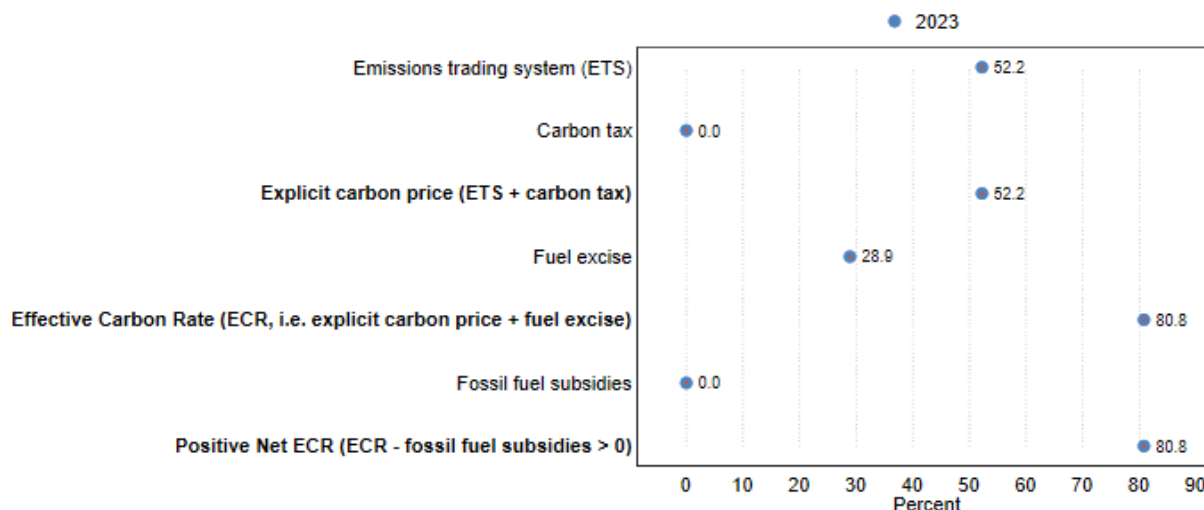


## Carbon pricing in Cyprus<sup>1</sup>

### Share of greenhouse gas emissions subject to a positive price by instrument, 2023 estimates

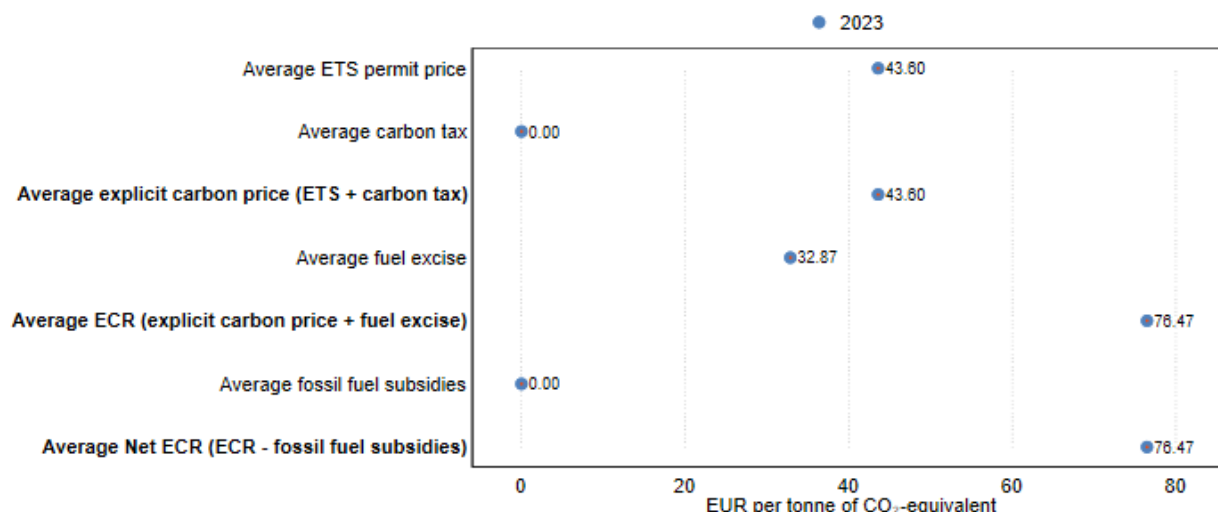
In total, 80.8% of GHG emissions in Cyprus are subject to a positive Net Effective Carbon Rate (ECR) in 2023. Explicit carbon prices in Cyprus consist of emissions trading system (ETS) permit prices, which cover 52.2% of greenhouse gas (GHG) emissions in CO<sub>2</sub>e. Fuel excise taxes, an implicit form of carbon pricing, cover 28.9% of emissions in 2023. There are no fossil fuel subsidies.



Note: Percentages are rounded to the first decimal place.

### Average effective carbon prices by instrument, real 2023 EUR, 2023 estimates

When measured in real 2023 euros, Net Effective Carbon Rates are EUR 76.47 per tonne of CO<sub>2</sub>e on average in Cyprus in 2023. Explicit carbon prices reach an average of EUR 43.6. Fuel excise taxes amount to EUR 32.87 on average. Fossil fuel subsidies average EUR 0 per tonne of CO<sub>2</sub>e.



Note: Prices are rounded to the nearest eurocent.

<sup>1</sup> Note by the Republic of Türkiye

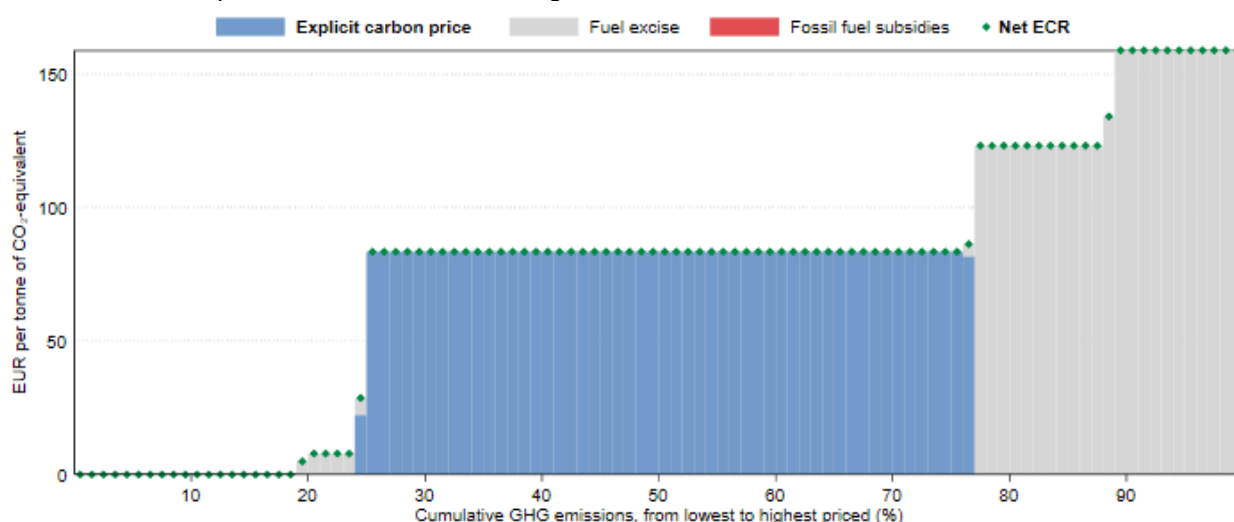
The information in this document with reference to “Cyprus” relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Türkiye recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Türkiye shall preserve its position concerning the “Cyprus issue”.

Note by all the European Union Member States of the OECD and the European Union

The Republic of Cyprus is recognised by all members of the United Nations with the exception of Türkiye. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

## Distribution of effective carbon prices across GHG emissions, 2023 estimates

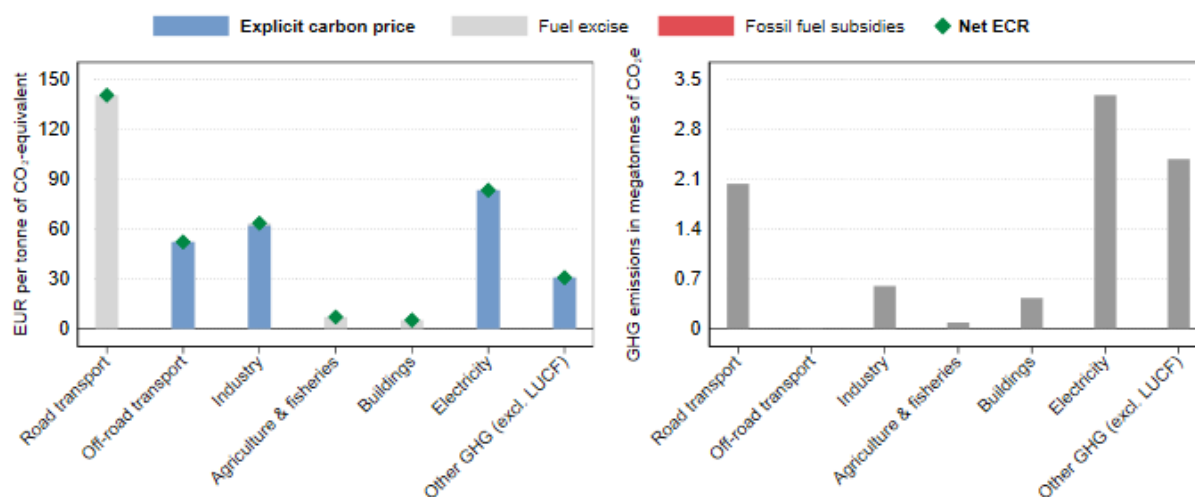
About 81% of GHG emissions are subject to a positive Net ECR in Cyprus. About 75% of GHG emissions have a Net ECR above EUR 60 per tonne of CO<sub>2</sub>e, a mid-range estimate of current carbon costs.



Note: Simplified for illustration (the average price for each percentile bracket is shown).

## Average effective carbon prices (left panel) and GHG emissions (right panel) by sector, 2023 estimates

Net Effective Carbon Rates are highest in the road transport sector, which accounts for 23% of the country's total GHG emissions. The Net ECR is on average positive in all sectors.



**Notes on all figures:** Tax rates applicable on 1 April 2023, Emission Trading Systems operating in 2023 with ETS coverage estimates based on the OECD's Effective Carbon Rates 2023, i.e. coverage year 2021, and adjustments to account for new systems. Fossil fuel subsidy estimates are based on the OECD's Inventory of Fossil Fuel Support, where available, and original research for the other countries. Due to data availability, fossil fuel subsidy estimates for 2023 are based on data for 2022. GHG emissions are the sum of fossil-fuel related CO<sub>2</sub> emissions, calculated based on energy use data for 2021 from the IEA's World Energy Balances 2023 and other GHGs from Climate Watch 2024.

### Want to know more?

- Access the report *Pricing Greenhouse Gas Emissions* (OECD 2024): <https://oe.cd/pricing-greenhouse-gas-emissions-2024>.
- Which domestic policy instruments are included as carbon pricing instruments? View the background information: <https://www.oecd.org/content/dam/oecd/en/topics/policy-sub-issues/carbon-pricing-and-energy-taxes/carbon-pricing-background-notes.pdf>
- Access the data shown in the country notes: <http://data-explorer.oecd.org/s/he>



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