Latest data on fossil-fuel consumption subsidies

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Energy Subsidy Reforms for a Brighter Tomorrow, 30 -31 October 2018
• Subsidy removal is a key element of energy transitions, bringing multiple benefits: more efficient energy use, lower emissions & reduced fiscal strains

• Many countries have made great strides in reforming fossil fuel subsidies – maintaining this momentum is vital

• Subsidy reform a major element in a new WEO-2018 special report, released last week, on major oil and gas exporters (the *Outlook for Producer Economies*)

2017 fossil fuel consumption subsidy data have just been released on our website at [https://www.iea.org/weo/energysubsidies/](https://www.iea.org/weo/energysubsidies/)
Many countries have taken steps to reduce fossil fuel consumption subsidies

The fall in oil prices from 2014 facilitated subsidy reform in many countries – especially for transport fuels
Global fossil-fuel consumption subsidies increased in 2017

Higher oil prices led to a partial rebound in total subsidy value in 2017 and price rises in 2018 are putting subsidy reforms under further pressure.
Fossil-fuel consumption subsidies by country, 2017

- **Islamic Republic of Iran**
  - Oil: 2%, 4%, 6%, 8%, 10%
  - Gas: 2%, 4%, 6%
  - Electricity: 8%
  - Total subsidies as share of GDP (MER) (top axis):

- **China**
  - Oil: 2%, 4%, 6%
  - Gas: 2%
  - Electricity: 4%

- **Saudi Arabia**
  - Oil: 2%, 4%, 6%
  - Gas: 2%, 4%
  - Electricity: 6%

- **Russia**
  - Oil: 2%, 4%
  - Gas: 2%
  - Electricity: 4%

- **Egypt**
  - Oil: 2%
  - Gas: 2%

- **Indonesia**
  - Oil: 2%
  - Gas: 2%

- **Venezuela**
  - Oil: 2%
  - Gas: 2%

- **India**
  - Oil: 2%
  - Gas: 2%

- **Algeria**
  - Oil: 2%
  - Gas: 2%

- **Mexico**
  - Oil: 2%
  - Gas: 2%

- **United Arab Emirates**
  - Oil: 2%
  - Gas: 2%

- **Argentina**
  - Oil: 2%
  - Gas: 2%

- **Iraq**
  - Oil: 2%
  - Gas: 2%

- **Kuwait**
  - Oil: 2%
  - Gas: 2%

- **Uzbekistan**
  - Oil: 2%
  - Gas: 2%

- **Kazakhstan**
  - Oil: 2%
  - Gas: 2%

- **Libya**
  - Oil: 2%
  - Gas: 2%

- **Turkmenistan**
  - Oil: 2%
  - Gas: 2%

- **Pakistan**
  - Oil: 2%
  - Gas: 2%

- **Ecuador**
  - Oil: 2%
  - Gas: 2%

- **Ukraine**
  - Oil: 2%
  - Gas: 2%

- **Azerbaijan**
  - Oil: 2%
  - Gas: 2%

- **South Africa**
  - Oil: 2%
  - Gas: 2%

- **Qatar**
  - Oil: 2%
  - Gas: 2%

- **Bangladesh**
  - Oil: 2%
  - Gas: 2%
Conclusions

• The rise in international oil prices creates new pressures on efforts to sustain the reform momentum

• Several governments have announced that retail fuel price is going to be reduced or stand still for some time

• These temporally halts or delays in fuel price reform might be prolonged with supply concerns in some oil exporting regions

• There are multiple examples of well-planned, carefully implemented reform to guide action in difficult times: the IEA will continue to support these efforts