

# LES ATELIERS DU CERPE

**Le mardi 23 mars à 12H45 à la salle académique de la faculté de droit (5<sup>e</sup> étage)**

Petite restauration dès 12H30 (réservation souhaitée à [nicolas.gonne@fundp.ac.be](mailto:nicolas.gonne@fundp.ac.be))

**Nicolas Gonne**

CERPE

## **Emission constraints and industries competitiveness**

**Résumé** The impact of carbon dioxide emission restrictions on industries competitiveness is amongst policy makers' and industrial federations' main causes for concern. Whereas the macroeconomic impact of such restrictions and their welfare effect have been extensively investigated, sectoral competitiveness was essentially ignored. I develop a straightforward method to assess the short-run impact of emission constraints on sectoral costs, hence on sectors international competitiveness. It uses a simple input-output quantity model to estimate total carbon emissions embodied in sectoral output. The impact on sectors' revenue is inferred thanks to the carbon value concept, defined as the equilibrium marginal abatement cost required to fulfil a given reduction objective. International competitiveness is then appraised regarding international exposure to non-constrained economies. Unusually, no data is required but the standard SNA input-output tables in monetary value, making the method very flexible and readily reproducible. Next, it is applied to Belgium. The resulting analysis shows that steel, refinery and chemical industries competitiveness is badly hit, as expected. But it also comes up with new results, highlighting the threat to other major sectors including food-processing and textiles. In terms of cumulative employment, almost three hundred thousand jobs are directly and indirectly at stake.