Welcome and Opening Remarks

Submitted by: International Institute for Sustainable Development
Capacity Building Workshop for Accelerating Efforts on Inefficient Fossil Fuel Subsidies, including through Voluntary Self-Reporting

20.00-20.05  1. Welcome and Opening Remarks
20.05-20.55  2. Discussion on Ongoing Efforts to Accelerate APEC’s work on Fossil Fuel Subsidy Reform
20.55-21.00  3. Break
21.00-21.50  4. Discussion on the APEC Template for Voluntary Self-Identification of Inefficient Fossil Fuel Subsidy Measures
21.50-22.00  5. Summary of Discussion

The Workshop will be recorded in accordance with the APEC Project Event Recording Policy for notetaking purposes. If you are not comfortable with this, please let us know via the chat box. If we do not see any adverse comments in the next minute, we will continue with the recording.
Aims of the Discussion sessions

1. Provide a forum for economies to share experiences, best practices and ongoing efforts to accelerate the implementation of APEC Leaders’ commitment and Ministers’ tasking, including through an expert-led discussion of the economic benefits, and positive and negative impacts, of a standstill on inefficient fossil fuel subsidies.

2. Build member economies’ capacity to undertake the voluntary self-reporting of inefficient fossil fuel subsidies to support potential standstill efforts by facilitating discussion of how to go about populating the APEC template for voluntary self-identification of inefficient fossil fuel subsidy measures.
Session 1: DISCUSSION ON ONGOING EFFORTS TO ACCELERATE APEC’S WORK ON FOSSIL FUEL SUBSIDY REFORM – Introductory Remarks

Peter Wooders
28 April 2021
The study was completed to support APEC officials in carrying out the task set by APEC Ministers Responsible for Trade “to explore options, for those members that are in a position to do so, to undertake a potential voluntary standstill on inefficient fossil fuel subsidies.”

Scale of Fossil Fuel Subsidies in APEC Economies
Possible Forms of Standstill Commitments

**Option 1 – Inventory-Based**
- Many Economies have Inventories of FFS, others are developing them
  - Inventories include a list of subsidies, generally based on government policies, regulations or measures
  - Typically some are quantified (financial value), others are not

A Standstill commitment would prohibit new FFS being added to the list
- Could also prohibit the extension of measures with an expiry date

**Option 2 – Value-Based**
- Estimates of the Value of FFS (financial) are available from international organisations, some national estimates
  - Again, not all FFS quantified

A Standstill Commitment would prohibit the value of FFS from increasing
- From a certain year or period
- To all FFS, by fuel, individual FFS
Possible Impact of Standstill Commitment (upper estimate)

• Value of all FFS in APEC Economies strongly correlated to global oil price
• An increase in the global oil price of USD 25/barrel would be expected to increase all FFSs in the APEC region by USD 24.5 billion
  • Adding approximately one third to the average total of all FFSs within APEC member economies in the period 2015–2019
• Were this FFS increase to be avoided, we could expect annual CO$_2$ savings of around 49 MtCO$_2$
  • And roughly 437 MtCO$_2$ in reductions cumulatively in the period 2022–2030
• Higher oil price increases would increase these figures...
• ... lower oil prices would decrease them
Discussion on Ongoing Efforts to Accelerate APEC’s work on Fossil Fuel Subsidy Reform

Interactive discussion: Economies are invited to respond to the discussion topic and expert presentations. In doing so, economies may wish to consider the following discussion questions: (25 mins)

i. What steps has your economy undertaken towards implementing the APEC Leaders’ commitment to rationalise and phase out inefficient fossil fuel subsidies, and Ministers’ tasking towards a voluntary standstill on inefficient fossil fuel subsidies?

ii. As a result of undertaking these steps, what economic benefits, or other positive impacts, has your economy experienced? If your economy experienced any challenges in undertaking the process, how did you overcome these?

iii. What challenges has your economy identified in reforming inefficient fossil fuel subsidies?

Participants who wish to intervene are invited to request the floor by entering their economy’s or organisation’s name in the chat box. We welcome interventions from representatives across the participating APEC fora.
Discussion on the APEC Template for Voluntary Self-Identification of Inefficient Fossil Fuel Subsidy Measures

Interactive discussion: Economies are invited to respond to the discussion topic, expert presentation, and case study, and to share their own experiences. In doing so, economies may wish to consider the following discussion questions: (25 mins)

i. If your economy has undertaken, or is currently undertaking, the voluntary self-reporting process through the APEC template, or if your economy has undertaken a peer review of inefficient fossil fuel subsidies, what lessons would you share for other economies considering undertaking these processes?

ii. If your economy has not yet undertaken a self-reporting or peer review process, what questions or concerns do you have with these processes?

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