

## TREASURY EXECUTIVE MINUTE

Minute No.

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### Section 22

26~~5~~ May 2011

- As part of a G20 commitment in 2009, Australia committed to remove inefficient fossil fuel subsidies which cause wasteful consumption. undertook to review and if necessary 'phase out and rationalize over the medium term inefficient fossil fuel subsidies while providing targeted support for the poorest'.
- Australia concluded that it had no measures that fell within the scope of the G20 commitment. Australia's response to the G20 is publicly available on the G20 website [\(Attachment?\)](#)
- Australia responded to the G20 review identifying up to 17 programs that could potentially fall within the definition of a fossil fuel subsidy.

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Impact on the underlying cash balance of agreeing to recommendation

2011-12	2012-13	2013-14	2014-15

~~— The conclusion reached was that none of these could be considered inefficient fossil fuel subsidies.~~

- Documents prepared during the development of the response to the G20 were released to Greenpeace under freedom of information (FOI) laws in December 2010. These documents identified several programs that could potentially fall within the definition of a fossil fuel subsidy, but were excluded as they were outside the scope of the G20 commitment (See Attachment B).
  - Estimates of the cost of these programs were provided in the documentation, adding up to over \$8 billion per year.
  - Recent public discussion on fossil fuel subsidies appears to have drawn on the released documents, and the \$8 billion figure has been quoted widely.

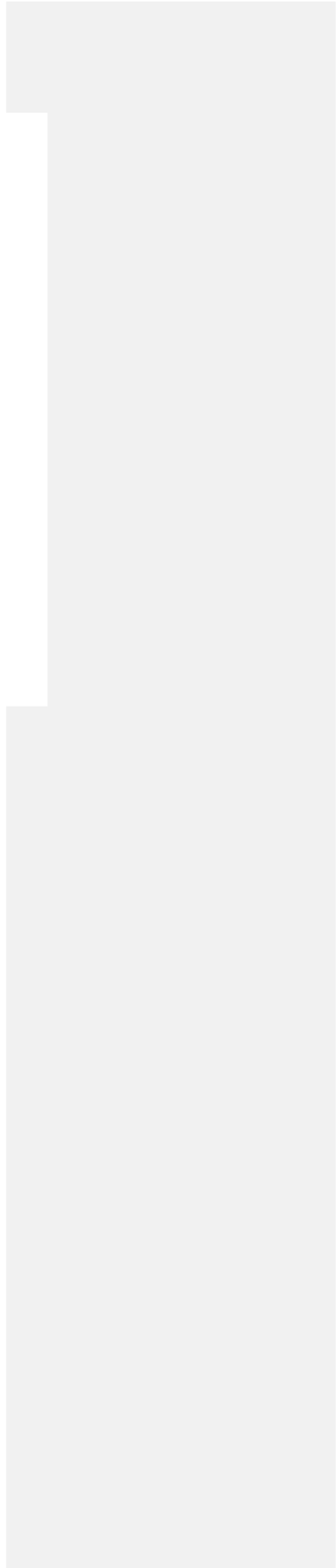
## Section 22

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Pages 4-5: Section 22