

## **47 – Building a Robust Energy Tax Directive?**

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This paper discusses EU energy tax reform against current challenges and ambitions such as the corona crisis and the Green Deal. Using well-known principles of excise taxation in a common union I propose an energy tax structure that balances ambitions of the single (energy) market with the need for corrective taxation due to challenges such as climate change, circular economy ambitions and other more local externalities related to air quality and congestion. Using this evaluative framework, I illustrate the challenges for the current Energy Tax Directive and discuss reform options to better align the Directive towards this structure. Also, prominent issues in international excise design such as corrective border adjustments both within and outside a common union will be discussed.

### **Biographical note**

Herman Vollebergh is professor of Economics and Environmental Policy at Tilburg University (Department of Economics, Tilburg Sustainability Centre and CentER) and Senior Research Fellow at the PBL Netherlands Environmental Assessment Agency. His current research covers a broad range of topics including the design and effects of market based incentive mechanisms, like taxation, subsidies and tradeable permits in the energy or waste market, (environmental) cost-benefit analysis, long run relationship between emissions and income, and the effect of environmental policy on technological change. Finally, he is strongly involved in applying his academic work to the policy community including the OECD, European Union and the Dutch government.