

Hedegaard calls for EU energy taxes

European climate action commissioner Connie Hedegaard has called for a "paradigm shift" from income to energy taxes.

The Danish commissioner told a Lisbon Council discussion on the low-carbon economy that policymakers should "tax more what we burn and less what we earn".

She said that the difficult economic times meant that EU member states were "considering how to find more intelligent ways to finance the budget". "Everybody can see that we should tax resources more and labour less," she told participants at the event in Brussels on Thursday.

Hedegaard dismissed claims that tackling climate change would result in "carbon leakage", when jobs are lost due to high carbon costs, and called on businesses to make the most of the employment opportunities presented by the green economy.

Europe must also embrace new technology if it is to remain competitive in the globalised economy, she argued, insisting that ambitious carbon-reduction targets and innovative growth "can lead to job creation".

She added, "It is clear to see that in an area where Europe used to be the undisputed front runner our leadership is being challenged. It is very important for our economy to be the frontrunner."

Jules Kortenhorst, CEO of the European Climate Foundation, called on the international community to "keep up" with the efforts being made to tackle climate change at local level.

"Europe is still defending its leadership position but developing countries are very much stepping up to the leadership plate as well," he said.

Kortenhorst spoke of a change in approach "from how to solve the problem to how to capture the opportunity" of the low-carbon economy.

"The competitiveness of the European economy will surely be defined by the role we can play in the low carbon economy," he added.

Harry Verhaar, senior director for energy and climate change at Philips, said Europe must now "increase the momentum" on reducing emissions.

"If you want to go fast, you go alone. If you want to go far, you go together," he said.