

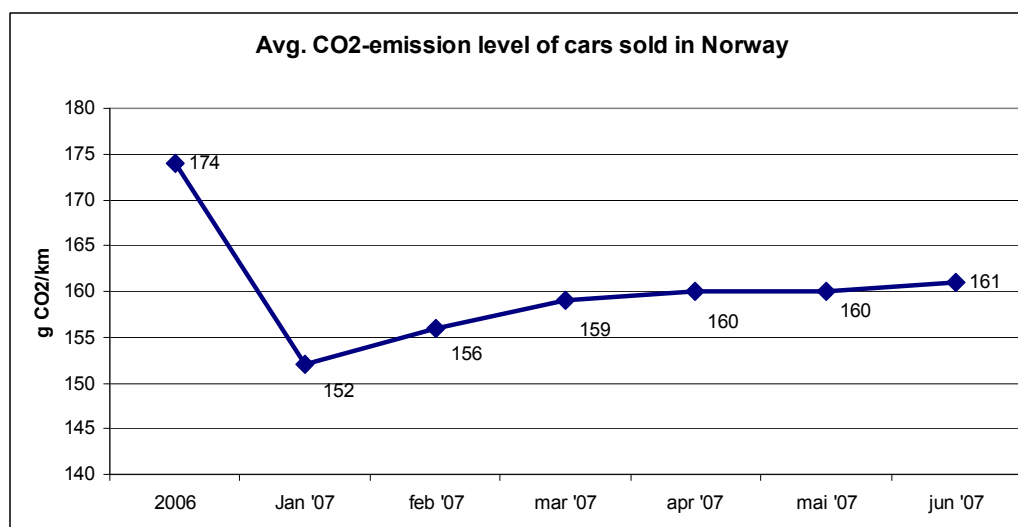


Reply to COM(2007) 140 Final: Green Paper on market-based instruments for environment and related policy purposes. From Framtiden i våre hender (Future in our hands), Norway

Chapter 2.2:

Areas and options for further use of market-based instruments (MBI)

- Transport: We would like to see further and intensified use of MBIs to lower emission levels for new cars and to reduce emissions and congestion via congestion charging. In this respect we want to draw attention to the preliminary experiences of the Norwegian car taxation reform initiated in the 2007 national budget. Here, one of the three traditional taxation criteria, namely cylinder volume, was replaced by CO₂-emission levels. After a brief period of taxation adaptation before and after the change at 01.01.2007, the outcome seems to be a drop in average CO₂ emission levels from 174 g/km in 2006 (similar to the emission levels in previous years also) to 160 g/km in 2007 (8 % drop from one year to the next). See figure below¹:



We hope the government will continue this reform by making taxation levels even more progressive in the next budget, to stimulate further changes in the market.

¹ Source: OFV 2007: Bilsalget økte med 24,1 % første halvår 2007
<http://www.ofv.no/Default.asp?id=1787>



How to promote competitiveness, whilst protecting (low-income) consumers:

- We believe promoting efficiency, including energy-efficiency, is one of the most important ways to promote competitiveness.
- Citizens with a high income generally consume more electricity, gas/oil and transport than citizens with low incomes. Taxing energy use – and using the revenue for social purposes – is a useful tool to redistribute wealth.

Chapter 2.3:

Actively pursue taxation?

- The correct level and composition of different taxation is an effective way to send market signals, and unleash innovation.

Actively promote environmental tax reforms at national level?

- We recommend that the EU does so.
- We recommend that the EU offers a co-ordination process or procedure to facilitate member states coming together in working on environmental tax reforms.
- We believe environmental tax reforms would promote innovation and R&D in general (as these are highly dependant on labour) and in the direction of a greener economy in particular. We would like to see more work done on shifting the tax burden away from what you want more of (jobs) and over to what we want less of (pollution and inefficient resource use).

Chapter 4.1:

Infrastructure charging

- We recommend that infrastructure charging is split according to environmental performance, so that more polluting infrastructure users are charged more than users with a high level of environmental efficiency / performance.

Best regards, Framtiden i våre hender

Mekonnen Germiso (sign)