

## France to push for European financial transactions tax

France will push for an European financial transactions tax to fund the fight against climate change, four French government ministers said in a joint statement. The tax could raise up to 5 billion euros (\$5.9 billion) per year by 2020, according to a joint opinion piece authored by finance minister Bruno Le Maire, foreign minister Jean-Yves Le Drian, environment minister Nicolas Hulot and higher education minister Frederique Vidal.

It was published in Le Journal du Dimanche ahead of a climate summit in Paris on Monday.

They said that France had already put in place a financial transactions tax which helps finance its environmental policies.

"We will push for this tax to become applicable in Europe and will ask everyone to take part in this solidarity effort," the four ministers said.

In 2012, France introduced a 0.2 percent tax on purchases of shares in French companies with a market capitalisation of at least 1 billion euros. The tax raised 1.1 billion euros in 2016 and was raised to 0.3 percent this year.

France and Germany have long led efforts to create a financial transactions tax. Ten countries - Germany, France, Italy, Austria, Belgium, Greece, Portugal, Slovakia, Slovenia and Spain - have signed up in principle.

But talks have dragged on since 2011 as countries struggle to agree what instruments should be covered and at which rate.

French President Emmanuel Macron said in July he would push for a European financial transaction tax as long as it was effective. He added that it depended on whether Britain would have access to EU financial markets after Brexit, as otherwise firms would move to London where the tax will not apply.

Banks and other opponents of the tax argue that it only makes sense if it covers many countries or else transactions will shift towards financial centres not covered by it.

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