Which industries can be ETR-allies ?

- **suppliers energy efficient appliances, products and services , electric, rail & water transport**
- **suppliers alternatives: solar & wind**
- **“victims” of ETS emission trade ?**

# How to win allies for ETR

- **tell facts on revenue neutral options**
- **rally self-interested companies**
- **mention success stories and bad alternatives**
- **have priorities, urgency and “patience”**

# For breakthrough – ETR enough ??





# And ... join public debate !

- when business CEOs say “we will voluntarily do what is necessary”
- when companies say that taxes are always bad
- when politicians say “taxes cannot be green”
- when lip service is paid to precautionary action

**WE NEED TO ACTIVATE THE PRICE MECHANISM**

# Contact

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