



**Asia-Pacific
Economic Cooperation**

2022/CTI/WKSP4/002

Session 2a

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
28 April 2022**

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

APEC CTI Report, published December 2021



Options for Taking Forward a Potential Voluntary Standstill Commitment on Inefficient Fossil Fuel Subsidies

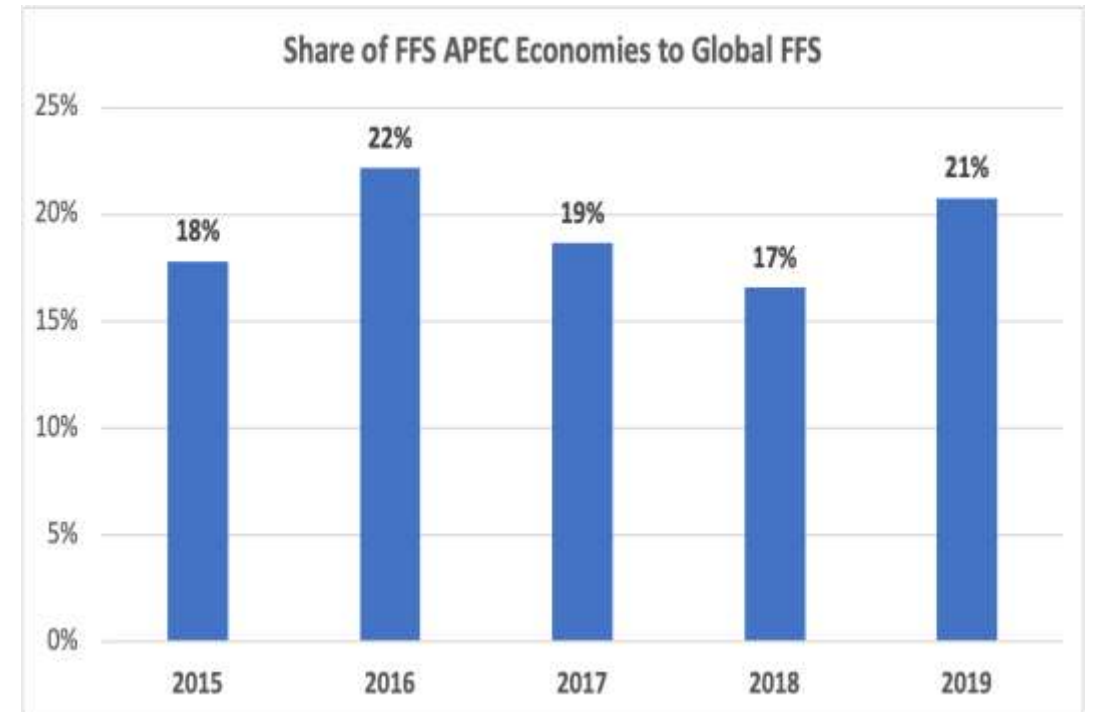
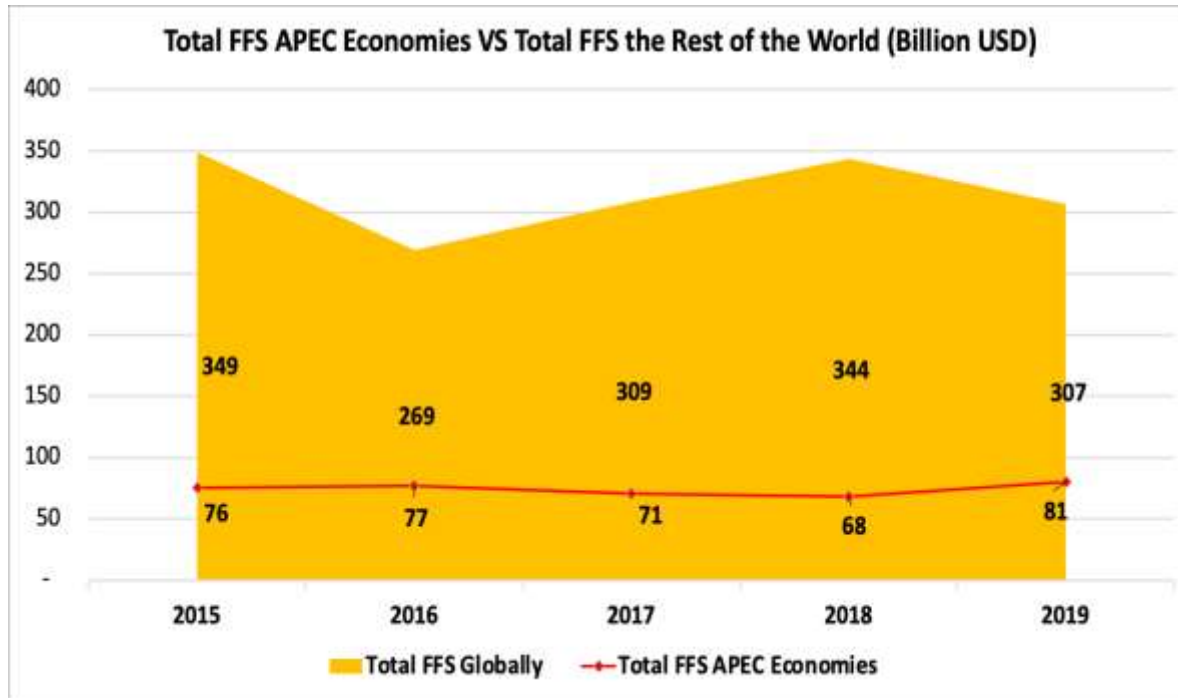


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Download publication	Download 

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.”***

<https://www.apec.org/publications/2021/12/options-for-taking-forward-a-potential-voluntary-standstill-commitment-on-inefficient-fossil-fuel-subsidies>

Scale of Fossil Fuel Subsidies in APEC Economies



Possible Forms of Standstill Commitments

Option 1 – Inventory-Based 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-



- 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 CO₂ savings of around 49 MtCO₂
 - *And roughly 437 MtCO₂ 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?

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.