



# CARBON PRICING AND POWER SECTOR DECARBONIZATION: EVIDENCE FROM THE UK

## BACKGROUND AND RESEARCH AIM



In order to mitigate climate change, every country across the globe must reduce their greenhouse gas emissions. Economists widely regard carbon pricing as the most efficient method for achieving emission reductions. However, there is a limited availability of evidence demonstrating the actual impact of current carbon taxes or markets. In 2013, the UK introduced



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The UK CPS played a crucial role in facilitating the rapid decarbonization of the UK production while minimizing potential leakage. These factors should be considered when assessing the generalizability of