

# Highlights of Chile's Carbon Tax implementation



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Juan Pedro Searle  
PMR Focal Point  
Ministry of Energy

# Diagnosis

- Institutional Infrastructure
  - MRV
  - Institutional Roles
  - Capacity Building
  - Private Sector (CEMS)
- Policy Coherence
  - Consistent with other policy goals, eg local contaminants and green growth
- Social Validation
  - Stakeholders knowledge and participation
- International Acceptability

# Specific Challenges

- Specific Emission Factors (national) to estimate emissions (FEC)
- Offer of laboratories to certificate CEMS
- Security of information (logic and physics)
- Reporting (technology)

# Implementation of green taxes

- Visiting 97 stationery sources potentially affected
- Implementation of:
  - Register (Ministry of the Environment)
  - Protocol to measure emissions (Superintendence of the Environment)
  - Protocol to report emissions (Superintendence of the Environment)

# Topics to study in detail

- **Competitiveness**

- The green tax is associated with a specific technology. As a consequence there are sources of different sectors affected. Some of them have pointed out concerns about competitiveness and its economic effects (e.g. agriculture and fishery).

- **Seasonality**

- The green tax includes local pollutants to reduce atmospheric contamination (among others). However, some sources release emission only during summer when the contamination is not a mayor problem.

- **Consistency**

- The green tax covers around 40% of the total national emissions. The bottom up approach generated by the green tax register should be consistence with the top down approach used to estimate the CO2 national inventory.