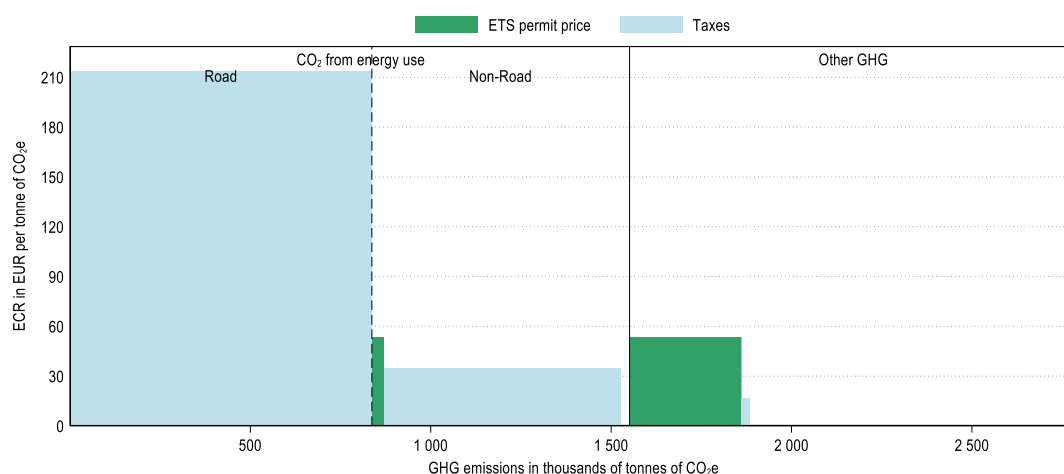


Iceland

Iceland's CO₂ emissions from energy use make up 56% of its greenhouse gas (GHG) emissions. In 2021, these emissions are priced through fuel excise taxes, carbon taxes and the European Union Emissions Trading System (EU ETS). Iceland priced about 98% of its carbon emissions from energy use and about 55% were priced at an ECR above EUR 60 per tonne of CO₂ (see Figure 3). Emissions priced at this level mainly originated from the road transport sector. The majority of unpriced emissions from energy use were from the industry sector (Figure 2). The EU ETS and carbon taxes covered about 27% of other GHG emissions¹, which made up about 44% of national emissions (see Figure 1).

Figure 1. Average effective carbon rates in Iceland in 2021

CO₂ emissions from energy use and other GHG emissions



¹ CH₄, N₂O, F-gases and process CO₂ emissions.

Figure 2. Average effective carbon rates in Iceland by sector and component in 2021

Restricting to CO₂ emissions from energy use

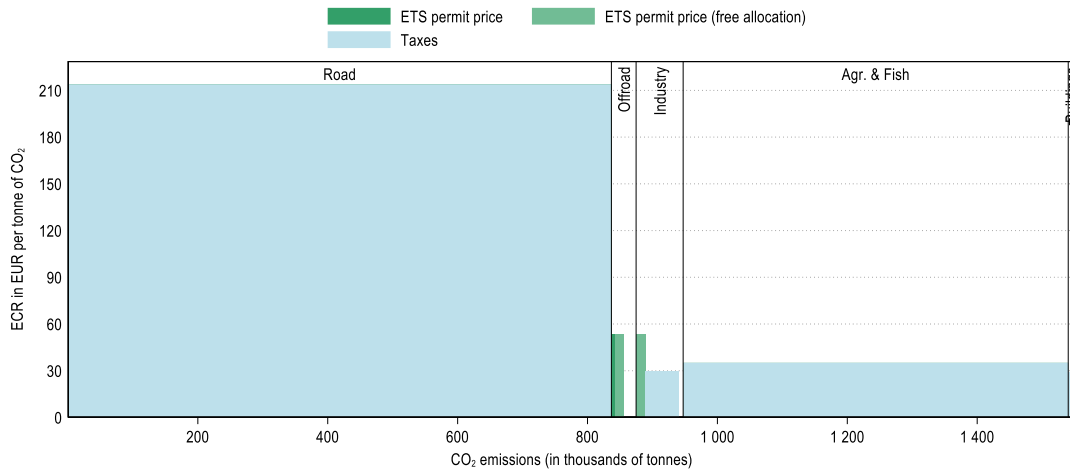
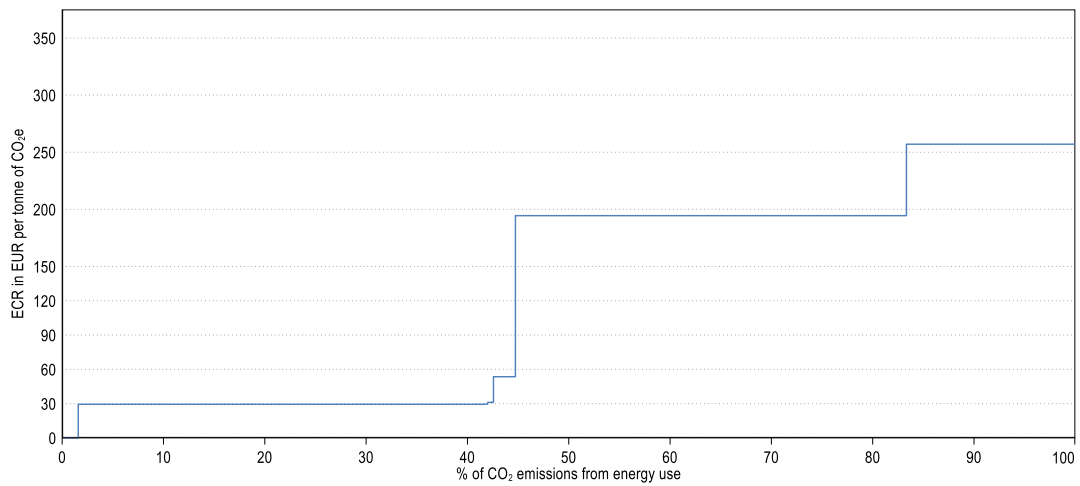


Figure 3. Distribution of ECRs on CO₂ emissions from energy use in Iceland in 2021

Restricting to CO₂ emissions from energy use



For additional information to interpret the graphs, see: <https://oe.cd/ECR2023-graph-info>

Main insights from *Effective Carbon Rates 2023*: <https://oe.cd/ECR2023-brochure>