

Oil giants endorse carbon tax after Trump's Paris exit

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Major oil producers, including for the first time ExxonMobil, expressed support on Tuesday for a new US carbon tax, which could help cut emissions despite President Donald Trump's decision to withdraw from the Paris Agreement.

In addition to Exxon, BP, Total and Royal Dutch Shell all supported advertisements in US media outlets in favor of the tax, which had been promoted in February by prominent Republican figures, including former Secretaries of State James Baker and George Shultz and former Treasury Secretary Henry Paulson.

Under the plan, produced by the Climate Leadership Council which includes the oil giants, taxes would start at \$40 per ton of CO₂ and rise from there, theoretically increasing the price per gallon (3.8 liters) of gasoline by 36 cents but initially generating \$200 billion to be paid as "dividends" to households.

The plan's authors say the tax could replace measures adopted by the previous Obama administration, such as a cap on emissions for [coal-fired power plants](#), and would involve a "border adjustment tax" on goods imported from countries that do not similarly tax carbon emissions.

The policy would also protect polluters from legal liability.

Trump this month announced the US would exit the 2015 [climate pact](#),

provoking outrage around the world.

The proposal marks the first time Exxon has actively supported an initiative to reduce climate change. Although former CEO Rex Tillerson, now US Secretary of State, said he favored the idea in 2009, the company had yet to endorse it publicly.

"ExxonMobil believes the goal of carbon policy should be to reduce emissions at the most economic cost to society," Daren Woods, Exxon's newly installed CEO, said in a statement.

Other corporate members of the council include Pepsico, General Motors and drugmaker Johnson & Johnson.

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