

SOP – G20 commitment to remove inefficient fossil fuel subsidies

This work is being undertaken by the Fossil Fuel Subsidy Working Group. It is chaired by the US – Key contacts are – and

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The Department of Resources Energy and Tourism also has an interest in this work. Please forward emails to and (And me too probably!)

The contact at PMC is ,

02 6271 @pmc.gov.au.

Background

- At the Pittsburgh Leaders Summit – September 2009, the G20 committed to remove or rationalise inefficient fossil fuel subsidies that encourage wasteful consumption. The commitment does not apply to subsidies that are targeted at the poor or support clean energy.
- G20 countries submitted implementation plans in response to the commitment for consideration by Leaders at the Toronto Summit. Despite not having measures within scope, Australia made a submission to the G20 explaining why it did not have measures within scope. Six other countries concluded they did not have measures within scope. Country submissions are publicly available on the G20 website.

[Country Submissions](#)

Work in 2011

- In 2011, the focus of the Fossil Fuel Working Group is to monitor progress in implementing the country plans submitted at Toronto. Progress reports, by way of a template, will be submitted at the November Leaders' Summit. The group is also undertaking work to assess the impact of subsidy removal.
- No further action is required from Australia. Australia's national submission at Toronto indicated we had no inefficient fossil fuel subsidies within the scope of the G20 commitment to reduce or eliminate fossil fuel subsidies, as such we will not have to complete the progress template. Six other countries also concluded they had no measures within scope of the commitment – Brazil, France, Japan, UK, Saudi Arabia and South Africa.

- IEA, IEF, World Bank and OPEC will update their report submitted at Toronto (as per the Seoul Leaders' Declaration). The report will include updates on recent subsidy reform, case studies on the impacts on the poor and the effect of "negative subsidies" and subsidies on renewable energies.
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