The Principle of Carbon Pricing
Principle 3: Work towards measures that result in effective carbon pricing

Could include:

• Reducing/eliminating subsidies
• Taxes or tax-like measures (in particular carbon taxes)
• Emission trading systems
• Regulatory policies

Sweden will focus on carbon tax
Why should Sweden lead on carbon pricing?

Long experience with Carbon tax

- Introduced in 1991 on low levels (increased over time)
- Reductions for different sectors in the beginning
- Over time emissions have been reduced at the same time as GDP has increased
- It as an effective tool to reduce emissions
- Easy to implement and administer
- Gives revenue to the state
Focus on the coalition as a way to share experience and facilitate best practice.

Planning a workshop 3-4 October (hands-on)

Possible topics:
• How to make administration easy
• How to address competitiveness concerns
• How to use revenue to get acceptance for the tax
• Taxation in the aviation and maritime sector
What is the best way to bring the principle forward?

• Should we also have a survey on Carbon pricing?
• Introduce a system of Peer review?
• Reoccurring workshops?
• Other?