Switzerland

Figure 79. Proportion of CO_2 emissions from energy use subject to different levels of effective carbon rates in Switzerland in 2015

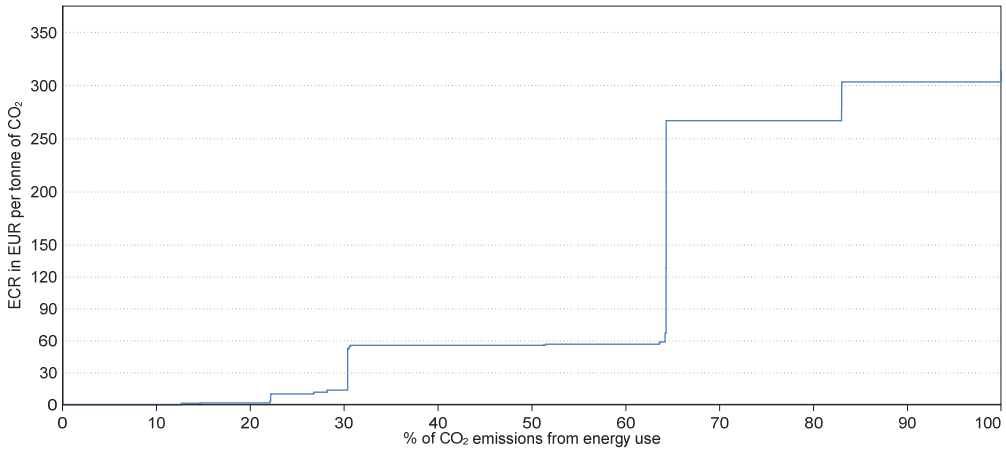
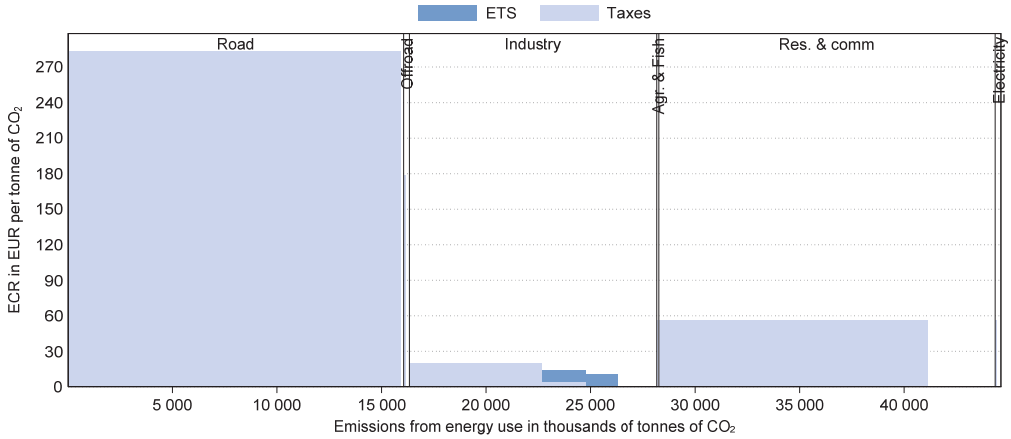


Figure 80. Average effective carbon rates in Switzerland by sector and component in 2015



In 2015, effective carbon rates in Switzerland consisted primarily of specific taxes on energy use and to a smaller extent of national carbon taxes and permit prices from the Swiss ETS. Switzerland priced 87% of carbon emissions from energy use, and 70% were priced above EUR 30 per tonne of CO_2 (see Figure 79). A large share of emissions priced at this level was from the road and residential and commercial sectors (see Figure 80). The Swiss ETS applied to emissions from the industry and offroad transport sectors, however, the latter accounted for very few emissions. Unpriced emissions were largely emitted by the residential and commercial and industry sectors.

The overlap between instruments occurred within the industry sector, between the minerals oils duty (not the mineral oil surtax, as this applied only in transport) and the emissions trading system. This is since the mineral oils tax also applied to fuels used for heating and process use, consistent with the information included in OECD (2018[6]).

The effective carbon rate on road transport energy is mainly the result of mineral oil taxes, the revenues of which are largely earmarked to road infrastructure funding. These taxes are included because the tax base, mineral oils, is part of the tax base covered in the effective carbon rates. Other countries may fund road infrastructure via road tolls, which are not included in the effective carbon rate because road use is not part of the tax base considered in the effective carbon rates.

For additional information to interpret the graphs, see: https://oe.cd/ECR-graph-info
Main insights from the *Effective Carbon Rates* database: http://oe.cd/ECR2018