

It's a great honor to be here

**It's the first time that I present
the PEGE tax change concept
at an important conference**

**It's a symbol for the global development
that this first time happens in China
to be presented in an elite audience**

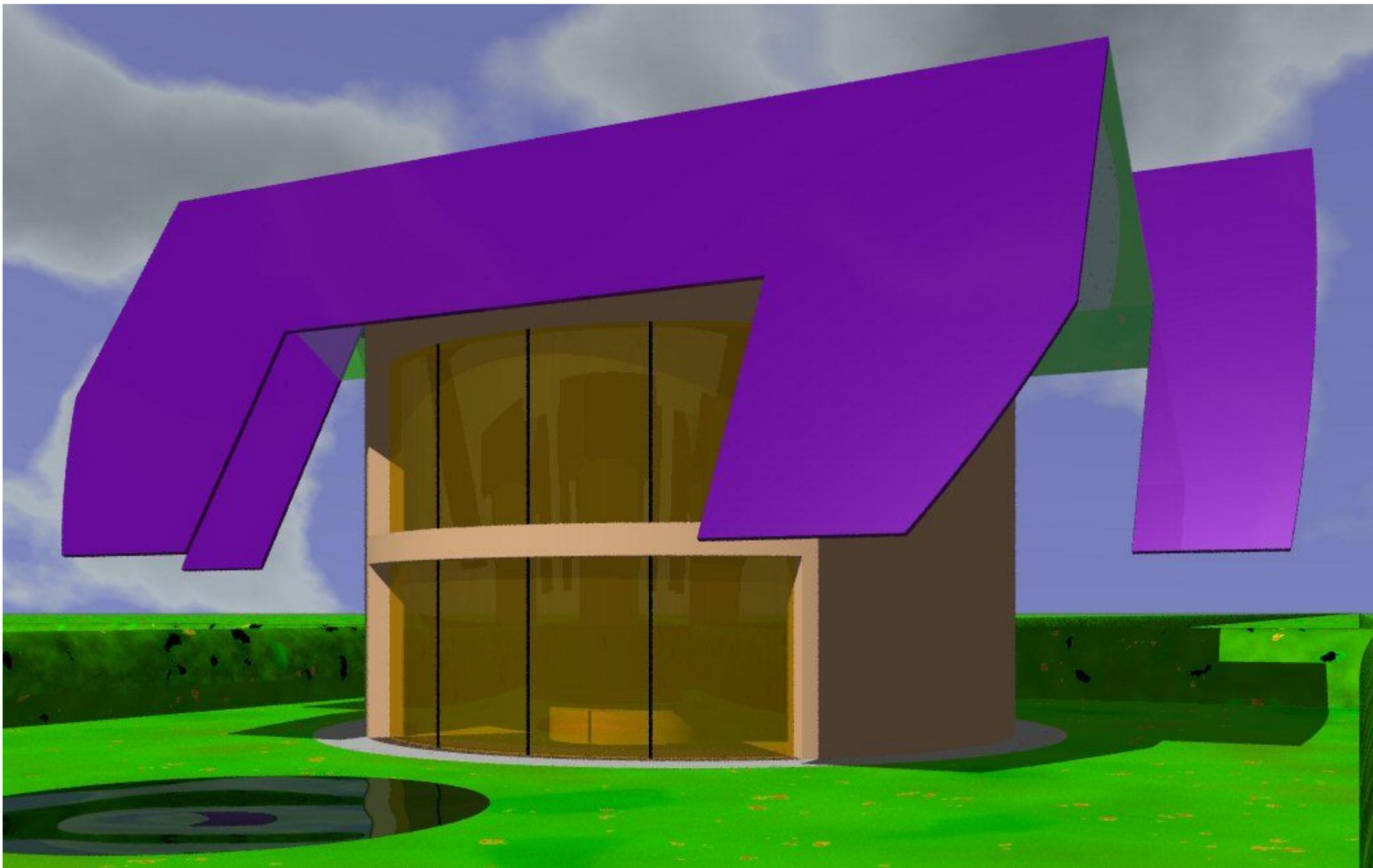


Planetary Engineering Group Earth

Independent thinktank

founded by me - Roland Mösl

1991 in Europe - Austria - Salzburg



First project 1992: GEMINI inhabited solar power plant, a cylindric house following the sun with 150m² PV



Plus-Energy-Building realized 2001 as the main attraction of an energy exhibition in Styria, a state of Austria

In 1991, I envisaged millions of houses producing more electric power than their own consumption by 2001.

Why was the progress so slow?

Because the current tax system is best suited to slow down the success of the emerging industries.

Humanity has been changing civilization level beginning with the 19th century

Before that time, only renewable energy had been used.

After this ongoing change, also only renewable energy will be used.

The time to use fossil energy for a fast economic growth during this historical change should be as short as possible in order to avoid problems.



19th century emerging industries started to use resources to an extent it never had been used by mankind before



**The basic postulate of the 19th century emerging industries:
Resources should be as cheap as possible to get a fast economic growth**

This basic postulate has been deeply implemented in nearly all societies and their tax systems for over 2 centuries:

Resources should be as cheap as possible to get a fast economic growth

**It was very successful in the past.
So many economies still believe in it.
Although, by now it does not work anymore.
And evenmore, it has a negative impact on the people and on the environment.**

The basic postulate of the 21th century emerging industries is:

Less usage of resources for the same task

The new emerging industries can and will influence society and the tax system.

A tax system based on the usage of resources will bring us a fast economic growth.

This is the exact opposite of the current system in the highly developed countries.

In the highly developed countries, low taxes on usage of resources cause extreme high dues and taxes for human work.

VAT

Dues and taxes to be paid for the employees including social insurance fees

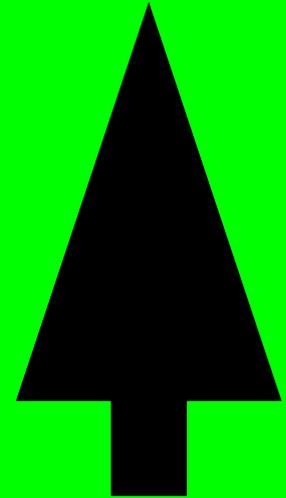
Wage

Changing towards a resource-based tax system:

Less expenses for the employer



Dues and taxes on human work



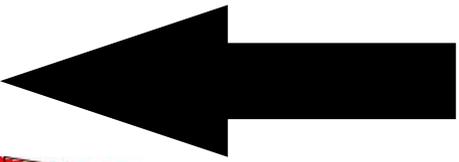
More purchasing power for the employee

The PEGE tax change concept:

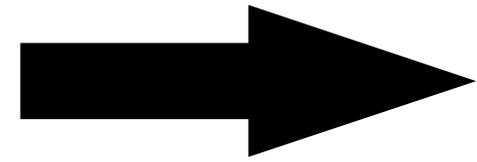
**Replacing taxes and dues on human work
by taxing resources in 3 main areas:**

- 1. CO2 emissions**
- 2. Usage and future recycling costs
of rare materials**
- 3. Land usage**

It starts mainly with a tax on CO2 emissions.



Several decades



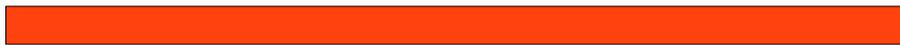
**It is not possible to make
this change in one step**

**It will be a main task of politics
in the coming decades
to determine the optimal speed
of the change**

Let's look at the cost situation of a taxi-company in Austria, which is typical for Europe:



Net-wage for the driver 15.722,-EUR per year



Taxes to be paid for the driver: 11.834.-EUR



Fuel without tax 900,-EUR



Taxes on fuel 900,-EUR

The taxi-company has to pay 13 times more taxes for the driver than for the fuel.

Now we apply 100.- EUR taxes per t CO2:



Net-wage for the driver increased to 16.922,-EUR per year



Taxes to be paid for the driver decreased to 9.434.-EUR



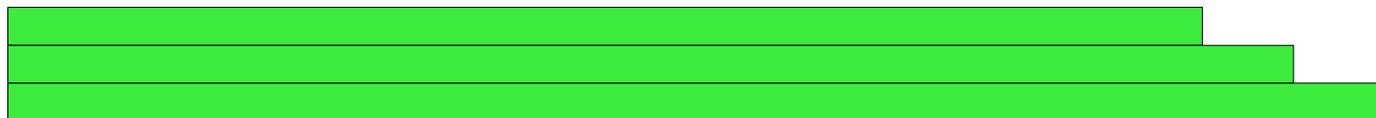
Fuel without tax 900,-EUR



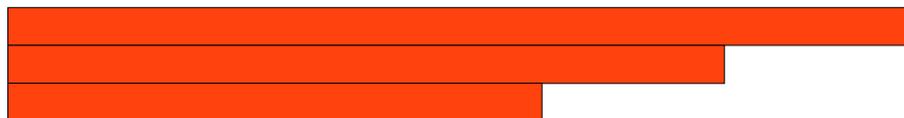
Taxes on fuel increased to 1.332,-EUR

Surprise, the owner of the taxi-company cheers, the cost reduction for his driver is 3 times higher than the cost increase of the fuel

**CO2 emissions have significantly decreased,
so the next step increases to 250.-EUR per ton CO2.**



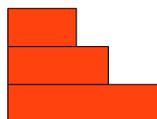
Net-Wage for the driver increased to 18.122,-EUR per year



Taxes to be paid for the driver decreased to 7.034.-EUR



Fuel without tax 900,-EUR



Taxes on fuel increased to 1.980,-EUR

**Now, it's time for the taxi-company to change
cars and fuel source.**

**The owner of the taxi-company
has a new dream car
to earn more money**



He installs a PV plant on his company building to reduce cost



Electric power prices per kWh coal vs photovoltaic:

Current situation



At 100,-EUR per ton CO2 tax



At 250,-EUR per ton CO2 tax



250,-EUR per ton CO2 tax

Coal electric power price

Photovoltaic electric power price

**At this point,
the emerging industries
have to be big enough
to fulfill the demand
caused by the changes.**

Let's work out a proposal for the next climate conference based on the PEGE tax change concept to make the next climate conference a big boost for the emerging industries.