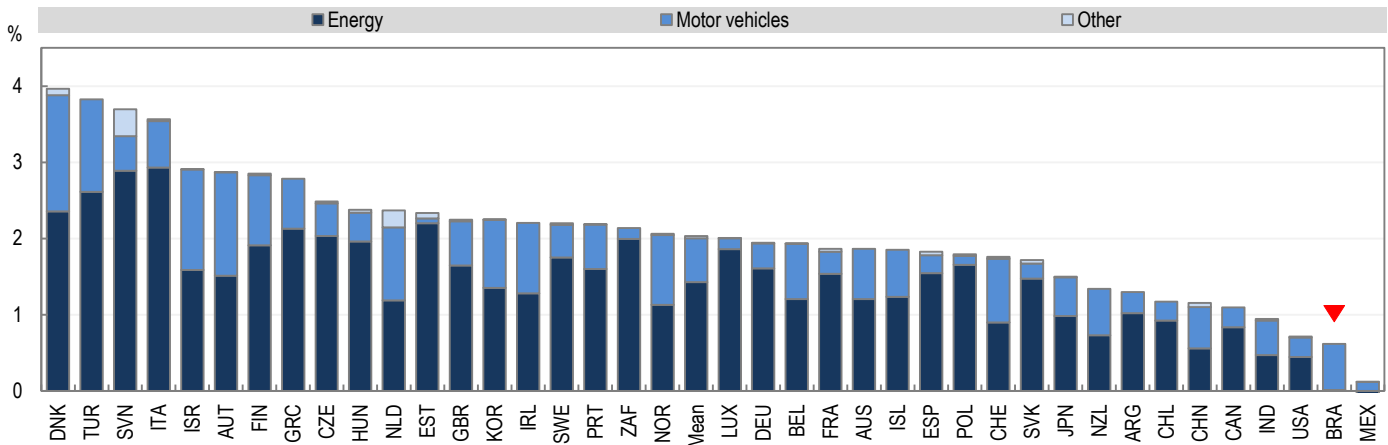


Revenue from environmentally related taxes in Brazil¹

As a share of GDP, Brazil has the 2nd lowest environmentally related tax revenue among 34 OECD and 5 partner economies. In 2014, environmentally related tax revenues were at 0.62% of GDP, compared to 2.0% on average among the 39 countries.

In Brazil, taxes on energy represented 2% of total environmentally related tax revenue, compared to 70% on average among the 39 countries.

Environmentally related tax revenue as a percentage of GDP, 2014



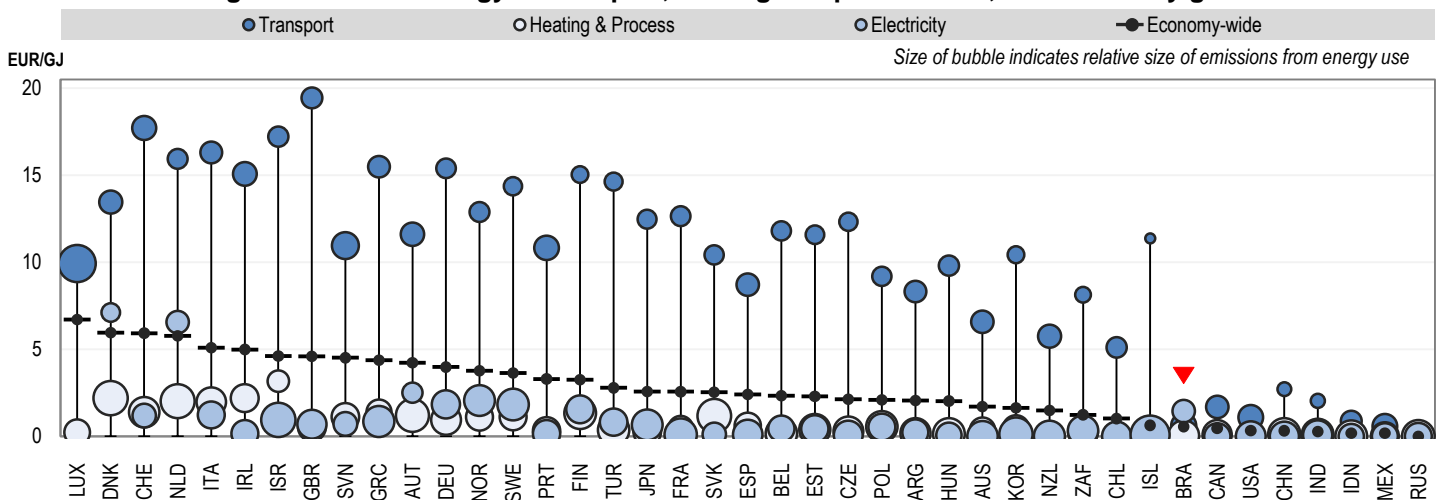
¹Data from OECD.Stat include all OECD countries (except Latvia) and Argentina, Brazil, China, India and South Africa. Please see OECD.Stat for country specific notes.

Taxes on energy use in Brazil²

The [OECD's Taxing Energy Use \(2015\)](#) publication compares taxes on energy use (excise and carbon taxes) across 34 OECD and 7 partner economies. The chart below shows average tax rates, expressed in EUR per GJ, by sector across all fuels and the economy-wide average. The bubble size represents the weight of the sector in total energy use.

- » Brazil has higher average tax rates on transport fuels (0.61 EUR/GJ) than on fuels used for heating and process purposes (0.04 EUR/GJ) or electricity generation (1.44 EUR/GJ);
- » Brazil has the 8th lowest tax rate on energy on an economy-wide basis, at EUR 0.55 per GJ, compared with EUR 2.7 per GJ on a simple-average basis across the 34 OECD and 7 partner economies.

Average tax rates on energy in transport, heating and process use, and electricity generation



²Data from *Taxing Energy Use* are for 2012 and include all OECD countries (except Latvia) and Argentina, Brazil, China, India, Indonesia, Russia and South Africa.

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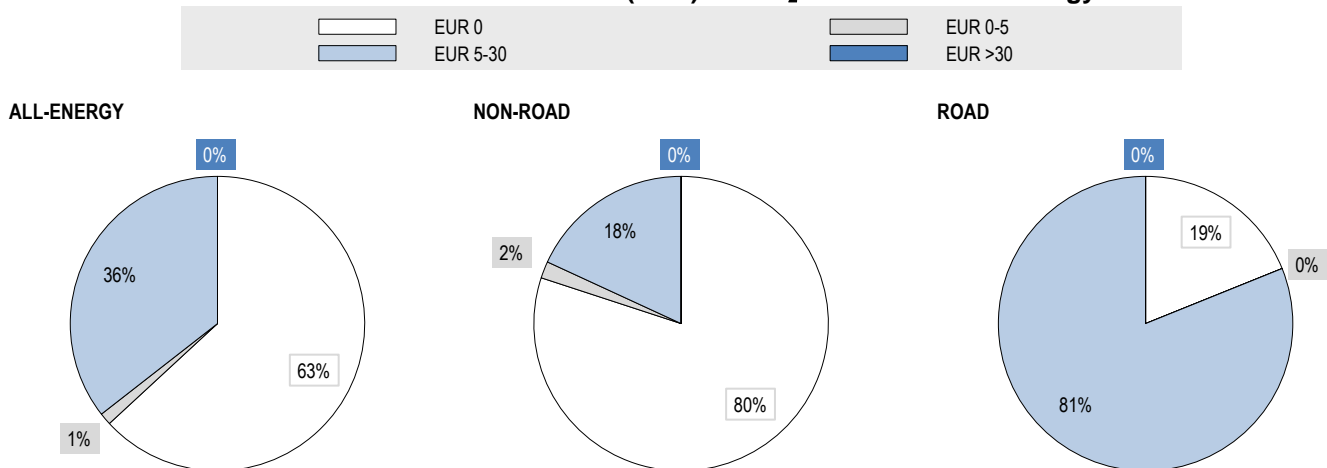
Effective carbon rates in Brazil

The [OECD's Effective Carbon Rates \(2016\)](#) publication presents the combined price signal on CO₂ emissions from taxes on energy and emissions trading systems (ETS), or the effective carbon rate (ECR).³ The charts below show shares of CO₂ emissions subject to different price ranges, for road, non-road and all emissions from energy use. EUR 30 is a conservative estimate of the climate damage from one tonne of CO₂ emissions.

In Brazil, 63% of carbon emissions from energy use face no price signal at all; 36% face a price at or above EUR 5 per tonne of CO₂; and 0% face a price at or above EUR 30 per tonne of CO₂. This compares to a zero price for 60% of emissions across all countries, a price at or above EUR 5 per tonne for 30% and at or above EUR 30 per tonne for 10% of emissions.

Excluding road use, 80% of carbon emissions from energy use in Brazil face no price signal at all; 18% face a price at or above EUR 5 per tonne of CO₂; and 0% face a price at or above EUR 30 per tonne of CO₂. This compares to a zero price for 70% of emissions across all countries, a price at or above EUR 5 per tonne for 19% and at or above EUR 30 per tonne for 4% of emissions.

Distribution of Effective Carbon Rates (ECR) on CO₂ emissions from energy use in Brazil



Figures shown in the charts may not add up to 100% due to rounding.

³Notes on the interpretation of effective carbon rates: Box 3.1 (p.38-40), OECD's Effective Carbon Rates (2016), or consult <http://oe.cd/ECRinterpretation>

CO₂ emissions priced and average rates in Brazil

The table below shows the average price signals from taxes and trading systems, and the share of emissions priced by these instruments.

» Brazil does not currently have an ETS.

» In total, taxes in Brazil price 37% of CO₂ emissions from energy use. The sectors with the highest tax coverage are electricity (100%) and road transport (81%).

Share of emissions priced and average price signals from tax, Brazil

CO ₂ emissions by sector (in t CO ₂)	Tax		ETS		Overlap of tax and ETS ⁵	Emissions not priced by tax or ETS
	Average price (in EUR/tCO ₂)	Share of emissions priced	Average price (in EUR/tCO ₂)	Share of emissions priced		
Agriculture & Fishing	7.4	61%	0.0	0%	0%	39%
Electricity	11.3	100%	0.0	0%	0%	0%
Industry	8.1	13%	0.0	0%	0%	87%
Offroad transport	7.4	22%	0.0	0%	0%	78%
Residential & Commercial	7.4	0%	0.0	0%	0%	100%
Road transport	11.2	81%	0.0	0%	0%	19%
Total⁴	3.8	37%	0.0	0%	0%	63%

Access the data for all 41 countries: <http://oe.cd/emissionsdata>

⁴Total average prices are weighted by the share of emissions in each sector that is priced in the country.

⁵Tax and ETS can apply to the same emissions base. The overlap describes the percentage of emissions in a sector that is priced by both tax and ETS.