



Data Available for Reporting Fossil Fuel Subsidies

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5 April 2019

India's Energy Transition: Subsidies for Fossil Fuels and Renewable Energy, 2018 Update

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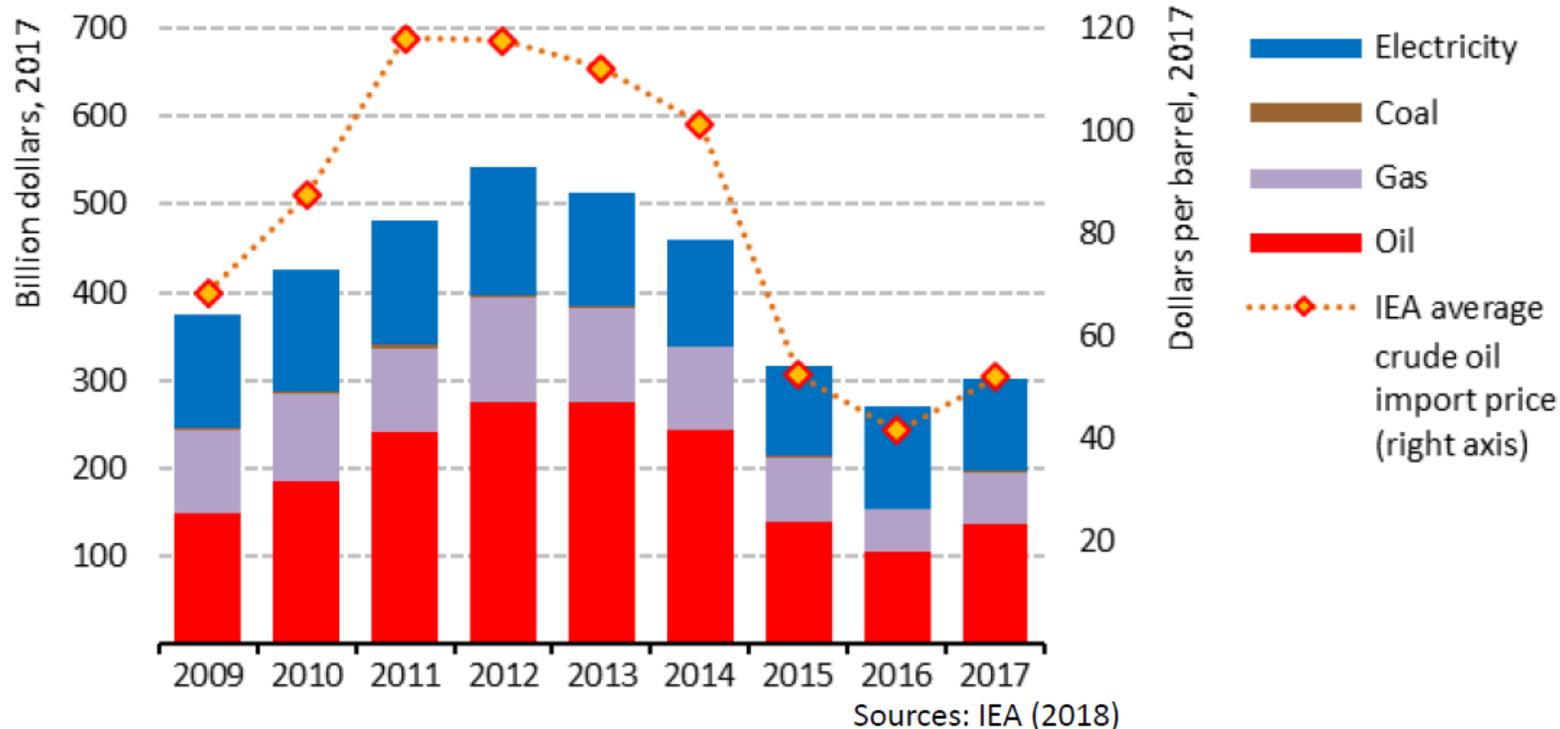
1. Available estimates of Fossil Fuel Subsidies (FFS)

- a. By fuel, by country
- b. Data sources – official national estimate or other?
- c. Definitions, scope, benchmarks, other assumptions

2. Some views on successful reform

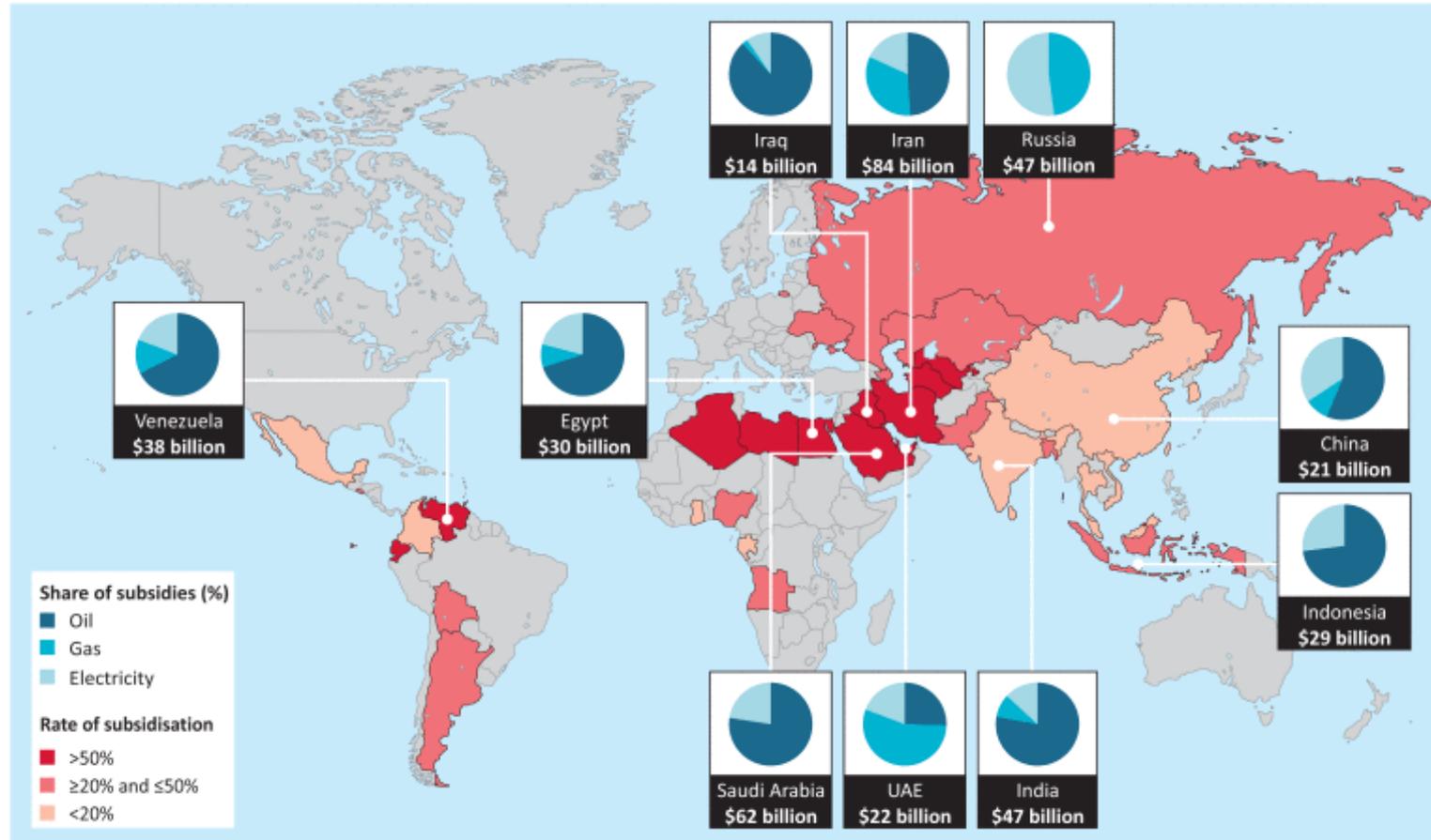
Consumer subsidies by energy type (\$300 billion in 2017, IEA data)

Categories of consumers: private sector, public sector, households



- IEA=most-quoted source
- ~40 developing & emerging economies
- IEA data, assumptions
- IEA definition ('subsidies change prices')
- Opaque calculations
- Benchmarks based on global fuel market prices
- Non-application of 'normal' GST/VAT is a subsidy

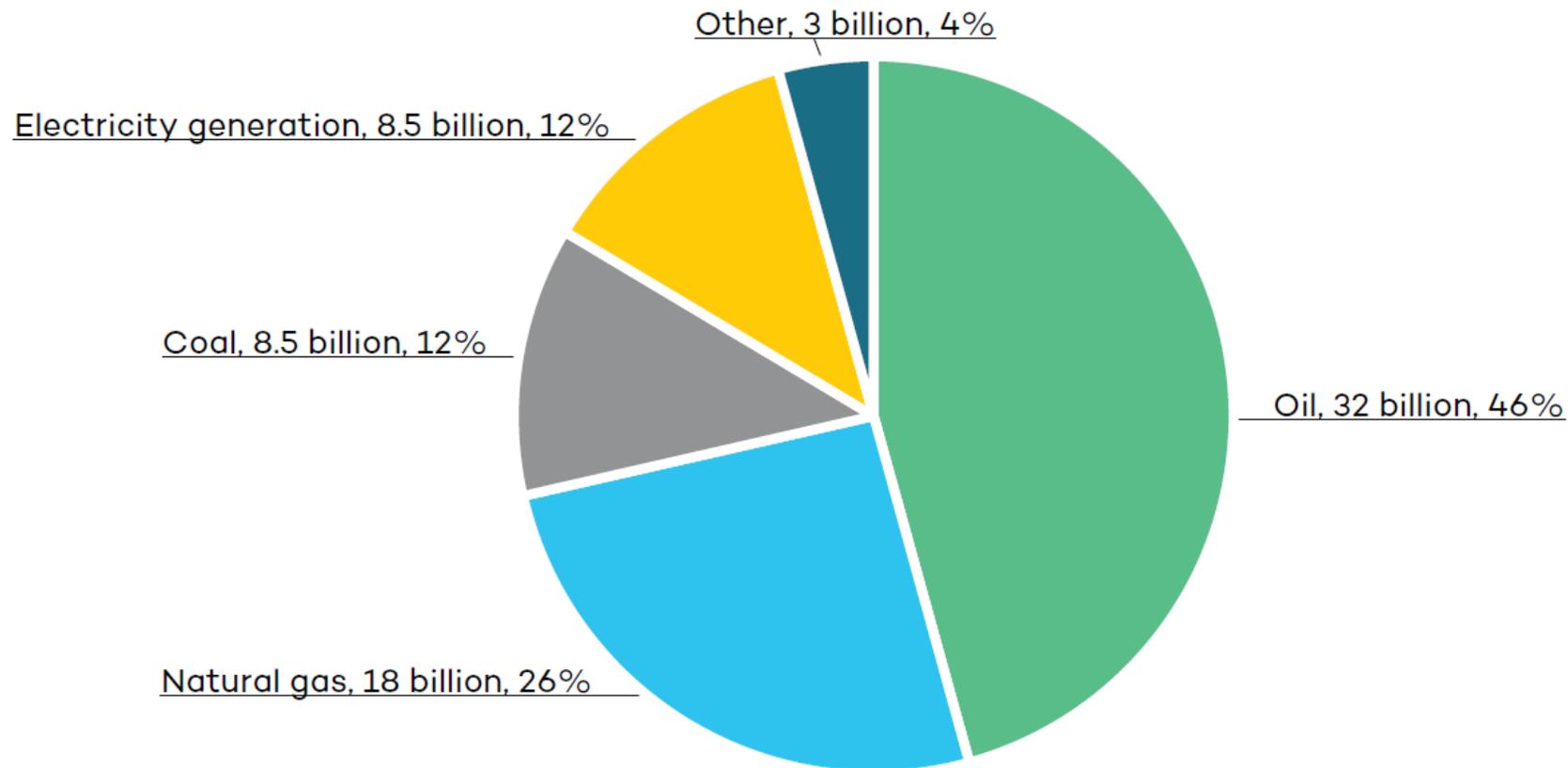
Consumer subsidies (at their highest in 2013, IEA data) by country



This map is without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries, and to the name of any territory, city or area.

- Countries with highest subsidies = Oil & Gas Producers
- Some (strongly made) argumentation that benchmark should be production cost, not global market price

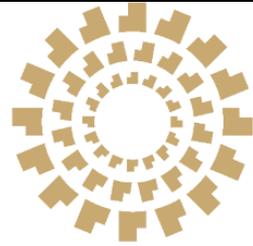
Producer subsidies (\$70 billion on annual average in G20 countries) by energy type



- Basis: OECD inventory of support measures
- OECD + BRICSAM
- Producer & consumer
- Inventory drawn from assessment of individual policies & measures
- Definition ~ OECD ASCM
- Data only from govt. sources (→ conservative)
- Semi-official? (OECD members can object)

Countries' own figures: *G20 and APEC Peer Reviews*

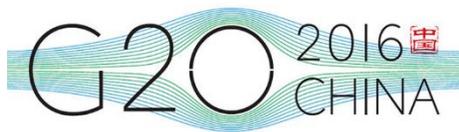
Both APEC and G20 leaders committed in 2009 to phase out *“inefficient fossil fuel subsidies that encourage wasteful consumption”*



APEC PERU
2016

APEC peer reviews:

- Peru, New Zealand, the Philippines, Chinese Taipei, Vietnam (completed)
- Brunei (pending)



G20 peer reviews:

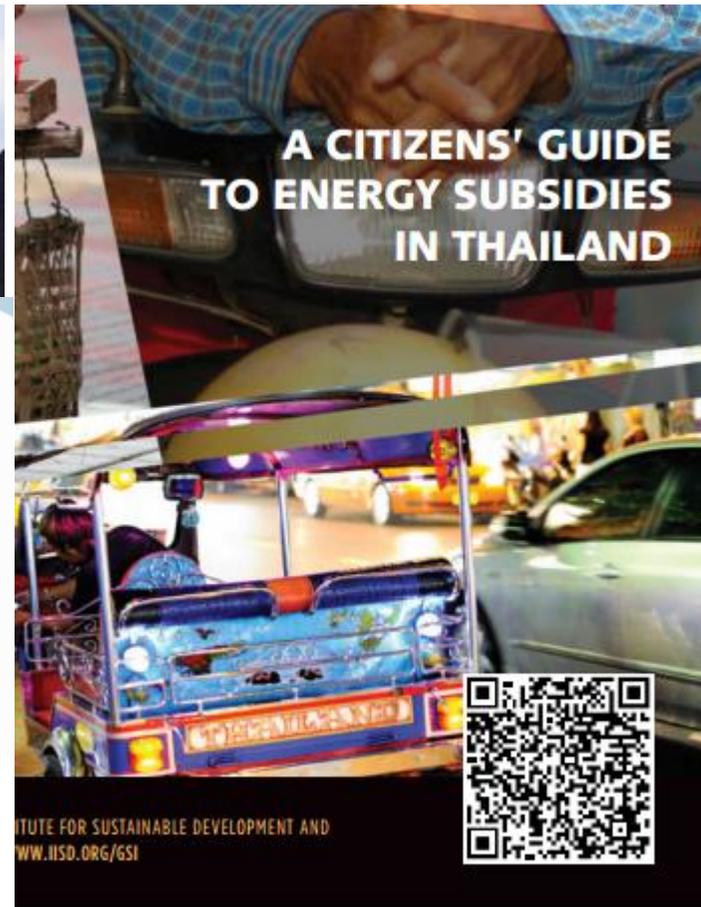
- US & China (completed in 2016)
- Germany & Mexico (completed in 2017)
- Indonesia & Italy (pending)



G20 GERMANY 2017
HAMBURG

- Economies have put forward 3-20 policies for review
- “Inefficient” and “wasteful consumption” remain open, undefined
- Strong voluntary nature – whether and how to review
- Others have conducted Self reviews
- Useful first step

Civil Society Organisations and others have produced independent estimates



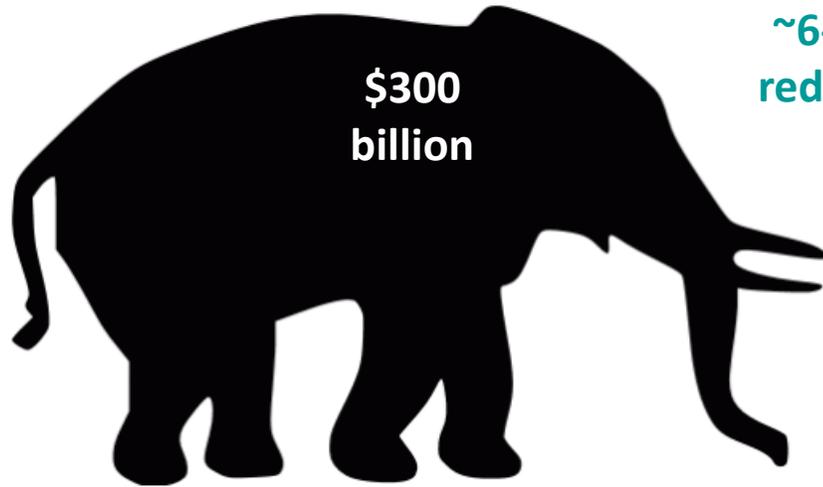
- Typically more detailed, include more subsidies
- Use other data sources beyond simply government data
- Governments can refer to them as they wish
- Cover selected countries – not necessarily those with highest subsidies

Fossil Fuels – At What Cost?

Government support for upstream oil and gas activities in Norway

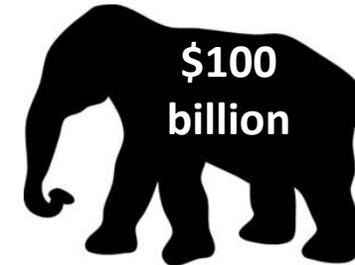
JANUARY 2012

Environmental impact: all fossil fuel subsidies act as a negative carbon tax



~6-8% emissions reduction by 2050

Consumer subsidies (IEA 2017 estimate, only emerging & developing countries)



~2% emissions reduction by 2050

Producer subsidies (GSI global estimate, per year)

Some views on successful reform

KEY

GETTING THE
PRICES RIGHT

BUILDING SUPPORT
FOR REFORM

MANAGING THE IMPACTS
OF REFORM

The End of Coal: Ontario's coal phase-out

IISD REPORT

1. *Get the prices right*
2. *Manage the impacts*
3. *Build support (within govt., externally)*

- Consumer subsidy reform well-understood
- Electricity subsidy reform – note local and global external costs
- Producers – note jobs, tax revenue, security, etc