This figure shows the costs of mitigation for the three policies shown in Figures 4.10, 4.12, and 4.14. The first panel shows the net present value of the difference between the path for real consumption in the policy experiment and the path for real consumption in the baseline, divided by the net present value of the path for real consumption in the baseline. The bottom panel shows the net present value of output (real gross national product) losses, defined in the same way as for consumption. The discount rate is constant over time and across regions at 2.2 percent, which is the difference between long-term world interest rates and trend GNP growth rates.

### Uniform carbon tax and hybrid policy
- Cap-and-trade system, allocation by initial emission shares
- Cap-and-trade system, allocation by population shares

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Source: IMF staff estimates.

1. Organization of Petroleum Exporting Countries.
2. Weighted by GNP shares in 2013.
3. Weighted by population shares in 2013.
4. Average prices of GNP and consumption can differ widely, owing to exchange rate movements. This implies that the rankings of GNP and consumption losses across countries are not necessarily the same.