
Future carbon tax must not hurt French industry - Mr Sarkozy

Thursday, 07 Jan, 2010

Bloomberg quoted Mr Nicolas Sarkozy President of France as saying that it planned carbon emissions tax must not create a competitive burden for French industry, including steel and electricity producers.

Mr Sarkozy said that "I must find a balance. I don't plan to help France's competitors, which would mean that no more steel would be produced in France tomorrow, and would be produced in China instead."

The French government is rewriting Sarkozy's bill for a levy on carbon emissions after the constitutional court rejected the first text on December 29th 2009, saying exemptions for electricity companies and industrial users violated rules on equal treatment and undermined efforts to cut carbon emissions.

Mr Sarkozy said that he wanted the measure to become Europe wide. The levy must be introduced at European Union borders and applied to imports from countries that don't raise environmental standards.

The EU already imposes carbon dioxide emission quotas on the region's largest utilities and factories and requires those exceeding their limits to buy credits.

Mr Jean Louis Borloo environment and energy minister is scheduled to present the revised text on January 20th 2010. The bill may extend the tax to industry after the original focused on private consumers and small companies.

(Sourced from www.bloomberg.net)

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