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Friends of the Earth

Media Briefing

Budget 2008 and Climate Change

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"***Sustainability will be at the heart of the next Budget. This is not an optional extra. It is essential for all our futures*".**

Alistair Darling, December 2007

Introduction

It is becoming ever more urgent to act on climate change – evidence from the Stern Review on climate economics, the International Panel on Climate Change and the United Nations Development Programme shows that strong action is needed now. We no longer have the luxury of even a couple of years of delay. The costs of inaction heavily outweigh the costs of taking action.

Under Labour carbon emissions have risen. Some decent environmental measures have been introduced in the last ten years, but these have been more than cancelled out by other policies which increase emissions. The challenge laid down by Lord Stern requires fundamental changes, not more tweaked policies. This requires vision, leadership and commitment. An immediate change of course and change of gear on climate change is required from the Government.

The good news is that strong well-designed climate policies together with firm leadership from Government will benefit the UK and its economy. As well as helping pull the world back from the brink of disaster, a well-designed shift to a low carbon economy would mean:

- Increased energy security, through reduced dependence on oil and gas from volatile regions of the world
- Improved UK balance of payments
- An end to the millstone of fuel poverty, currently hitting approximately 4 million households
- Billions of pounds of investment in new technologies and industries
- The creation of hundreds of thousands of jobs
- Improved quality of life in Britain's cities, from safer streets to less air pollution

If Mr Darling is to succeed in putting sustainability at the heart of Budget 2008 he will need to introduce policies that achieve four simple goals that will kick-start the transition to a low-carbon economy:

- **Give certainty** to businesses and individuals about what the transition will entail and the strength of the Government's commitment to achieving it.
- **Act now**. The next five years are absolutely central to whether the world avoids catastrophic climate change.
- **Make it cheaper and easier** for people and businesses to cut carbon emissions.

- **Reform** major existing policies for tackling change.

Actions to help achieve all four of these goals need to be taken by the Chancellor at Budget 2008. We set out in this briefing what we believe these must be. But this should be just the start, and so the Chancellor should promise to include a more detailed and comprehensive strategy in the Pre-Budget Report in autumn this year.

In the next section we set out specific measures the Chancellor should take to kick-start the transition to a successful, low-carbon economy.

Summary of measures:

1 A new Golden rule for Treasury.

Strong leadership to ensure the UK economy has a successful low-carbon future requires that the Chancellor gives greater certainty to businesses and individuals. Certainty that the UK will do its part in preventing greater than 2^0C rises in temperature; certainty that the Government is going act fast and decisively to cut UK carbon emissions; and certainty about the policies it will use to achieve this.

Soon the Government will be setting carbon budgets to 2022. The tax and spending decisions of Treasury will be central to delivering these budgets. But at present Treasury does not assess how, in total, its policies impact upon overall carbon emissions. **The Chancellor should set a new third Golden Rule for Government, monitored at Budget time, that the sum of all its policies will keep the UK within its carbon budget.**

2 Create an immediate £5 billion Climate Change Super-Fund to help tackle fuel poverty

The desperately poor state of the UK's housing stock is a major barrier to tackling climate change; it also causes widespread misery because millions of people cannot afford to adequately heat their home. Current investment in energy efficiency is completely inadequate; **the Government should create a £5 billion fund to kickstart a comprehensive and effective programme to tackle fuel poverty, funded initially by a one-off windfall tax on the excess profits of the electricity and oil companies. The Government should make a very clear assessment of the costs of eliminating fuel poverty for good and set up a longer term source of funding accordingly.**

3 Announce a £10 billion tax shift programme

The Chancellor should announce a recommitment to environmental tax reform – raising taxes on pollution and cutting taxes on income, jobs and people. **He should announce an initial programme of a £10 billion tax shift within three years, with further reforms to be outlined by the end of 2008.** Initial increases in the Climate Change Levy, Air Passenger Duty and Road Fuel Duty should be linked to immediate cuts in taxes on jobs and incomes.

4 Make it cheaper and easier for people to go green

People are constantly being exhorted by the Government to go green and 'do your bit'. But it is too often difficult, inconvenient or expensive to do this. The Government should do its bit by making it easier and cheaper for people to go green. The Chancellor should announce reforms to do this at Budget 2008, with a further set of announcements by the end of 2008. Initial reforms for this Budget should include:

- **A Stamp duty rebate** for people installing renewable technologies or energy efficiency measures in their homes.
- **Funds for councils to give Council Tax rebates** for people installing energy efficiency measures in their homes.
- **A Feed-in-tariff** guaranteeing a premium price for small-scale renewable electricity generated in people's homes and by businesses.
- **Increase the Low Carbon Buildings Programme fund to £1 billion and cover 50% of capital costs,** to help householders install renewable technologies.
- **A Car Purchase Tax** on new cars to accelerate the shift to buying low carbon vehicles.

5 Toughen up UK's involvement in the EU Emissions Trading Scheme (EUETS) to boost low carbon innovation in the UK

The EUETS is a potentially massively important policy for tackling climate change. However Phase 1 (2003-2007) was a major failure, due to over-allocation of permits. Phase 2 (2008-2012) is better, but still weak, and the details are almost all agreed. The Chancellor has a last opportunity now to improve Phase 2, **by announcing the maximum permitted use of auctioning and by demanding that all imported credits meet the "gold standard" as an absolute minimum.** He should also announce strong commitments to ensure that Phase 3 (2013-2017) is not just incrementally better than phase 2, but a truly effective policy.

The next section covers these measures in more detail.

1 A new Golden Rule for Treasury

Certainty and clarity about the end goal and the path to get there is the overarching reform needed to tackle climate change. Businesses repeatedly cite transparency, credibility, consistency and certainty as being critical factors to enable them to take long-term investment decisions.

The most important department here is Treasury, with its key responsibilities for all taxation and spending.

Gordon Brown described the rationale for his first golden rule – that over the economic cycle the Government will only borrow to invest and not to fund current spending - as being: "*Effective economic policy could only be possible within an institutional framework that commanded market credibility and public trust*". The conclusion was that a framework for economic policy was needed "*based on clear policy rules…and an openness and transparency not seen in the past*".

For climate change, similar clear institutional frameworks are needed. Treasury should add sustainability to its five principles of fiscal management and add a third fiscal rule, to be reported on at the Budget that **"the sum of all fiscal and spending policies will ensure that our growth keeps us within our agreed 5 year carbon budgets".** This would go someway to the Chancellor achieving his aim of putting sustainability at the heart of the Budget and indeed all Budgets to come.

2 Create an immediate £5 billion Climate Change Super-Fund to help tackle fuel poverty

Windfall tax to help tackle fuel poverty

Given the urgency and size of the tasks of tackling fuel poverty, reducing emissions from the household sector and future-proofing UK housing against rising carbon prices, the Government needs to raise considerable revenue to invest in improving the UK housing stock.

Over the next five years that needs to be delivered in part by reform of tax and spending policy. At this budget the Chancellor can kick-start the programme with one-off windfall taxes on two sectors that have received excess profits from rising carbon prices – the oil and gas sector and the power generation sector.

Like all sectors in the EU Emissions Trading Scheme the power generation sector was handed valuable pollution allowances for free. It has passed the cost of those allowances on to the consumer making between £800million and £1billion per year. It is projected to make a further £9 billion over the next 4 years. It is perverse that a Government policy to cut emissions should hand these excess profits to power companies when more households are being pushed into fuel poverty.

A windfall tax on these utilities to claw-back this money to be spent creating a superfund to kick-start investment in households to help eradicate fuel-poverty is fair and efficient.

Both the previous Conservative Government and Gordon Brown have used windfall taxes on excess profits successfully. The Institute for Fiscal Studies reviewing the previous windfall tax on utilities found that such taxes can be economically efficient, fair and have low administrative costs. A windfall tax on the excess profits of power generation companies resulting from Government policy should be central to the Chancellor's actions to tackle climate change at Budget 2008.

The other sector that continues to make huge excess profits from carbon-intensive energy prices is the oil and gas sector, for example Shell's announcement this January of record profits for a UK company - £13.9 billion. Shell's most recent annual report also highlights that they are predictably putting an overwhelming proportion of their investment into more oil and gas exploration. In 2005 members of the Trade and Industry Select Committee asked whether it was right that consumers should struggle to pay energy bills while multibillion pound corporate profits were being made by the sector.

The revenue from this tax should be spent on tackling fuel poverty

Fuel Poverty

Fuel poverty occurs when a household has to spend more than 10 percent of its income to afford adequate warmth and other energy services. The primary cause of fuel poverty is the inefficiency of homes and heating systems; the fuel poor have to buy expensive warmth, despite the fact they are on low incomes.

The Government has a legal obligation under the Warm Homes and Energy Conservation Act (2000) in England and Wales to ensure that "as far as reasonably practicable, persons do not live in fuel poverty" by 2016 in England and 2018 in Wales.

As a result of the Act the Government published a Fuel Poverty Strategy for the period up to 2016. The Strategy differentiated between vulnerable households (those containing children, older people, disabled and long term sick – about 80 percent of the total) and the rest of the fuel poor. The Strategy provides a legal obligation on the Government to do everything reasonably practicable to ensure the vulnerable are removed from fuel poverty by 2010.

The Government has two main policies to address fuel poverty. The first is Warm Front which offers energy efficiency measures up to a set amount of money to vulnerable households. The second is the Energy Efficiency Commitment (EEC), an obligation on energy supply companies to offer subsidised energy efficiency measures to households, including to some vulnerable groups. EEC will be replaced by the Carbon Emission Reduction Target in April 2008.

Since 2002 the numbers of households in fuel poverty have doubled from 2 million to approximately 4 million as gas and electricity prices have increased. The Government's policies have comprehensively failed to 'insulate' the fuel poor against these price rises.

Part of the problem has been that the Government has consistently failed to spend enough money to bring households out of fuel poverty. But the strategy itself has also badly failed. The energy efficiency measures that have been installed under Warm Front have often targeted the wrong households and the measures have been inadequate.

By installing a high level of energy efficiency measures and renewable or low carbon energy technology, such as solar thermal panels on the roof, it is possible to massively reduce the carbon emissions of a household and to reduce energy costs by up to two thirds. If targeted at the right households such measures could play a major role in helping to eradicate fuel poverty.

Friends of the Earth also recommends that the Government collaborates with Local Authorities to set up Low Carbon Home Zones across the UK, creating at least one zone for each authority, covering areas where fuel poverty is concentrated. Every house would be super insulated and solar thermal panels or other renewable/low carbon technologies installed. Not only could such a programme play a central role in helping to eradicate fuel poverty, it would also boost the energy insulation and renewable energy industries and help to reduce carbon emissions in some of the hardest to treat homes in the UK's household sector.

Given the excessive profits made by the energy companies at the expense of the consumer and particularly at the expense of the poor, it is entirely suitable that a windfall tax on energy companies should be spent on kickstarting a far more effective programme to wipe out fuel poverty in the UK for good. The Government needs to make a very clear assessment of the costs for eliminating fuel poverty and would have to find a longer term funding solution beyond this windfall tax.

3 A £10 billion pound tax shift

We support the Government's 1997 commitment, repeated most recently in October 2007, to "*shift the burden of taxation from 'goods' to 'bads'*". But environmental taxes are currently at just 7.3% of total taxation[i], compared with 9.4% in 1997.

Increasing green taxation not only boosts financial incentives to cut pollution it also provides the Government with other policy opportunities. Other taxes can be cut – the economic and employment benefit of cutting employers' national insurance contributions (NICs) when the green tax is paid by business is well known. Or vital climate change spending and tax breaks that make it easier and cheaper for households and firms to cut emissions can be better afforded.

These concepts are not new to the Government, which has employed all of them - for example it did so successfully within the Climate Change Levy package. The problem has been that the increases in tax have been very small and the cuts in employers NIC have been wiped out in following budgets. There are green taxes that are more substantial and significant increases in these together with targeted tax cuts, tax breaks and spending that tackle climate change can have the level of impact on carbon emissions required.

The Chancellor should announce annual escalators for Air Passenger Duty and the Climate Change Levy, stand firm on his previously announced increases in road fuel duty and announce escalators

in fuel duty for future years. He should explicitly link these tax increases to cuts in taxes on jobs, income and green investment, that would deliver a £10 billion tax shift within three years.

Tax shifts away from taxing people and jobs, and onto taxing pollution, would be popular. One recent poll found 77% support, with 9% opposition[ii], another 62% in favour, with 10% against[iii]. These are consistent with numerous other polls in the last two years.

Road fuel duty escalator

We advocate the Government holds firm with its planned fuel duty rises, and signals further rises in future linked to cuts in other taxes.

Road fuel duty increases are necessary because otherwise the gains from the Government's policies on car efficiency could be wiped out by motorists simply driving further as the cost of motoring decreases. It is also a major tax which funds essential public services. The planned 2p rise is equivalent to the salaries of 20,000 nurses and police officers[iv], or 35 in every constituency in the land. Road fuel duty is also progressive taxation – 51% of people in the poorest fifth of the population do not have access to a car, those who do travel far less on average than people in other quintiles. Road fuel duty is an essential policy to prevent further increases in surface transport emissions.

Road fuel duty escalators will be far more politically acceptable when linked to tax cuts elsewhere or spending that makes it cheaper and easier for people to use alternatives to the car. We also advocate that the Chancellor introduces more measures to help households hardest hit by fuel price rises, such as 'rural-poor' car owners. We also stress that overall, despite the price of oil has risen recently, the cost of motoring is still cheaper than it was thirty years ago, and fuel duty is predicted by Treasury to be lower in real terms in 2010 than in 1999.

Air Passenger Duty (APD)

APD is being reformed so it is levied per plane not per passenger, and extended to cover freight transport, which Friends of the Earth welcomes. The crucial element of this reform's success is that it increases year-on-year, in real terms. Research from the Environmental Change Institute in Oxford shows[v] that annual escalators in APD would be able to stop the increase in demand for flying. Note this is not the same as saying people will fly less. In addition, this does not hit the poorest families. Most flying is done by people in the richest quintile, and in recent years the growth in flying from cheap flights has been taken up far more by people in the richest two quintiles taking more trips, rather than people in the poorest quintiles. Aviation taxation is progressive taxation. Aviation is also currently subject to extremely low levels of taxation due to its exemption from duty on kerosene and to not paying any VAT on any of its operations.

4 Cheaper and easier

For enough households and small businesses to make the investments in energy efficiency and renewable energy needed to cut carbon emissions, incentives are needed to make taking action cheaper and easier. The Chancellor can take five actions at this Budget to start doing just that.

Stamp Duty Rebate

The Government's EEC programme (to be replaced by "CERT" in April 2008) helps some householders with smaller and easier energy efficiency measures, such as cavity wall insulation and loft insulation. But there is a massive energy efficiency problem with six million households that need solid wall insulation, and in encouraging whole-house overhauls and measures such as floor insulation and renewable energy technologies. The time people are most likely to undertake these measures is when they have just bought their house. So, we advocate a Stamp Duty Rebate whereby rebates on Stamp Duty up to £5000 are available to people who install energy efficiency measures and/or low and zero carbon technologies when they buy their house. This should be extended to all purchases, rather than just those above the current Stamp Duty threshold. Such a policy could have a transformational impact.

Council Tax Rebate

Braintree Council and British Gas offered a £100 Council Tax Rebate to people installing cavity wall insulation. It has proved to be a popular scheme, and has since been taken up by 43 more local authorities. There are 8 million homes without cavity wall insulation, and 6 million without loft insulation – these measures would be cost-effective quickly, but are not being taken up at present. A council tax rebate rolled out nationally would be a strong complement to a Stamp Duty Rebate – it would apply to all households, not just those people moving house, and has the potential for a very rapid take-up of the cheaper and less disruptive energy efficiency measures. A central fund from Treasury for Council Tax Rebates would be a very strong policy to get large-scale take up of these measures.

Treasury cannot tell local Government how to vary their own taxes, but they should look into methods of getting more money to Councils for such rebates. It would still be the choice of the authority whether to spend this on the Council Tax Rebate, but Treasury could explore making available funding for this measure, while making funds in future years dependent on take-up in previous years – so if the councils were not keen on this measure, or when its potential has been fully taken up, funding from Treasury would stop.

Feed-in Tariff

In order to reduce the UK's household carbon emissions by 80 per cent by 2050, every home in the UK will need to have some form of small scale renewable or low carbon heat or electricity generation technology installed[vi], such as solar panels. That is almost 25 million installations. A study by the Energy Saving Trust found that up to 40 percent of the UK's electricity demand could be provided by micro-generation technologies by 2050 as long as the Government provides the industry and consumers with the right level of support.

At the moment however, installation of these new technologies is happening at an extremely slow rate. A major barrier is price - homes that generate their own renewable electricity and export it to the grid are paid a substantially lower price than the cost of electricity used in the home. A feed-in tariff has been highly successful in other European countries – and works by guaranteeing homeowners, landlords and businesses who want to invest in micro-generation technologies a long-term premium price for their electricity. They are paid up to three times more for the renewable electricity they generate than the electricity they buy and offered a contract for up to 25 years. The pay-back time for installing microgeneration is dramatically reduced making it a truly cost effective energy option for home owners.

Most European countries have now adopted a feed-in tariff system to support both large and small scale renewables with considerable success. Since enacting a feed-in tariff in 2000, Germany now generates 13 percent of its electricity from renewable sources and employs 236,000 people in the renewable energy sector. They have over 200 times more solar power installed than in the UK and fifty times more people working in the solar industry.

A feed-in-tariff is a preferable option to an expanded Renewables Obligation for small-scale renewables. The Stern Review's comparison of the two policy instruments clearly favours a feed-in-tariff, stating that: **"***Comparisons between deployment support through tradable quotas and feed-in tariff price support suggest that feed-in mechanisms achieve larger deployment at lower costs… the levels of deployment are much greater in the German scheme and the prices are lower than comparable tradable support mechanisms)... Contrary to criticisms of the feed-in tariff, analysis suggests that competition is greater than in the UK Renewable Obligation Certificate scheme."* (page 366)

Friends of the Earth is calling on the Government to support the introduction of a feed-in tariff for small scale renewable electricity generation and to announce that the Energy Bill now going through Parliament will be amended accordingly.

The Low Carbon Buildings Programme

This programme is the main grants programme to support the installation of low and zero carbon technologies. The programme has been consistently underfunded since it began. For large organisations such as schools, hospitals and housing associations there is a fund available of £50 million. The total amount available to households was increased in Budget 2007 from £12 million to £18 million but the amount available to each household was substantially reduced and capped at £2500 for the most expensive technologies. Far less was available for other technologies. For example only a £400 grant is available for solar thermal.

These changes have been disastrous. The level of grants is now so low that the number being taken up has actually fallen despite the increase in total budget. In 2007 there were only 270 solar PV installations in the UK. In order for carbon emissions from the UK household sector to be reduced by 80 percent all 25 million households will need at least one low or zero carbon installation per household. That means that the rate of installations has to be increased to at least 600,000 a year. The Government must adopt this target. To ensure the Low Carbon Building Programme delivers it must be reformed to ensure at least 50 percent of the costs of each installation are covered and that there is no maximum number of installations per household for which grants are available. The total fund should be increased to £1 billion per year and every grant request made must be supported.

Car Purchase Tax

The type of car people buy has a massive impact on carbon emissions. The SMMT has calculated that if every new car buyer bought a car in the same class, but the most efficient car in that class, then average new car emissions would fall by 30 per cent. For MPVs the average new emissions is 182.9 and the lowest 136 g/km[vii]. Buying a more efficient car would also save people a lot of money. But people tend not to factor in future cost savings when buying a car. So we advocate a new car purchase tax for the most polluting new cars. Purchase taxes exist in other countries – such as Ireland[viii], Finland[ix], France[x], the Netherlands and Israel[xi].

The tax should be related to meeting the forthcoming EU target for new car average carbon dioxide emissions. New cars with high emissions would incur a purchase tax, or if purchased outside the UK an equivalent registration tax. Lower emission cars would be exempt. The level of the charge would increase with each g/km carbon dioxide emissions, with the exemption level being lowered every year. This would provide vehicle suppliers with advance information and an incentive to supply more efficient vehicles.

We stress that this is a completely avoidable tax – no-one has to pay it, they can avoid it by buying a greener car, of which types exist for every class of car. Opinion polling for the Government also shows that 86 percent of people think the Government should do more to persuade people to buy more fuel efficient environmentally friendly cars[xii].

The tax would also send a strong signal to car manufacturers to step up their efforts in producing greener cars. Car manufacturers are failing badly on their voluntary target to reduce average new car emissions, and part of the reason for this is Governments not providing the right fiscal incentives.

The car purchase tax would be combined with continued reform of VED differentials to ensure improvements in the used car markets, and with continued use of increases in road fuel duty to ensure that improvements in car efficiency do not simply reduce the cost of motoring, causing more travel and congestion and overall no improvement in carbon emissions.

5 Toughen up EUETS to boost low carbon innovation in the UK

The EU ETS is designed to significantly cut Europe’s emissions by capping the amount of carbon dioxide that businesses are allowed to emit. The first phase of the EU scheme (ending 2007) was seriously undermined by weak political decisions, with the UK and other EU governments handing out far too many allowances to their industries. This over-allocation caused the carbon market to virtually collapse and resulted in few emission reductions.

Although Governments have been slightly stronger in the number of allowances handed out in the second phase (2008 to 2012), the overall cap is still too high. This decision has already been made, but there are two other serious concerns about the scheme which can be addressed. First, it will fail to deliver significant emissions reductions within the EU because of the potential for very heavy use of imported credits. Second, most of the allowances will be handed out for free rather than auctioned missing the chance to get polluters to reveal their true allowance needs early (increasing price stability) and also weakening the incentive for polluters to innovate to reduce emissions.

It is crucial that the Chancellor addresses these weaknesses in this Budget. As the rules for the imminent second phase are set his options are restricted but he can take three important actions to make the scheme more effective at cutting UK emissions and stimulating low-carbon innovation in the UK.

Announce the maximum use of auctioning within Phase II

The European Directive on Phase II (2008-2012) of the EU ETS allows national governments to auction up to 10 percent of the allowances. The Chancellor should commit at this budget to auction the maximum 10 percent.

The UK did not take advantage of the option in Phase I to auction up to 5percent of allowances. The new Chancellor must not fail to take the opportunity this time, as it offers the chance to stimulate low-carbon innovation in the UK, increase the stability of the carbon price and increases investor confidence in the long-term price signal.

Crucially it would also bring in significant revenue from polluters to pay for the package of incentives required to help households and businesses save money and cut emissions through energy efficiency and renewable energy.

Demand all imported credits in phase II meet the 'gold standard' as a minimum

The use of external credits facilitates 'business as usual,' and reduces incentives to improve resource productivity in the UK economy. The real danger is that this will lead to our economy locking into high-carbon investments in the power sector, heavy industry and, when it joins the scheme, aviation.

Although Phase II limits have been set the Chancellor can follow the Government's previous approach of tightening the qualifying conditions for such projects to ensure only the best schemes are available for trade. A Gold Standard already exists and the Government should make meeting this standard mandatory for UK trades in Phase II. The Gold Standard is the best available at present but because this is a fast-moving area with many new types of project coming forward, Government should also commit to progressively strengthening its project-qualifying criteria.

Commit UK to ensuring Phase III of EU ETS starting in five years time has auctioning for 100 percent of allowances and reducing reliance on imported credits by at least half.

As well as strengthening Phase II, the Chancellor must start now to ensure that Phase III removes the weaknesses of Phase II. The parameters for Phase III will be decided as part of the EU energy package in the coming year, so a strong position is needed now. If he does not, the risk of locking-in to high carbon investments resulting in soaring emissions for many years to come will damage the economy, make future emissions targets for 2020 and 2030 all but impossible and make a mockery of our aspiration to be a world leader in tackling climate change. Phase II allows for 55 percent of all shortfall in UK emissions to be met by purchases outside EUETS (and 86 percent for the EU as a whole) – this is a massive disincentive to investing in low-carbon technologies and energy efficiency, heavily increasing the risk of lock-in to high carbon processes.

The Chancellor should take this opportunity to set the UK's position on Phase III as calling for 100 percent auctioning of permits and at least halving of the use of imported credits, all of which must be gold standard or better.

ENDS.

References

[i] 2006 figure, the most recent available.

[ii] greenfiscal.pmhclients.com/images/uploads/GFCPressReleaseWEB12Nov2007.pdf

[iii] http://www.ipsos-mori.com/polls/2007/greenagenda.shtml

[iv] This 20,000 figure is conservative - assuming the 2p rise brings in £600 million a year, and an average nurse/police officer salary of £30,000.

[v] www.eci.ox.ac.uk/research/energy/downloads/predictanddecide.pdf

[vi] Boardman, B, 2007. Home Truths. www.foe.co.uk/hometruths

[vii] SMMT annual carbon dioxide report, 2006 market, table 7.

[viii] http://www.independent.ie/national-news/drivers-of-gas-guzzlers-to-pay-extra-8364500-road-tax-1240071.html

[ix] http://newsroom.finland.fi/stt/showarticle.asp?intNWSAID=17460&group=Politics

[x] http://www.greencarcongress.com/2007/12/france-to-insti.html

[xi] http://www.haaretz.com/hasen/spages/931660.html

[xii] DfT ‘Attitudes to climate change and the impact of transport (2006 and 2007)’ figure 15)