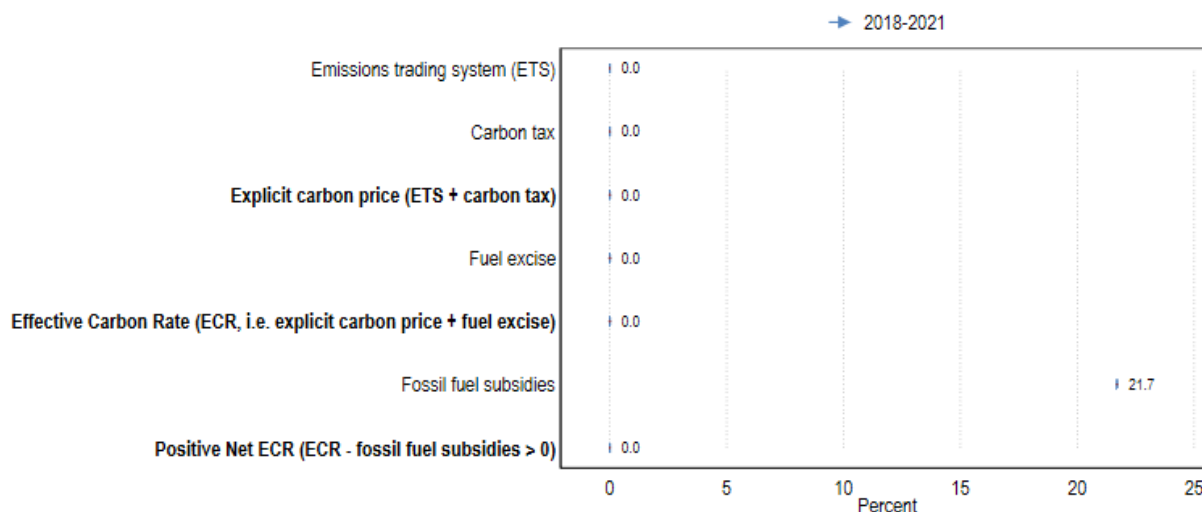


Carbon pricing in Malaysia

Share of greenhouse gas emissions subject to a positive price by instrument, 2018-2021

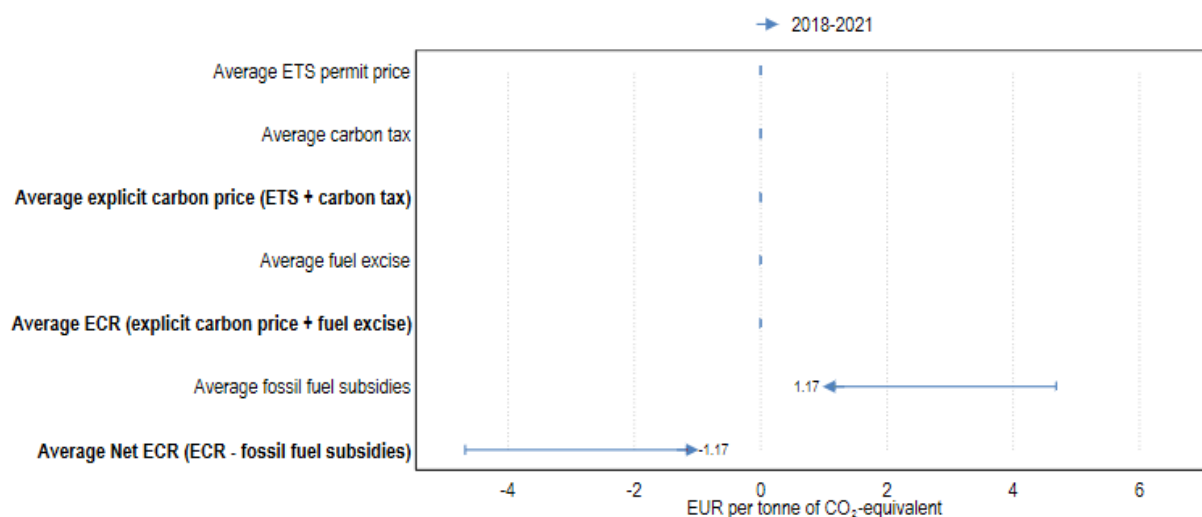
In total, 0% of GHG emissions in Malaysia are subject to a positive Net Effective Carbon Rate (ECR) in 2021, unchanged since 2018. Malaysia does not levy an explicit carbon price. No fuel excise taxes are levied. Fossil fuel subsidies cover 21.7% of emissions in 2021, unchanged since 2018.



Note: Percentages are rounded to the first decimal place.

Average effective carbon prices by instrument, real 2021 EUR, 2018-2021

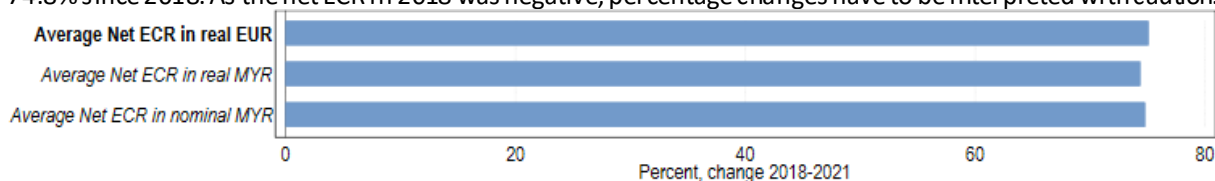
In 2021, fuel excise taxes were zero. Fossil fuel subsidies have decreased to an average of EUR 1.17 per tonne of CO₂e, down 75% since 2018.



Note: Prices are rounded to the nearest eurocent.

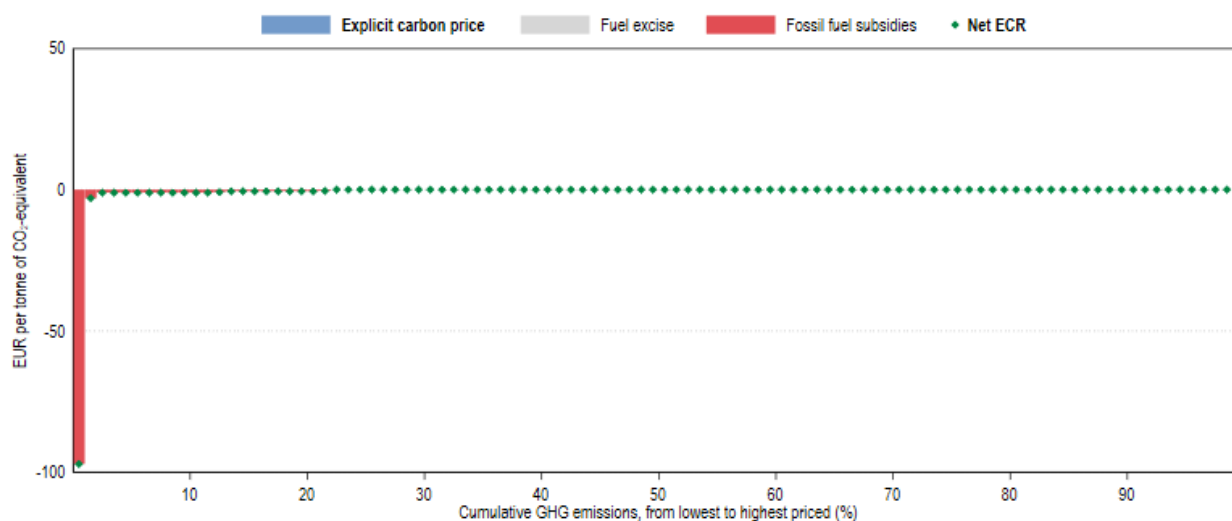
Percentage change in the average Net ECR by reference price, 2018-2021

The average Net ECR on GHG emissions has increased by 75.1% since 2018 when measured in real 2021 euros. In real Malaysian ringgit (MYR), which has depreciated relative to the euro between 2018 and 2021, the average Net ECR has increased by 74.4%. In nominal MYR, appreciated because of deflation, the average Net ECR has increased by 74.8% since 2018. As the net ECR in 2018 was negative, percentage changes have to be interpreted with caution.



Distribution of effective carbon prices across GHG emissions, 2021

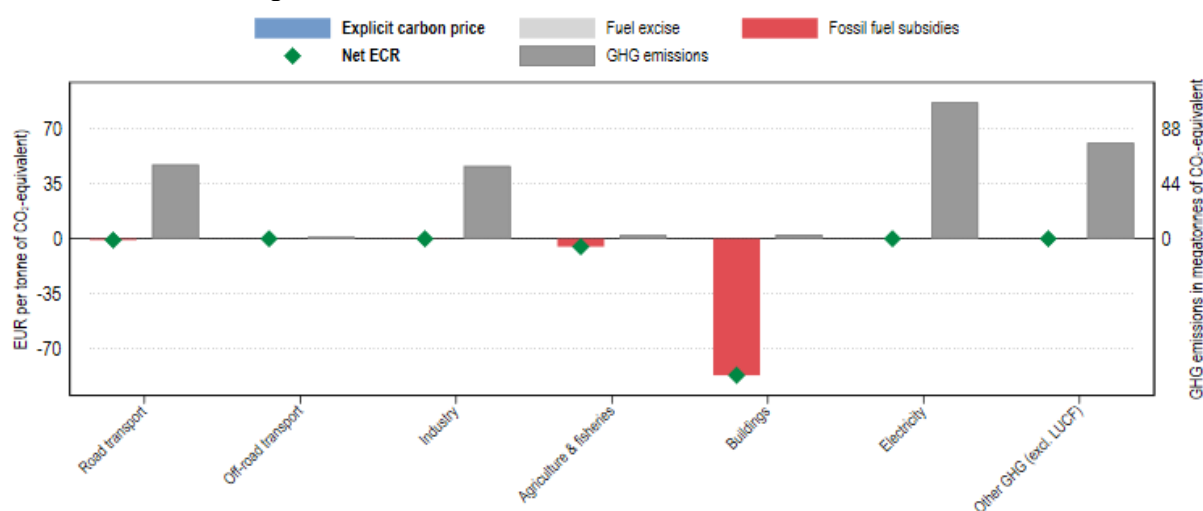
No GHG emissions have a Net ECR above EUR 60 per tonne of CO₂e, a mid-range estimate of current carbon costs.



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

Average effective carbon prices (left axis) and GHG emissions (right axis) by sector, 2021

The Net ECR is zero or negative in all sectors.



Want to know more?

- Access the report *Pricing Greenhouse Gas Emissions* (OECD 2022): <https://oe.cd/pricing-greenhouse-gas-emissions>.
- Which domestic policy instruments are included as carbon pricing instruments? View the background information: www.oecd.org/tax/tax-policy/carbon-pricing-background-notes.pdf
- Access the data shown in the country notes: <https://stats.oecd.org/Index.aspx?DataSetCode=E CRS>

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