Revenue from environmentally related taxes in Argentina¹

As a share of GDP, Argentina has the 8th lowest environmentally related tax revenue among 34 OECD and 5 partner economies. In 2014, environmentally related tax revenues were at 1.3% of GDP, compared to 2.0% on average among the 39 countries.

In Argentina, taxes on energy represented 79% of total environmentally related tax revenue, compared to 70% on average among the 39 countries.

Taxes on energy use in Argentina²

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.

- Argentina has higher average tax rates on transport fuels (8.32 EUR/GJ) than on fuels used for heating and process purposes (0.17 EUR/GJ) or electricity generation (0.22 EUR/GJ);
- Argentina has the 26th highest tax rate on energy on an economy-wide basis, at EUR 2.05 per GJ, compared with EUR 2.7 per GJ on a simple-average basis across the 34 OECD and 7 partner economies.

Contacts

David Bradbury
Centre for Tax Policy and Administration
Head, Tax Policy and Statistics Division
David.Bradbury@oecd.org

Kurt Van Dender
Centre for Tax Policy and Administration
Head, Tax and Environment Unit
Kurt.VanDender@oecd.org
Effective carbon rates in Argentina

The [OECD’s Effective Carbon Rates (2016)](http://oe.cd/emissionsdata) 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 Argentina, 27% of carbon emissions from energy use face no price signal at all; 42% face a price at or above EUR 5 per tonne of CO₂; and 25% 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, 34% of carbon emissions from energy use in Argentina face no price signal at all; 25% face a price at or above EUR 5 per tonne of CO₂; and 3% 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 Argentina

<table>
<thead>
<tr>
<th>Emissions not priced by tax or ETS</th>
<th>Tax (EUR 0-5)</th>
<th>ETS (EUR &gt;5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All-energy</td>
<td>EUR 0</td>
<td>EUR 5-30</td>
</tr>
</tbody>
</table>

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


CO₂ emissions priced and average rates in Argentina

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

- Argentina does not currently have an ETS.
- In total, taxes in Argentina price 73% of CO₂ emissions from energy use. The sectors with the highest tax coverage are offroad transport (99%) and road transport (99%).

### Share of emissions priced and average price signals from tax, Argentina

<table>
<thead>
<tr>
<th>CO₂ emissions by sector (in t CO₂)</th>
<th>Tax</th>
<th>ETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average price (EUR/tCO₂)</td>
<td>Share of emissions priced</td>
<td>Average price (EUR/tCO₂)</td>
</tr>
<tr>
<td>Agriculture &amp; Fishing</td>
<td>9 696</td>
<td>0.0</td>
</tr>
<tr>
<td>Electricity</td>
<td>45 141</td>
<td>5.2</td>
</tr>
<tr>
<td>Industry</td>
<td>68 709</td>
<td>2.9</td>
</tr>
<tr>
<td>Offroad transport</td>
<td>5 073</td>
<td>26.1</td>
</tr>
<tr>
<td>Residential &amp; Commercial</td>
<td>28 267</td>
<td>6.5</td>
</tr>
<tr>
<td>Road transport</td>
<td>46 455</td>
<td>132.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>203 341</strong></td>
<td><strong>32.8</strong></td>
</tr>
</tbody>
</table>

⁴Access the data for all 41 countries: [http://oe.cd/emissionsdata](http://oe.cd/emissionsdata)

⁵Total average prices are weighted by the share of emissions in each sector that is priced in the country.

⁶Tax 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.