

Senior Officials Meeting on **MANAGING THE TRANSITION TO SUSTAINABLE ENERGY PRICING**

IMF-World Bank Fall Meetings
Washington D.C.

10 October, 11:00 AM – 12:30 PM
Room MC 13-400, World Bank

According to the IMF, in 2011 global fossil fuel prices were discounted by US\$1.9 trillion compared to their full economic, environmental and other external costs.

The cost of discounted energy prices is lost and foregone fiscal revenues, misallocation of private and government spending, overconsumption of fossil fuels and significantly higher greenhouse gas emissions. To mitigate these costs, there is thus a global need to transition towards sustainable energy pricing, in which economic and environmental costs are increasingly incorporated.

Most countries, however, face significant political and economic challenges in making this transition, either by reducing subsidies on the consumption of energy or by optimizing energy taxation and implementing carbon pricing systems over time.

A barrier to reform of domestic energy pricing systems is the impact of potentially higher energy prices on households and businesses in terms of higher inflation, lower disposable income for households and higher costs for domestic businesses. Ministries of finance and economy play a key role in identifying, measuring and managing these impacts.

The meeting will convene senior officials from ministries of finance and international experts to define tools, best practices and policy settings to minimize the inflationary, welfare and competitiveness impacts stemming from energy pricing reform. Discussions will center on country experience in the successful management of this process.

For more information and to confirm your participation please contact Lasse Christensen, ltchristensen@iisd.org.



GSI Global
Subsidies
Initiative



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AGENDA 'MANAGING THE TRANSITION TO SUSTAINABLE ENERGY PRICING'

<p>Welcome and introduction</p> <ul style="list-style-type: none"> Opening remarks by Mogens Jensen, Danish Minister for Trade and Development Cooperation 	5 minutes
<h2>Drawing together best practice</h2>	
<p>Identifying impacts of reform and distilling best practice in their management</p> <ul style="list-style-type: none"> Presentation by IISD <ul style="list-style-type: none"> Peter Wooders, Group Director, IISD's Global Subsidies Initiative 	10 minutes
<h2>Country experience in managing the impacts of energy reform</h2>	
<p>Managing the inflationary and welfare impacts of reform</p> <ul style="list-style-type: none"> Presentation on international experience and best practice in protecting the poor from the impacts of energy pricing reform. <ul style="list-style-type: none"> Presentation by Marianne Fay, Chief Economist for Climate Change, The World Bank 	10 minutes
<p>Managing sectoral/competitiveness impacts of pricing reform</p> <ul style="list-style-type: none"> Presentation by representative from Turkey outlining national experience in managing sectoral/competitiveness effects of reform. <ul style="list-style-type: none"> Baris Sanli, Deputy General Director of Energy Affairs, Ministry of Energy and Natural Resources, Turkey 	10 minutes
<p>Transparency and international cooperation around sustainable energy pricing</p> <ul style="list-style-type: none"> Presentation by country representative from US outlining the US peer review process and the importance of international cooperation on energy pricing reform. <ul style="list-style-type: none"> Alex Severens, Director, Office of Energy and Environment, US Treasury 	10 minutes
<h2>Discussion: Sharing solutions in the management of energy price reform</h2>	
<ul style="list-style-type: none"> Roundtable discussion involving all country participants covering issues and ideas for managing the transition to sustainable energy pricing. What has worked and not worked in different country contexts? What could work in the future? How could international cooperation help? 	30 minutes
<h2>Lessons learnt in managing energy pricing reform</h2>	
<ul style="list-style-type: none"> Presentation by IMF distilling the key messages and takeaways from discussions in terms of best practice in managing energy pricing reform impacts. Next steps and concluding remarks. <ul style="list-style-type: none"> David Coady, Fiscal Affairs Department, IMF Leonardo Martinez-Diaz, Deputy Assistant Secretary, US Treasury 	15 minutes

