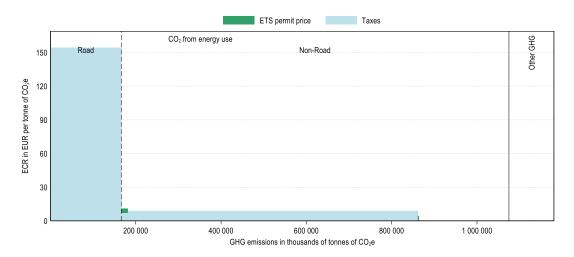
## **Japan**

Japan's greenhouse gas (GHG) emissions mainly consist in CO<sub>2</sub> emissions from energy use (92%). In 2021, these emissions are priced through fuel excise taxes and two subnational emissions trading systems (ETS). Japan priced about 80% of its carbon emissions from energy use and almost 18% were priced at an ECR above EUR 60 per tonne of CO<sub>2</sub> (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). Other GHG emissions<sup>1</sup>, which made up about 8% of national emissions, were not covered by any carbon pricing instrument (see Figure 1).

Figure 1. Average effective carbon rates in Japan in 2021

CO<sub>2</sub> emissions from energy use and other GHG emissions



<sup>&</sup>lt;sup>1</sup> CH<sub>4</sub>, N<sub>2</sub>O, F-gases and process CO<sub>2</sub> emissions.

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

Restricting to CO<sub>2</sub> emissions from energy use

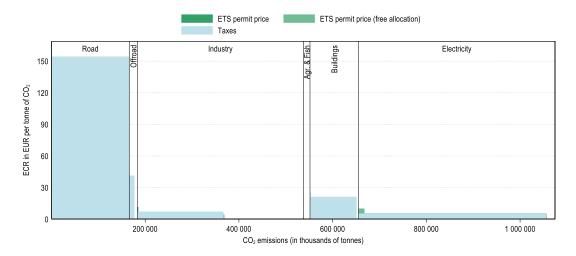
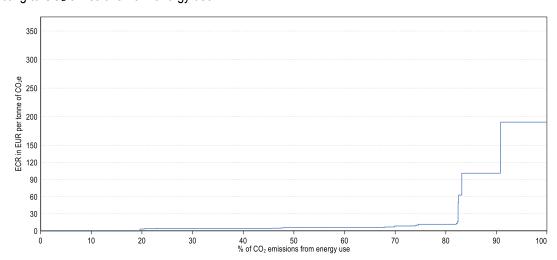


Figure 3. Distribution of ECRs on CO<sub>2</sub> emissions from energy use in Japan in 2021

Restricting to CO<sub>2</sub> emissions from energy use



For additional information to interpret the graphs, see: <a href="https://oe.cd/ECR2023-graph-info">https://oe.cd/ECR2023-graph-info</a>
Main insights from Effective Carbon Rates 2023: <a href="https://oe.cd/ECR2023-brochure">https://oe.cd/ECR2023-brochure</a>