

Germany: Nuclear tax

The government's proposal to introduce a tax on fuel used in nuclear power plants, presented on 7 June, was met with sharp criticism from many CDU politicians who fear an increase in energy prices and are calling for an extension of the period of operation for nuclear reactors. Angela Merkel's support for the tax that heavily impacts on the sector of nuclear energy can be a signal that the chancellor is giving priority to the development of renewable sources of energy. This will determine the shape of the energy strategy for Germany that is currently being prepared.

The tax on nuclear fuel is an element of a wider austerity programme and partly repeats the idea of the SPD from 2009. The proposal came under fire from CDU members of parliament, the prime minister of Baden-Württemberg and representatives of energy companies who announced they would be blocking investments and would take legal action if the tax is introduced. Despite this, on 13 June Chancellor Merkel publicly confirmed that the tax would be imposed irrespective of the results of the debate on the extension of the period of operating reactors. As the debate is unfolding it proves that the government is pushing for the concept of taxing nuclear energy without internal party consultations and against the interest of the part of federal states and business circles that so far have been supporting the Christian Democrats and the FDP. In the energy strategy for Germany that is being elaborated there will probably be provisions about other measures unfavourable to nuclear energy (taxation, an extension of the period of operating nuclear reactors to only ten more years), which will promote the development of renewable sources of energy. The question of the share of nuclear energy and renewable sources of energy in the energy balance sheet will determine whether Germany will become an exporter of electric energy. <ŁAN>