

## **The Carbon Footprint of European Households and Income Distribution**

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This paper calculates the CO<sub>2</sub> footprint of private consumption in the EU27 by five groups of household income. The footprint calculations are carried out with a DYNK (Dynamic New Keynesian) model covering 59 industries and five groups of household income for the EU27. This model is used to quantify the domestically (within the EU 27) embodied CO<sub>2</sub> emissions. The emissions embodied in imports from Non-EU 27 are calculated using a simple MRIO (Multi-Regional Input-Output) model. The footprint is calculated separately for the consumption vector of each of the five income groups. The results are partially influenced by different absolute levels of consumption and partially by different consumption structures. These differences are highlighted in a simple decomposition exercise.