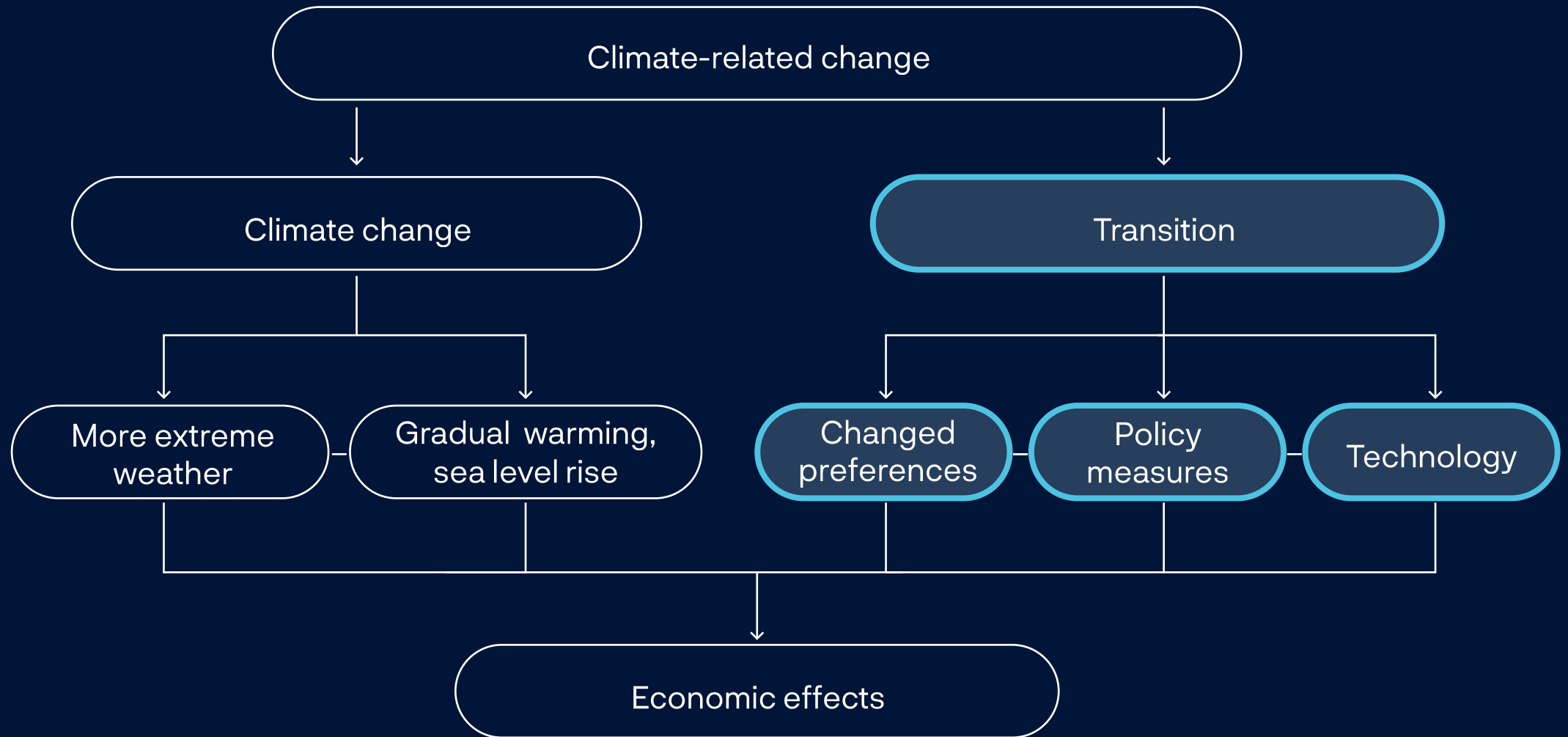


Climate Change and Monetary Policy

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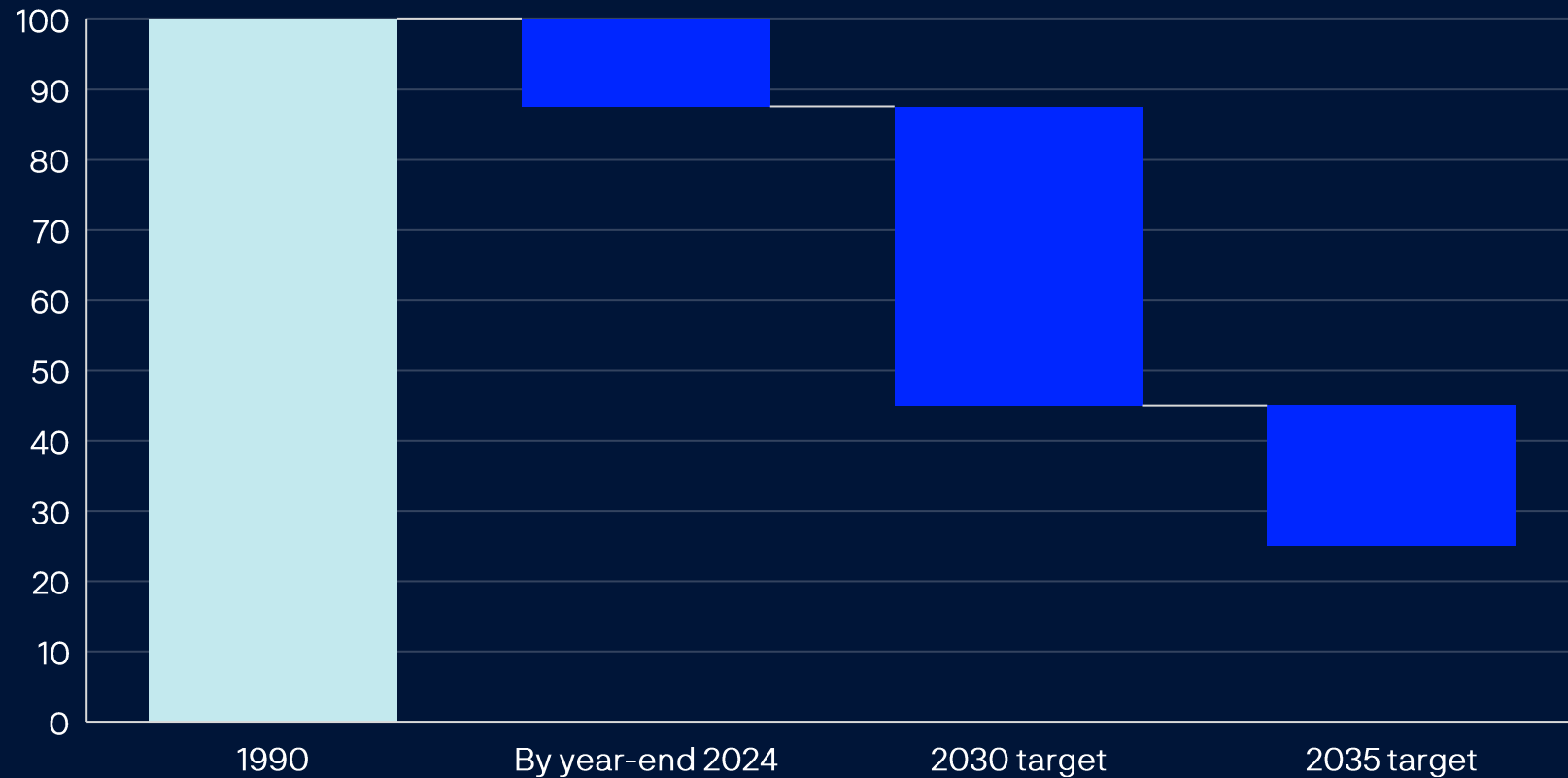
Bergen, 7 October 2025





Substantial emissions remain to be cut

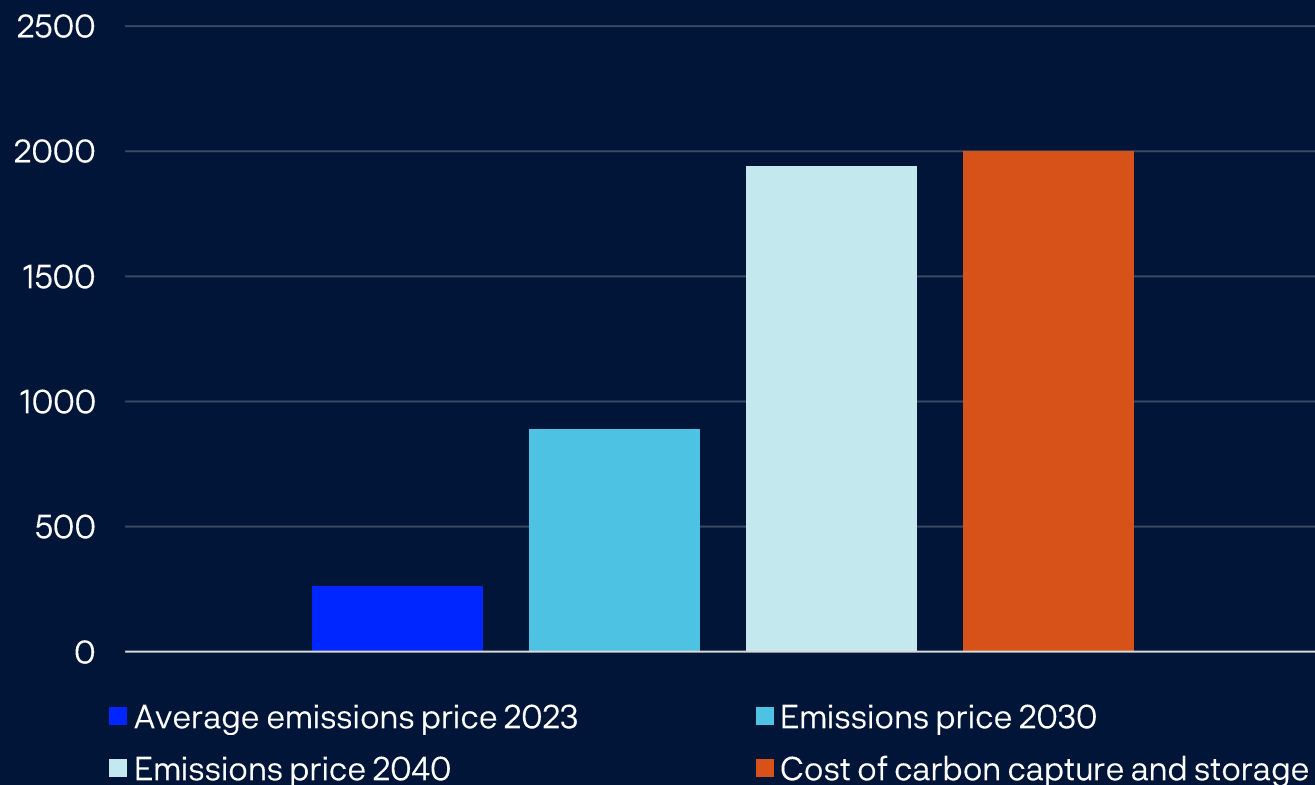
Targets and achieved cuts. Norway. Share of total emissions in 1990. 1990=100



Sources: Ministry of Climate and
Environment and Norwegian
Environment Agency

Higher emissions prices incentivise cuts

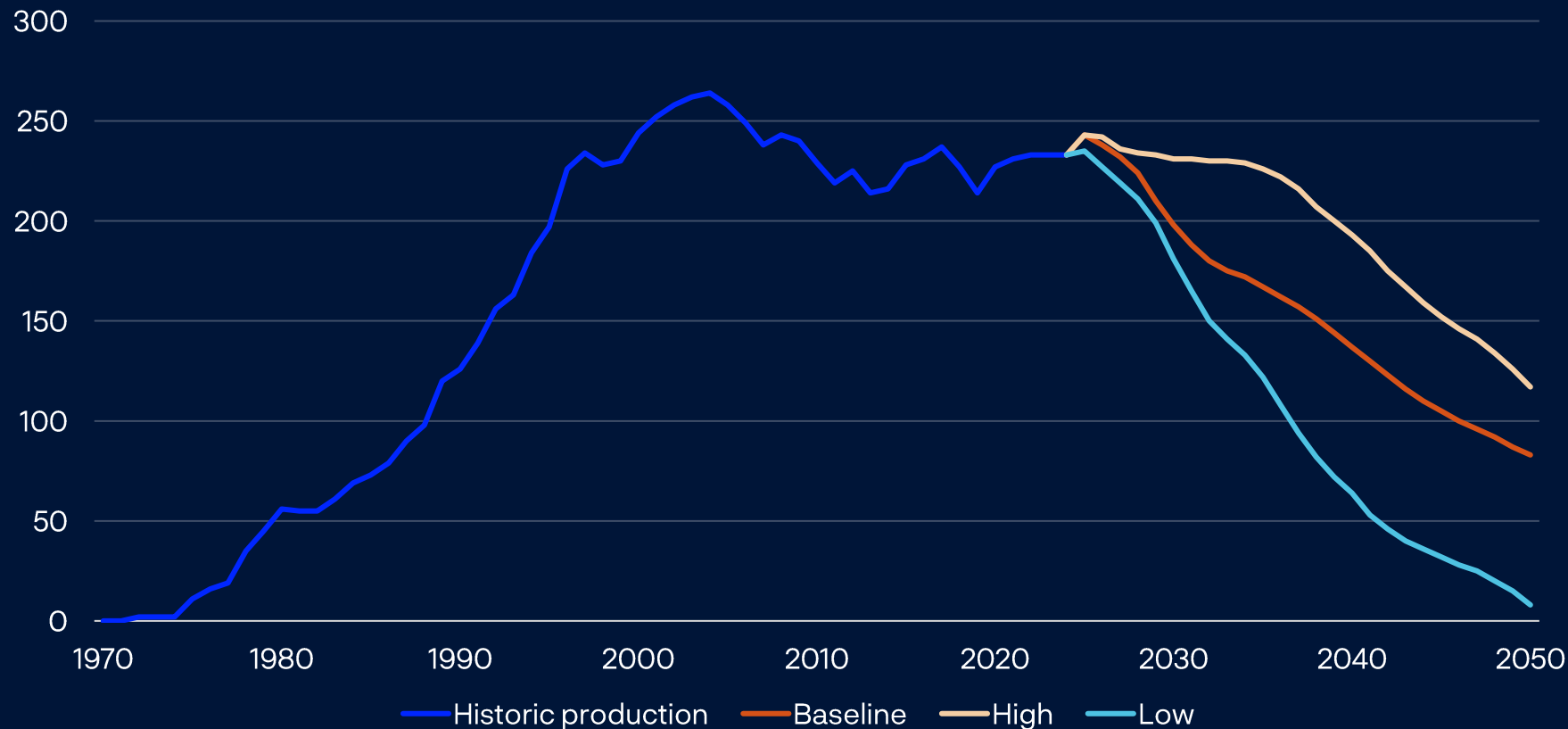
Estimates of emissions prices and cost of all carbon capture and storage. Manufacturing. In NOK per tonne emissions



Sources: Ministry of Finance,
Norwegian Environment Agency,
Statistics Norway and Norges
Bank

Much of Norway's oil and gas has been extracted

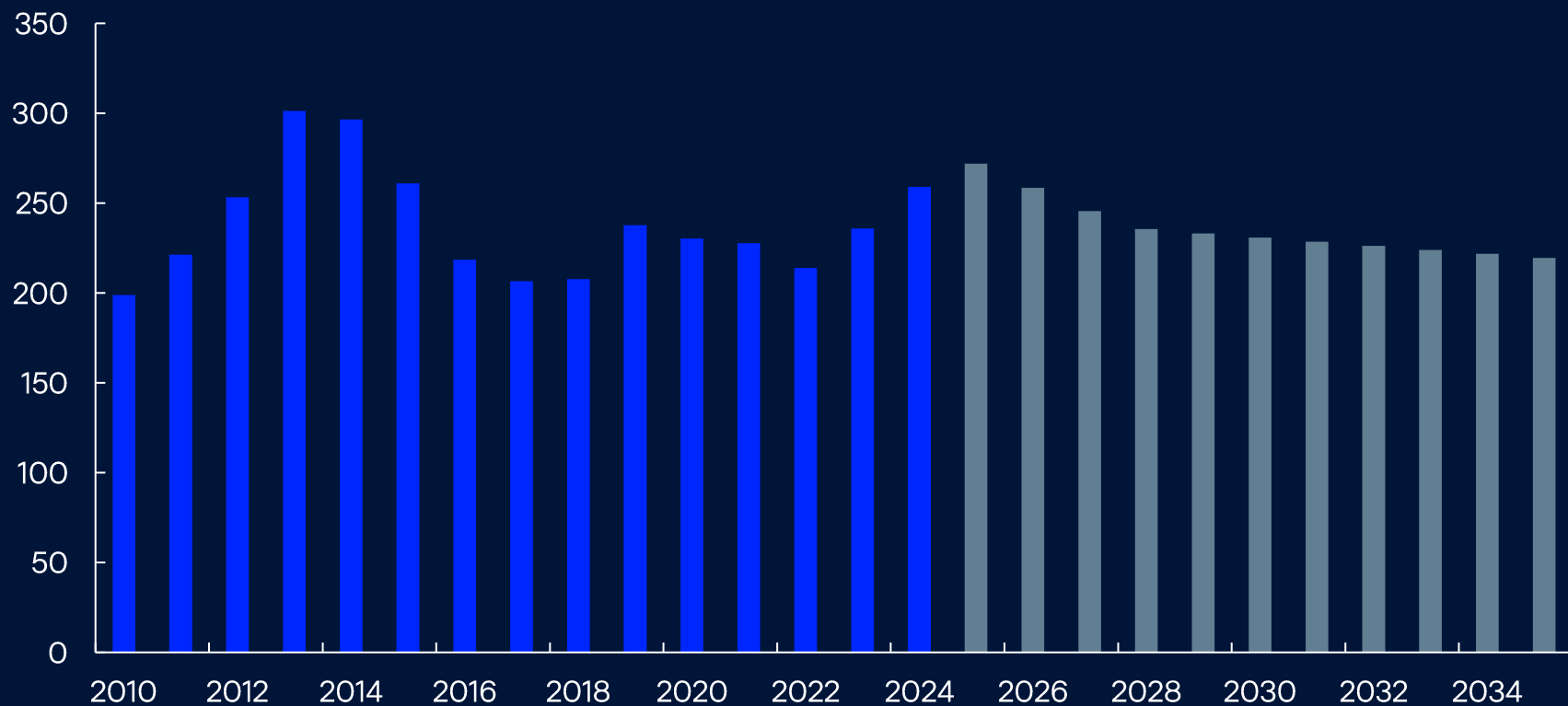
Scenarios. In millions of standard cubic metres of oil equivalents



Source: The Norwegian Offshore Directorate

Decline in petroleum investment

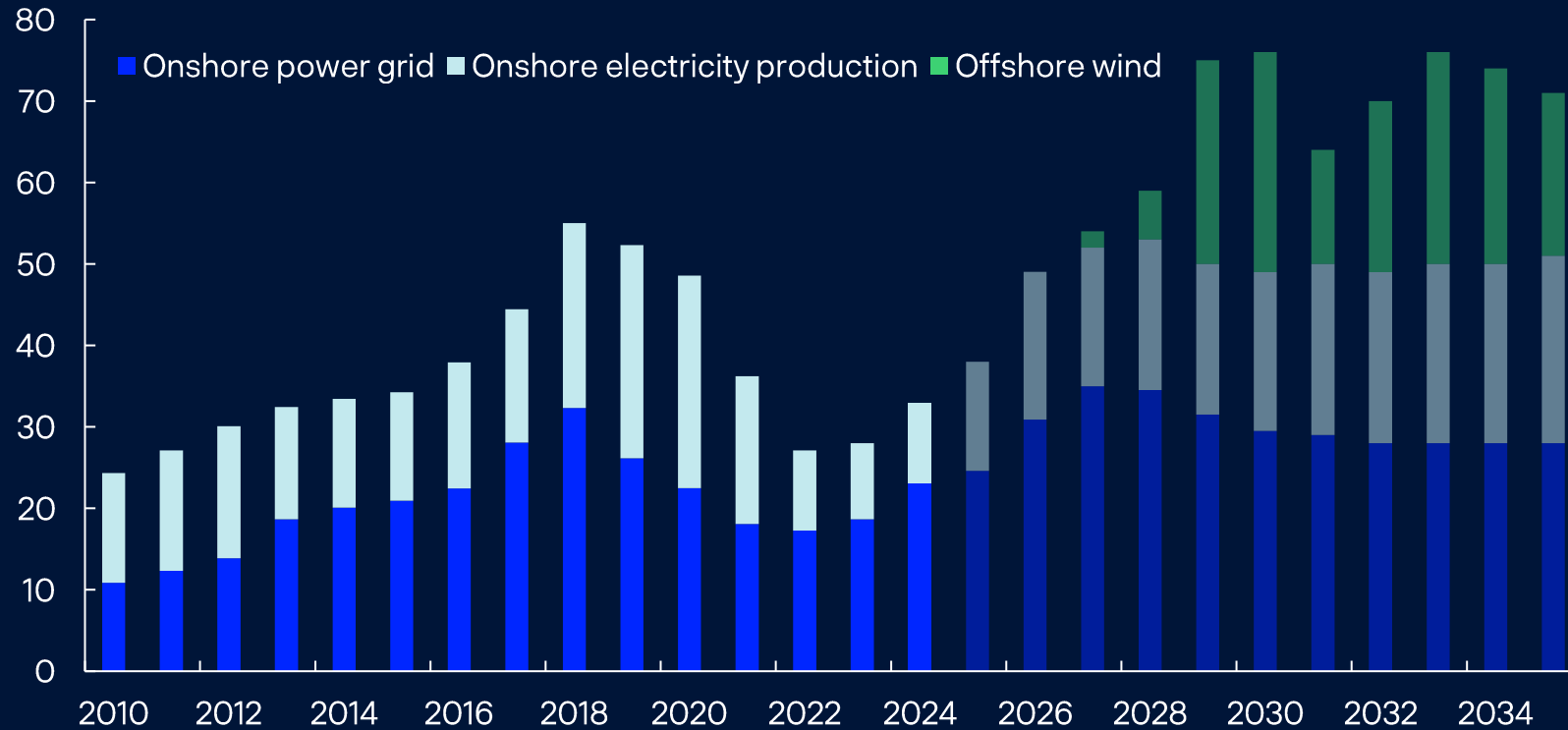
Constant 2025 prices. In billions of NOK



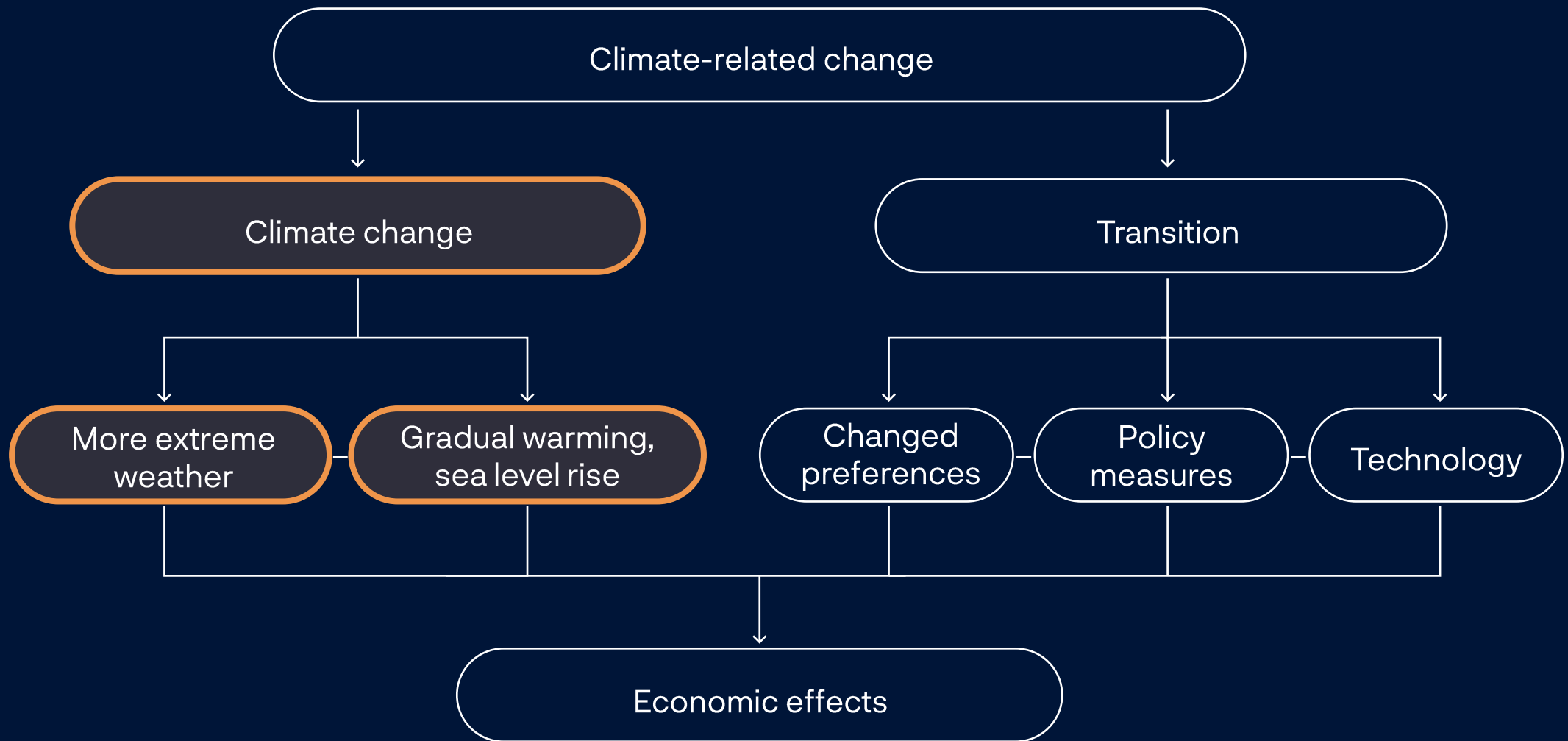
Sources: Statistics Norway and
Norges Bank

Power sector investment will increase

Constant 2025 prices. In billions of NOK

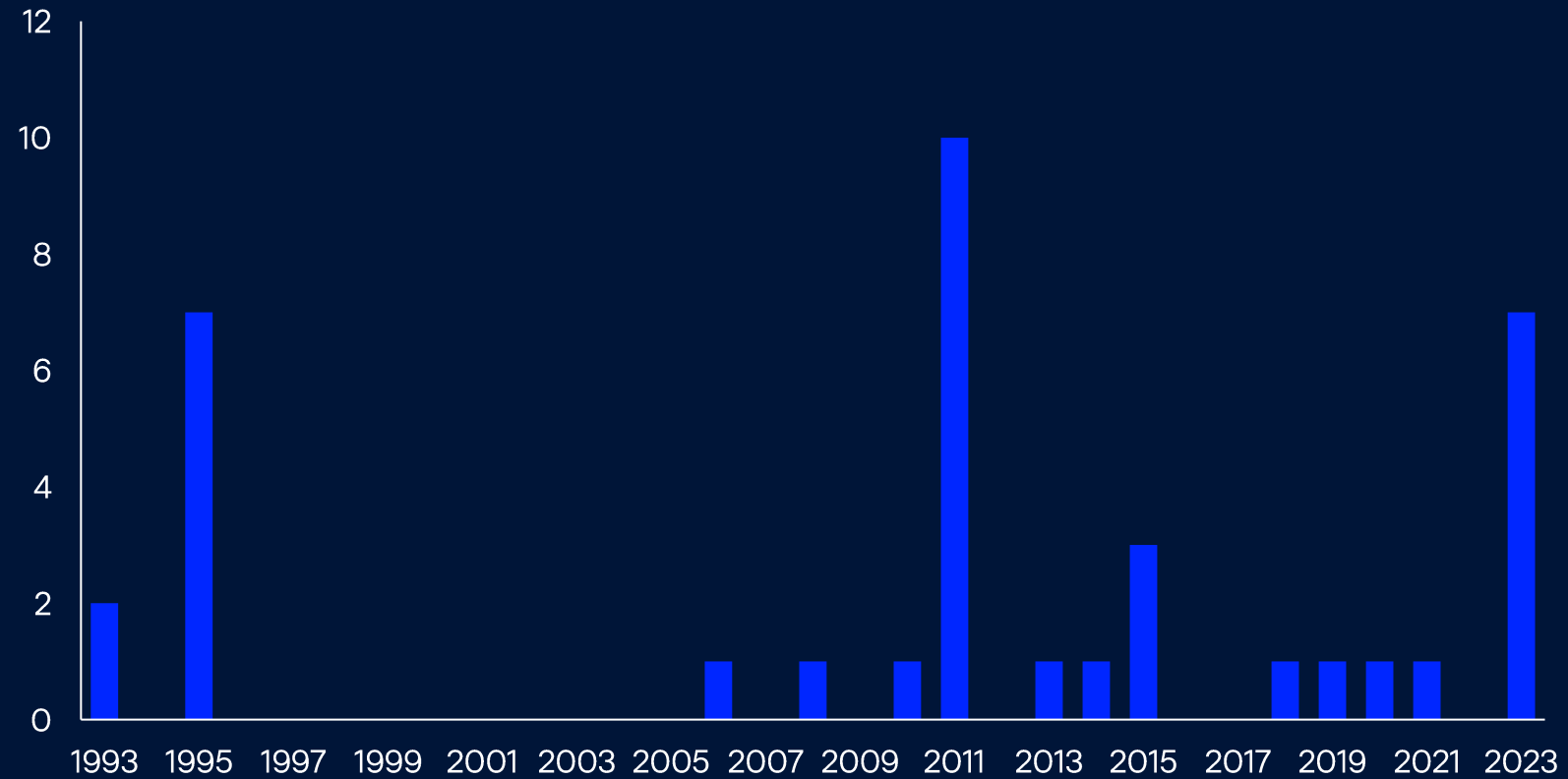


Sources: Statistics Norway and
Norges Bank



More extreme weather

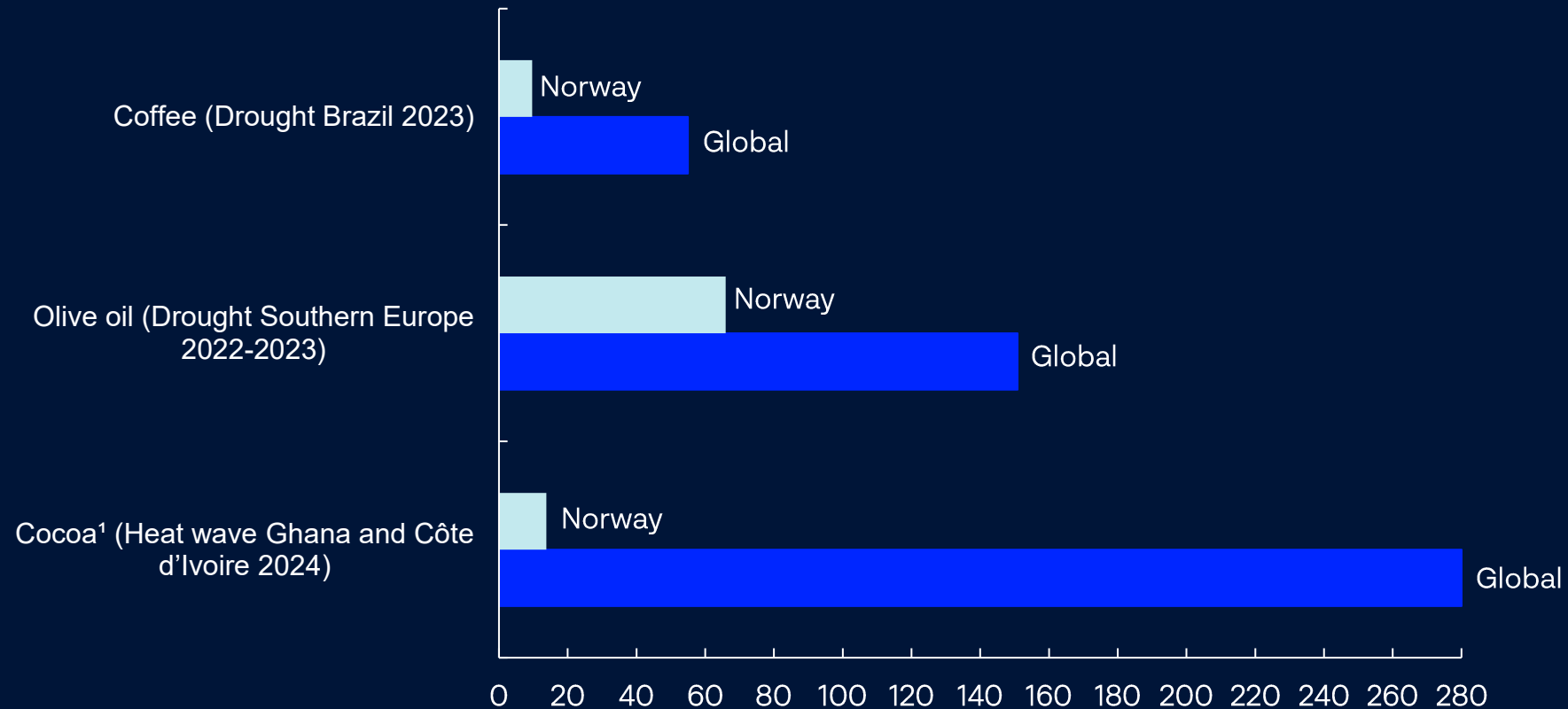
Number of municipalities exposed to severe natural events



Source: Espegren et al. (2025)

Extreme weather affects food prices

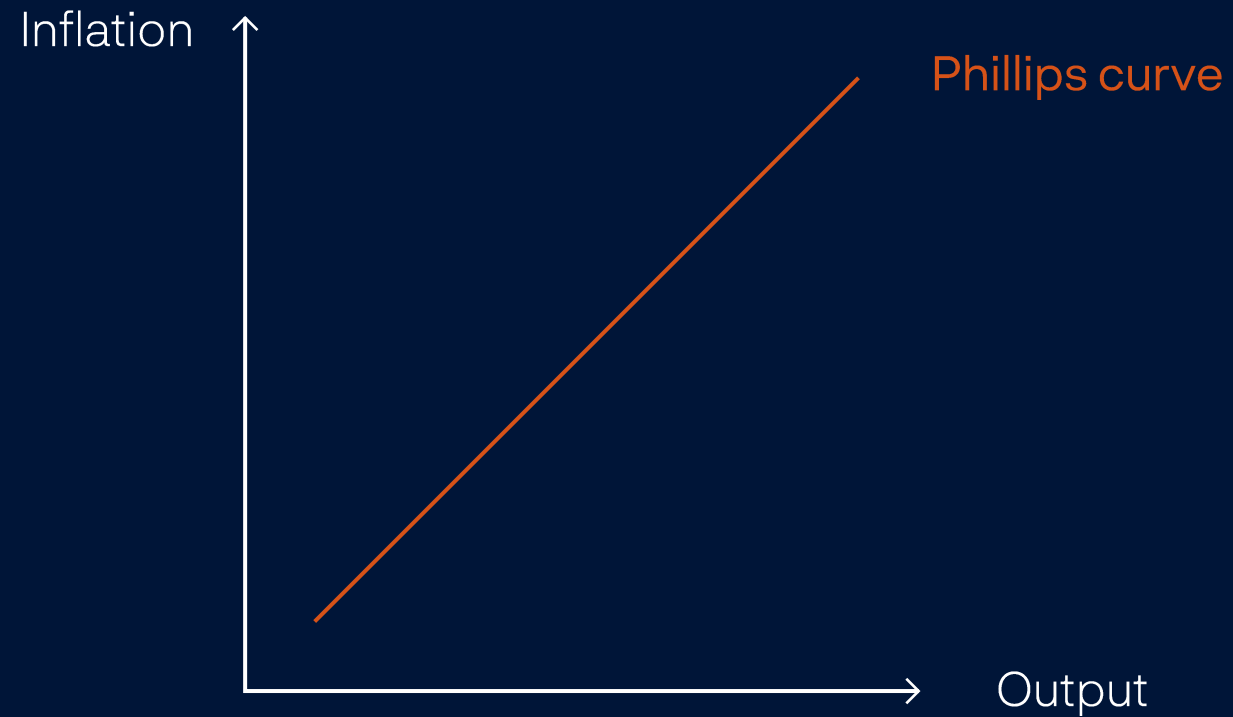
Commodity prices globally and in Norway. Impact measured from event to maximum price effect. Percent



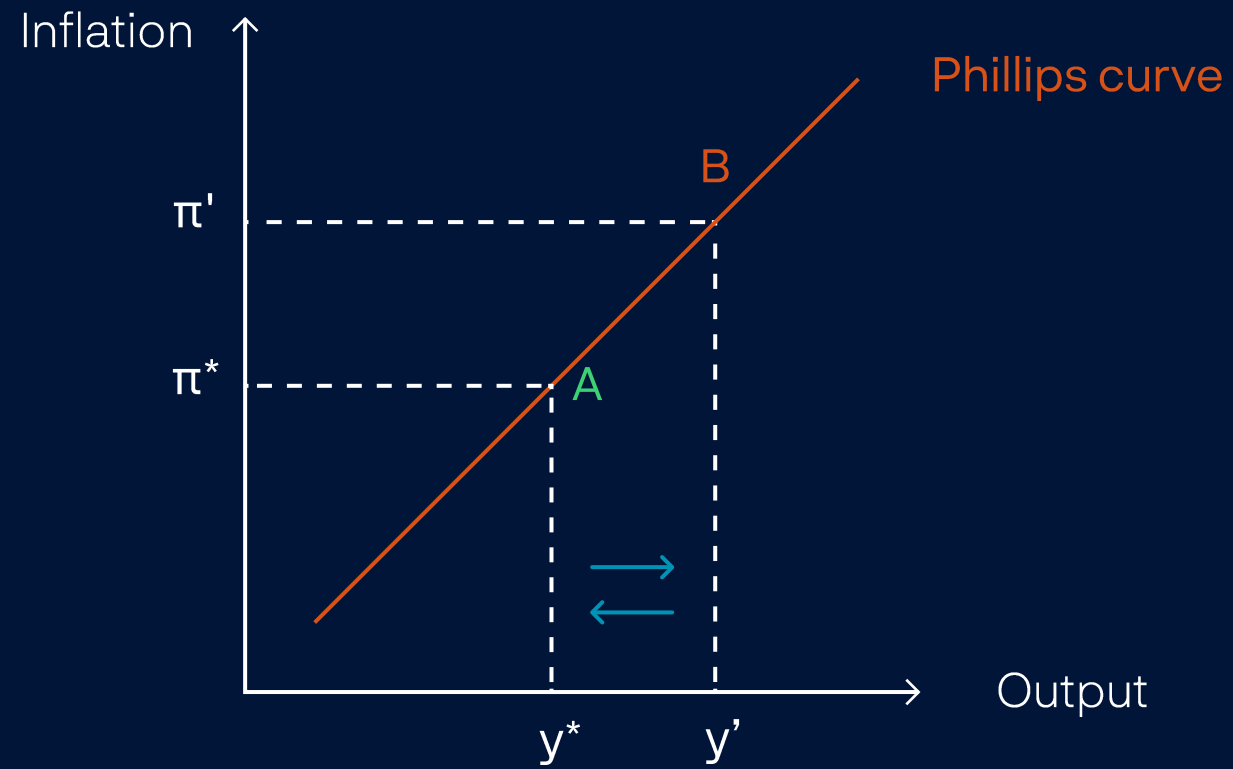
¹ Chocolate prices in Norway

Sources: Kotz et al. (2025),
Statistics Norway and Norges Bank

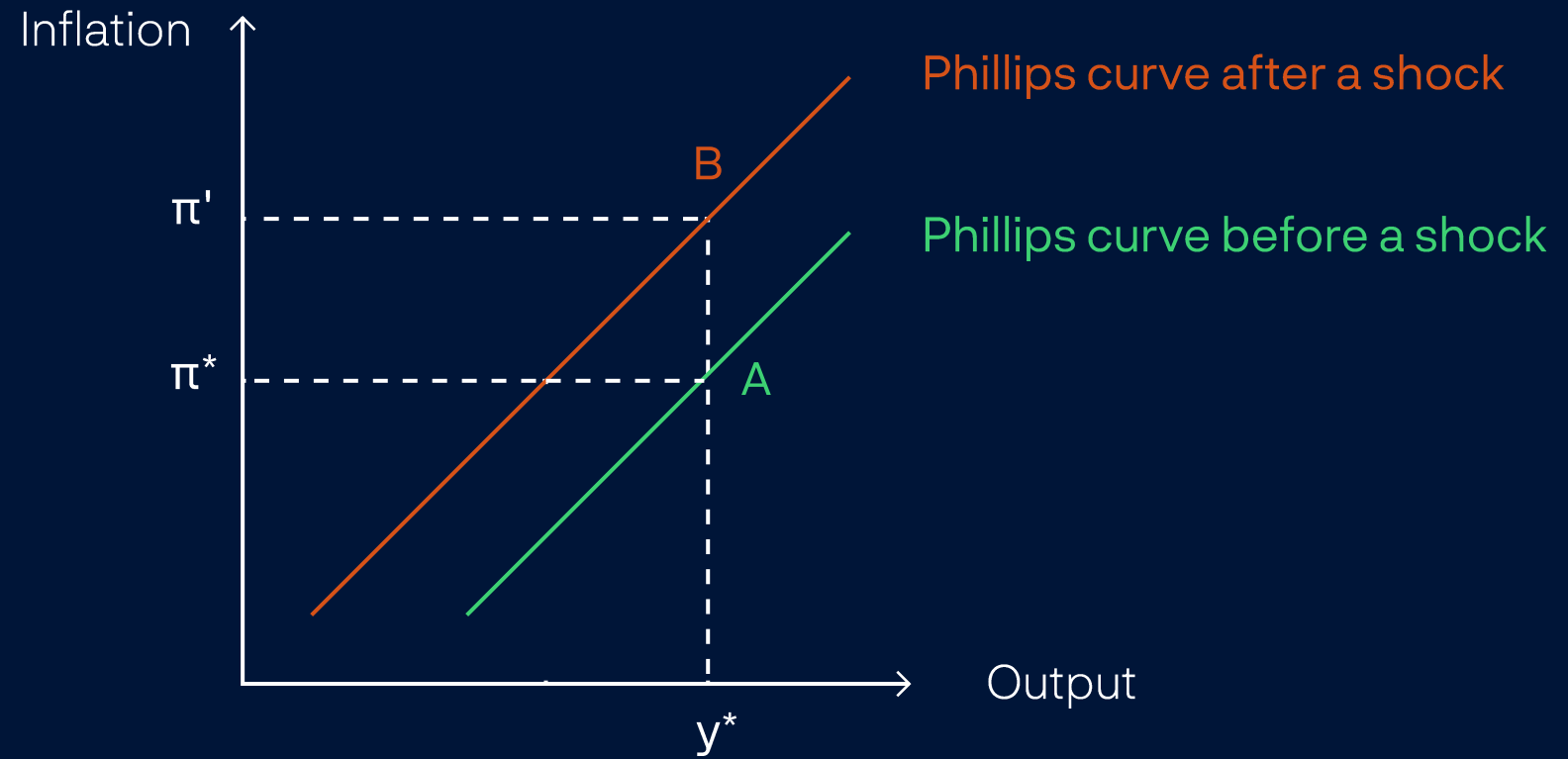
Phillips curve – the economy's supply-side



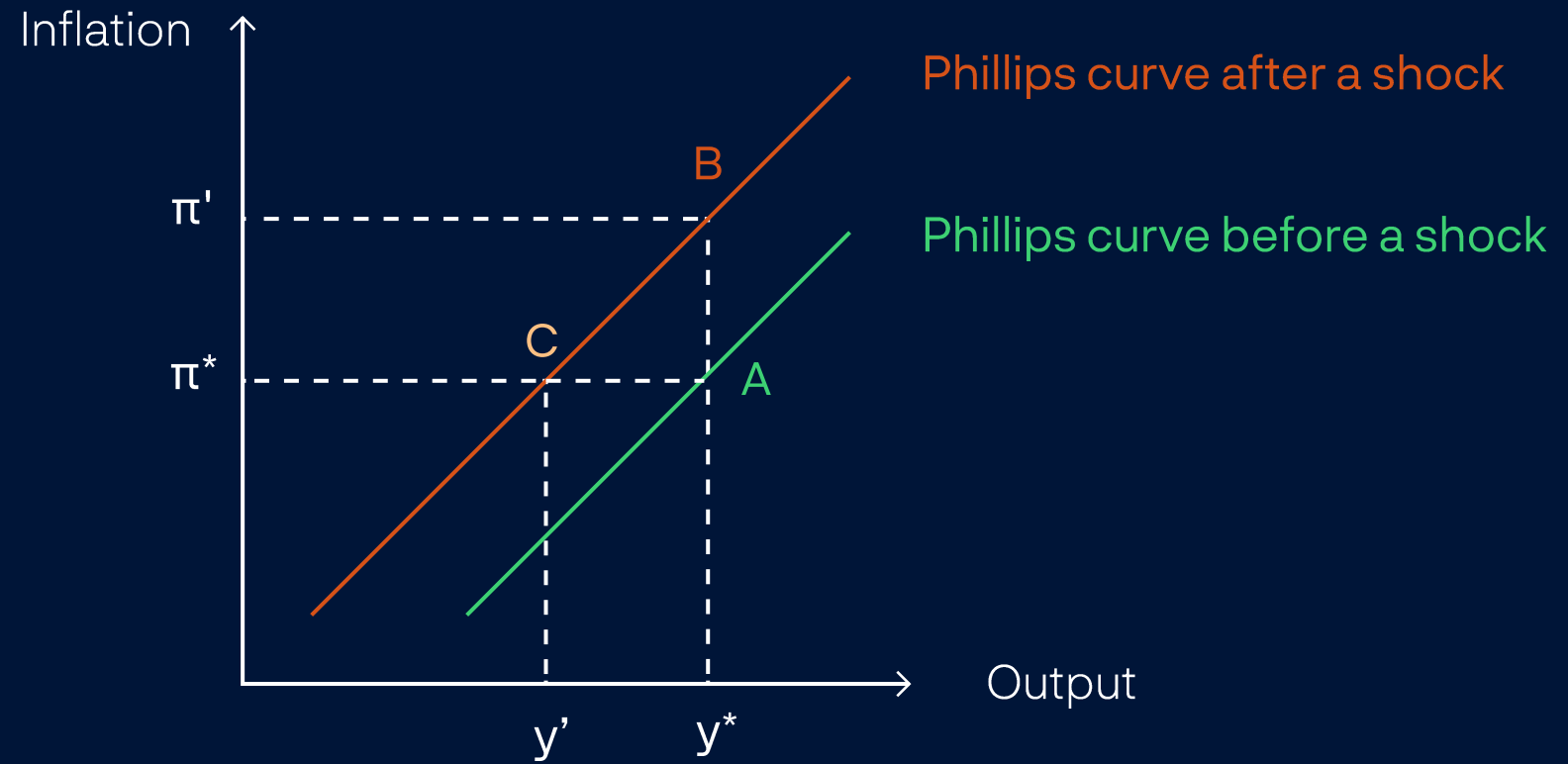
Demand shock



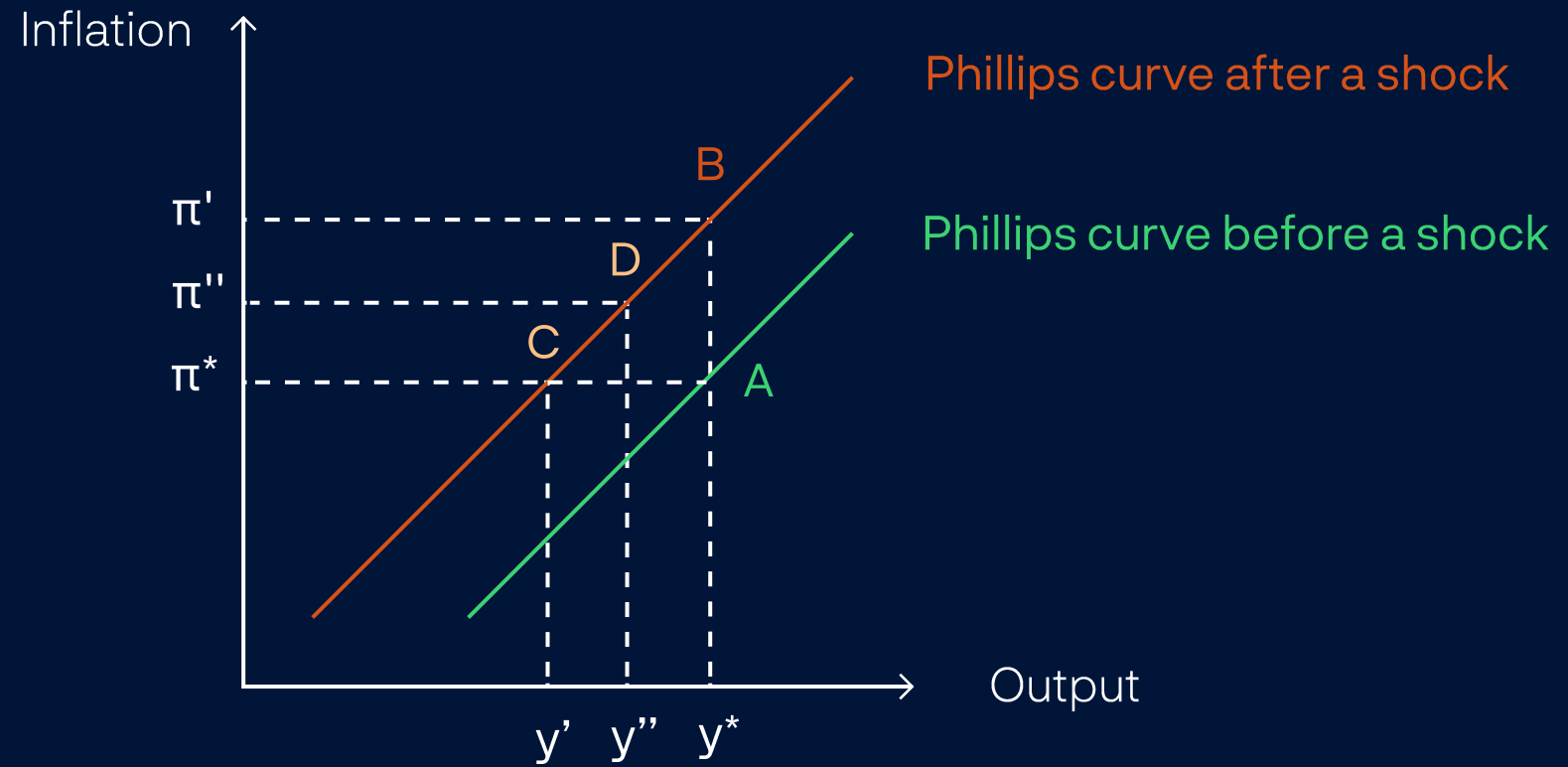
Supply shock (step 1)



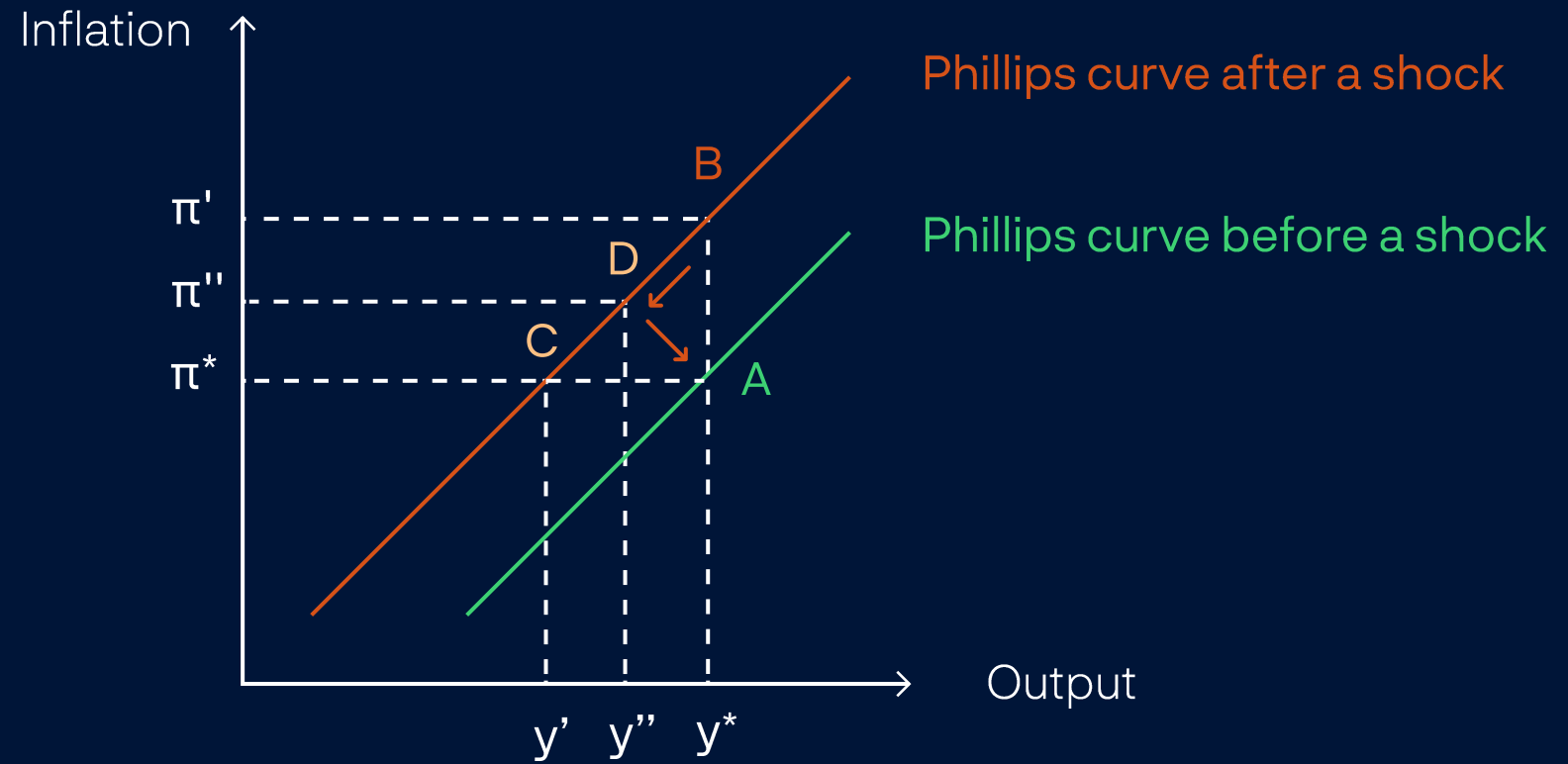
Supply shock (step 2)



Supply shock (step 3)

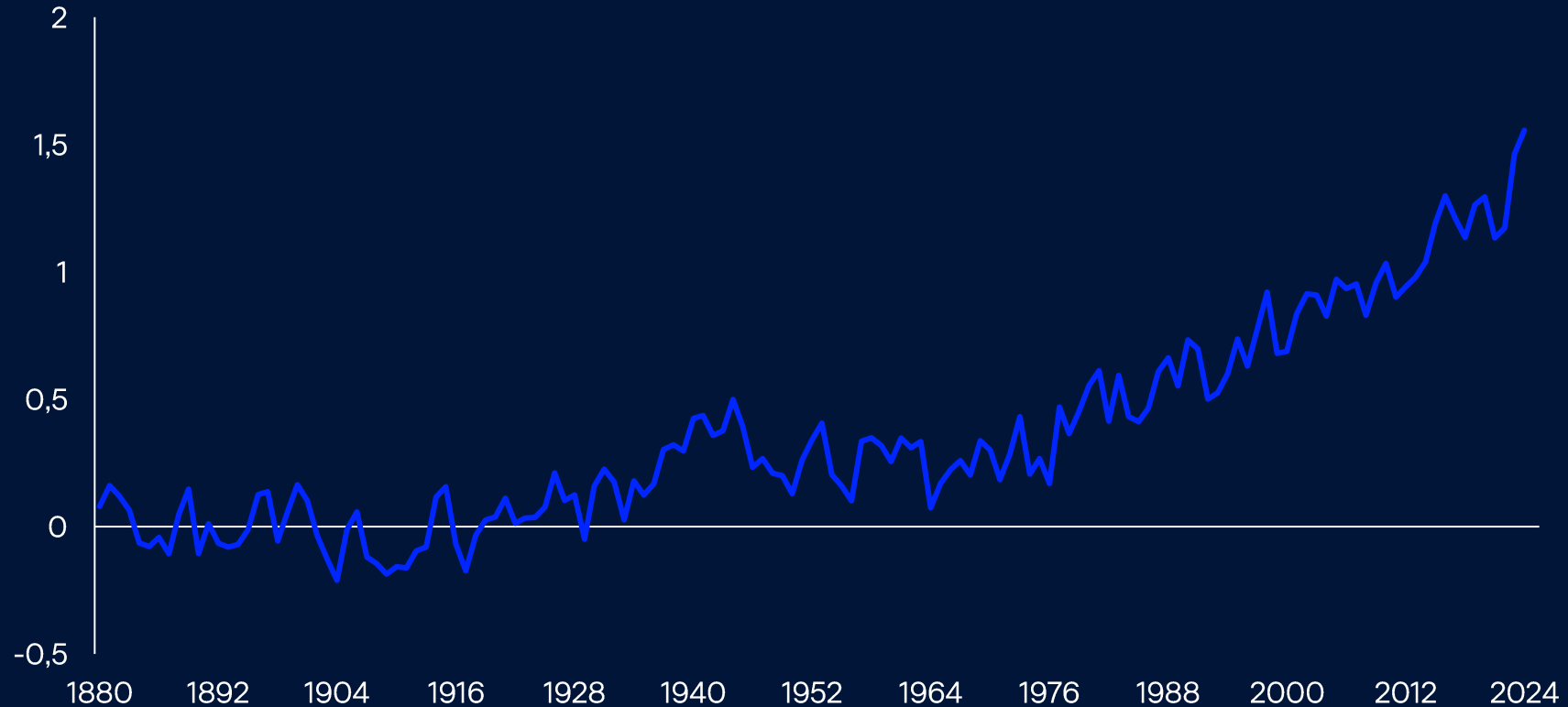


Supply shock (step 4)



The earth is heating up

Average annual global temperature, deviation from the average for 1880-1930



Sources: GISS, HadCrut5 and Helge Drange

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