

Preface

The concentration of the majority of the world's population in large cities and the ever-increasing transport of people and goods, both internationally and locally, are among the most pressing environmental challenges in the twenty-first century. A United Nations study in 2018 projected that over two-thirds of the world's population will live in urban areas by 2050, compared to just over half today. Urbanization and economic growth, projected by the Organisation for Economic Co-operation and Development to almost quadruple by 2050, will put increasing pressure on cities and transport, heightening the risks of pollution and congestion.

Environmental policies are needed to address the interrelated environmental impacts of urban concentration and transport in the context of growing globalization and the new digital economy. Policy makers face a wide array of issues, including the production, transport and supply of energy, waste treatment, smart city design, different modes of urban transport and the need to develop the fiscal capacity to adequately address these and other challenges. Economic environmental instruments can play a role in shaping behaviour and generating new revenue.

Volume XXI of *Critical Issues in Environmental Taxation* explores specific ways in which environmental taxes and other economic instruments can help to address these issues. It begins with chapters that consider the implications of twenty-first century challenges of the new digital world and fiscal constraints. It then turns to the ways in which economic instruments can encourage urban sustainability in the face of increased urban concentration and how taxation can influence traditional and new forms of transportation. It concludes with chapters that address cross-cutting policies involving the design and evaluation of environmental tax policies.

Although the environmental impacts of urban congestion and transport are multifaceted and complex, we hope that the chapters in this book will offer useful ideas and analysis that can contribute to discussions about the role of environmental economic instruments and reinforce the message that environmental taxation and other economic policies can play

a meaningful role in reducing the twenty-first century's environmental footprint.

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