



# Reporting, monitoring and evaluating fossil fuel subsidies

Links with the Paris Agreement

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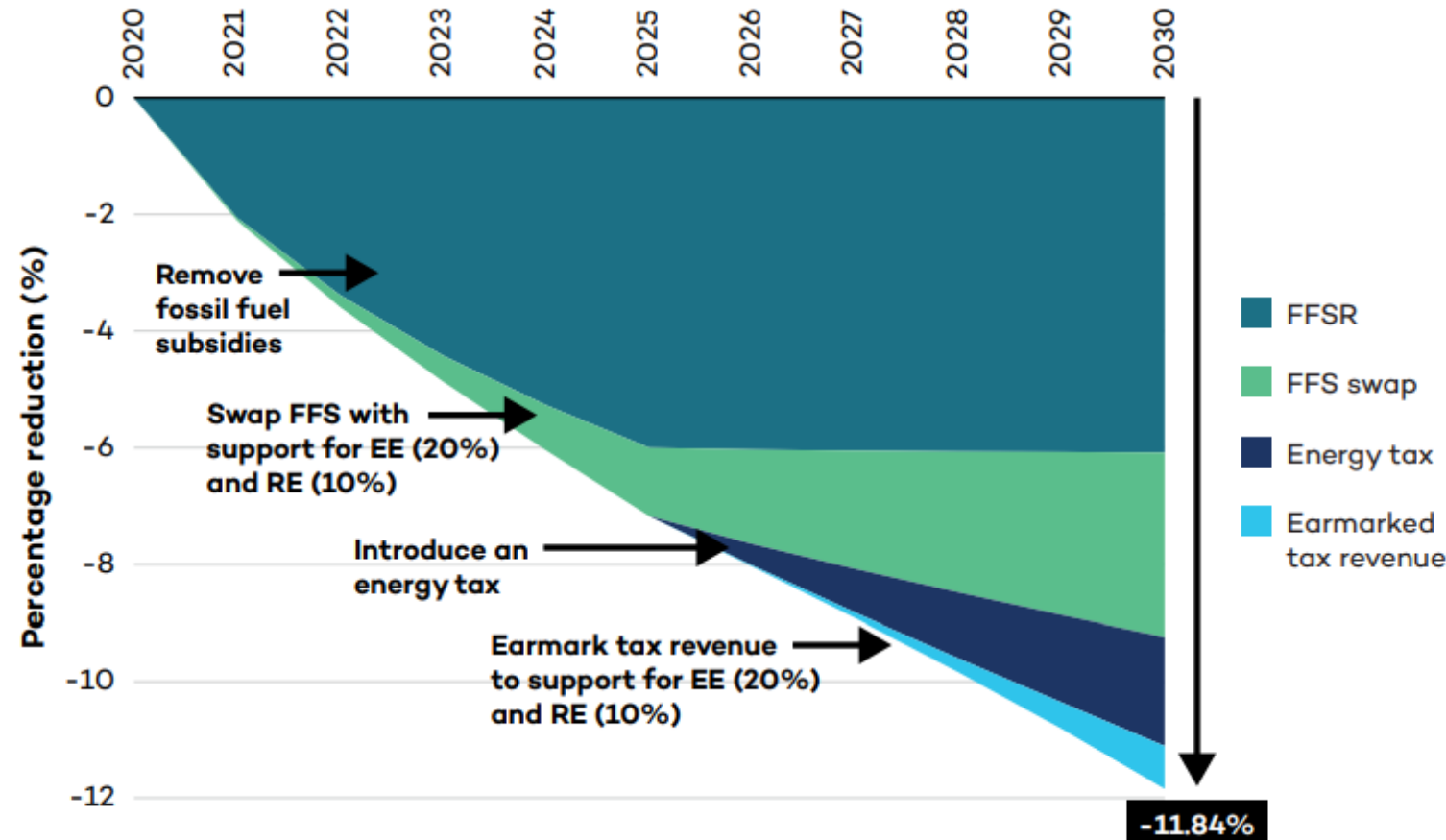
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# Strong link between fossil fuel subsidies and climate change

**Figure 8.** Average percentage of CO<sub>2</sub>e reductions over time from consumer FFSR and 10% energy taxation across 32 countries, with 10% of savings and revenues invested in renewable energy (RE) and 20% in energy efficiency (EE)



Reforming subsidies to fossil fuels can result in significant emissions reduction

– even more if part of savings is reallocated to support renewables and energy efficiency

Results of the Global Subsidies Initiative – Integrated Fiscal Model (GSI-IF model) applied to 32 countries accounting for 77% of global carbon dioxide emissions, 72% of global GDP, and 72% of the global population in 2019.

<https://www.iisd.org/publications/cutting-g-emissions-fossil-fuel-subsidies-taxation>

# Fossil Fuel Subsidies and the Paris Agreement

The reform of fossil fuel subsidies was first included in the COP26 Glasgow Climate Pact, Glasgow/UK, November 2021

“Calls upon Parties to accelerate the development, deployment and dissemination of technologies, and the adoption of policies, to transition towards low-emission energy systems, including by rapidly scaling up the deployment of clean power generation and energy efficiency measures, **including accelerating efforts towards the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies**, while providing targeted support to the poorest and most vulnerable in line with national circumstances and recognizing the need for support towards a just transition”

*(Art IV. Mitigation, al. 20)*

# Opportunities to track progress on fossil fuel subsidies (FFS)

- Include FFS and their reform in NDCs
- Include FFS and their reform in the Global Stocktake
- Transparency and facilitate targeting of FFS



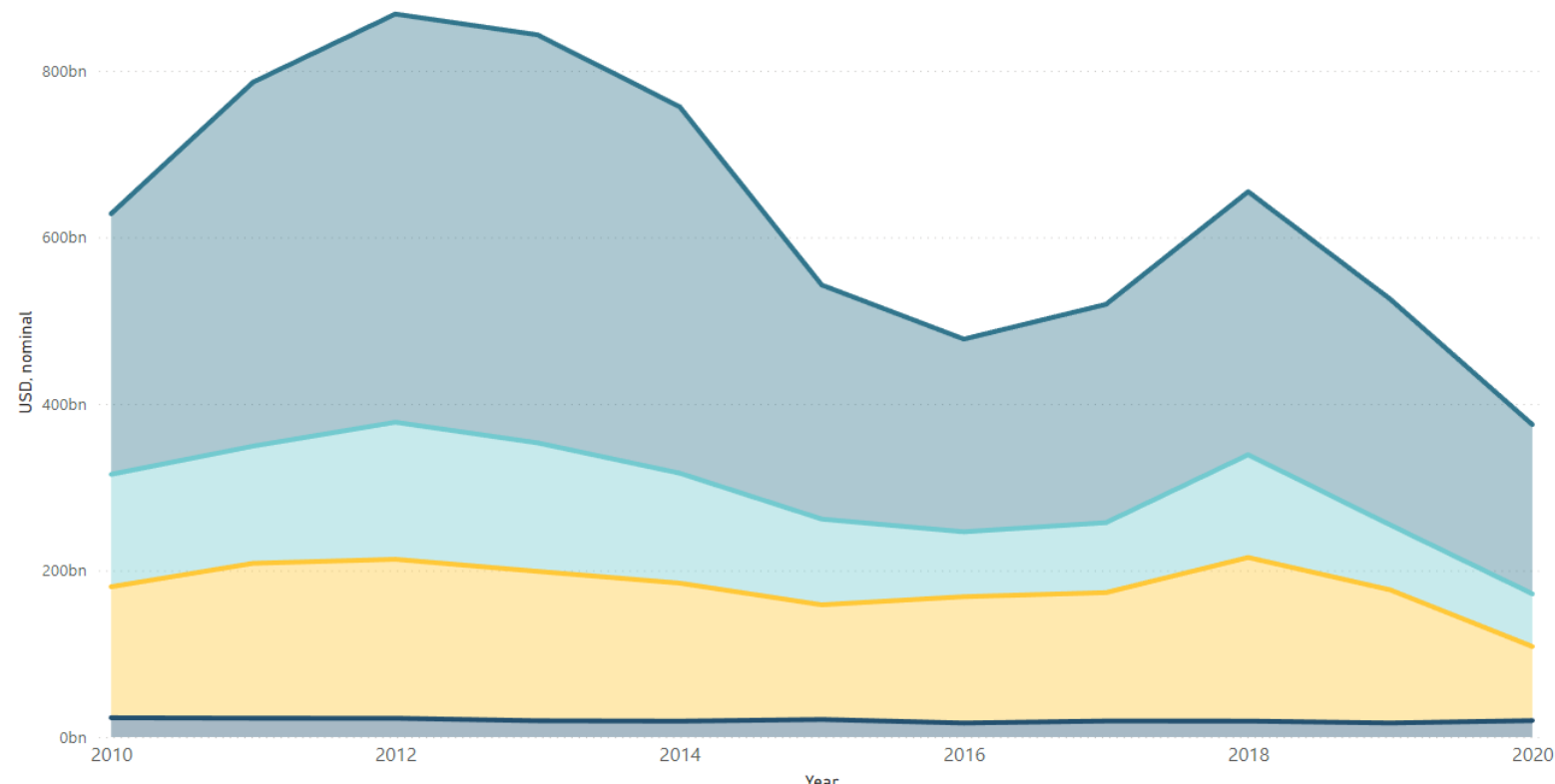
# International data on FFS are available with different level of detail

OECD, IEA, IMF and independent inventories of FFS by research organizations – as well as country data via SDG indicator 12.c.1

Global estimates by fuel type

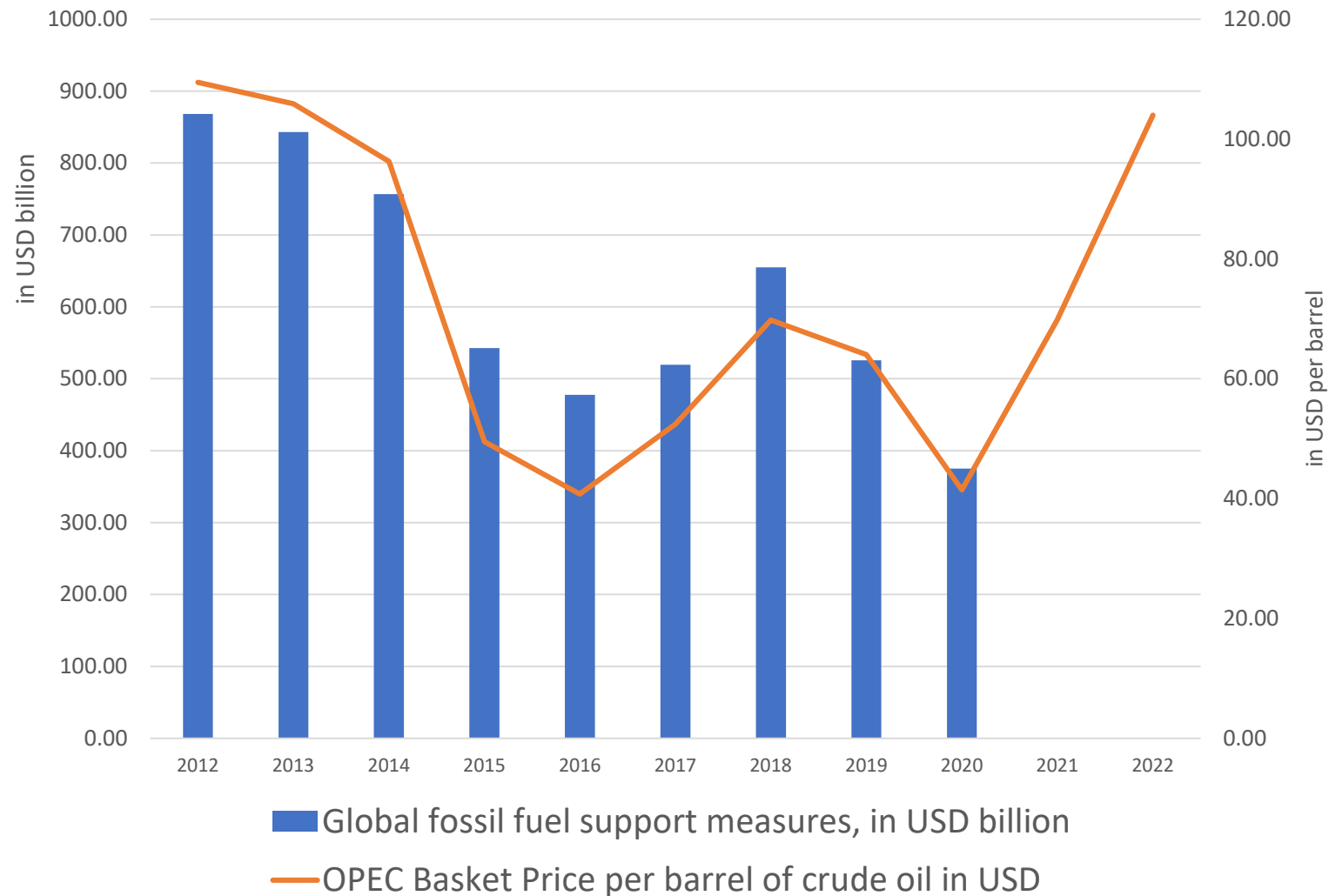
**Fuel type** ● Coal ● Electricity ● Natural gas ● Petroleum products

FossilFuelSubsidyTracker.org



Based on OECD, IEA and IMF data, including estimates from 2020 for 192 economies

# Transparency will be more relevant as FFS are expected to increase



Strong correlation between international oil prices and FFS

- Risk to increase subsidies in 2021 and 2022

Sources: [Fossil Fuel Subsidy Tracker](#), [OECD Basket Price](#)

Based on OECD, IEA and IMF data, including estimates from 2020 for 192 economies





# Thank You!

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