



AUSTRALIAN CHAMBER OF  
COMMERCE AND INDUSTRY

# MEDIA RELEASE

Tuesday 18 August 2009

## **BORDER TAXES – PUNITIVE TARIFFS AND THE ETS**

Statement by Mr Greg Evans, Acting Chief Executive

The Australian Chamber of Commerce and Industry, Australia's largest and most representative business organisation, has consistently expressed its concern that the absence of an international climate agreement, especially between developing and developed countries, could trigger the spread of border taxes imposed on countries that do not adopt emission reduction targets.

The world must avoid the eruption of ad hoc, protectionist border carbon taxes. To achieve this, the eventual Australian Emissions Trading Scheme needs to ensure it is aligned with the timing, coverage and operation of international responses including that of the USA and the EU.

There has been some debate within the European Union, and also the USA, canvassing the possibility of introducing a carbon border tax as a means of penalising those countries who do not participate in an ETS or similar mechanism.

Disturbingly academic work published in the EU has suggested that such carbon taxes may even be consistent with WTO rules

Such an outcome would have serious global economic implications and must be avoided. A carbon border tax would also encourage protectionism under the cover of environmental benefit and at worst lead to a damaging trade disputes which would set back the free trade agenda advanced by countries such as Australia.

For further information:

Greg Evans	Acting Chief Executive	02 6273 2311 / 0407 204 559
Brett Hogan	Director of Communications	03 9668 9950 / 0407 273 884

*ACCI represents over 350,000 businesses in every State and Territory and all industries. Our network employs around 4 million employees, ranging from the top 100 companies to many thousands of small and medium businesses.*

[www.acci.asn.au](http://www.acci.asn.au)

MR 099/09

**LEADING AUSTRALIAN BUSINESSES**