

FOSSIL FUEL SUBSIDIES

Meeting Objectives

1. Encourage further progress on implementing country plans submitted at Toronto.
2. 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 that they had no measures within scope of the commitment – Brazil, France, Japan, UK, Saudi Arabia and South Africa.

Key Issues and Australian position

1. 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.
2. 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.

Section 33