



IRRIGATION SUBSIDIES: HOW TO TURN FROM THE OVERUSE OF WATER AND ENERGY TO SUSTAINABILITY

Stockholm World Water Week
Monday 01 September 2014, 14:00-17:30
Room T5

The energy price is a strong driver for groundwater abstraction. Several countries subsidise diesel or electricity for the agricultural sector to secure farmer's income and achieve food security. These incentives lead to an expansion of the cultivation of water intensive crops with water inefficient technologies that result in the depletion of groundwater and energy resources.

Such depletion has vast implications for the energy sector. Electricity companies and State Electricity Boards are not able to cover their costs and cannot invest in new generation capacity or updated infrastructure. A cash-starved electricity system will favour options with low up-front costs, making renewable electricity less attractive and therefore further exposing countries and consumers to the impacts of high and volatile fossil fuel prices.

Agricultural output remains fundamental to human well-being and economic output. To exit that dilemma, innovative energy subsidy reform is required that mitigates impacts on the poorest and their businesses, and which guarantees a transition to sustainable agriculture. Such a reform has to integrate the nexus perspective, which has the potential to improve the economy, conserve natural resources, and increase food security.

Final Program

Moderated by Franca Schwarz, BGR

- 14:00 Mr. Franz-Birger Marré, BMZ - Opening and Welcome
- 14:10 Mr. Tom Moerenhout, IISD-GSI - Problem posed by energy subsidies in general and those to irrigation in particular; the difficulties of reform
- 14:30 Mr. Saleh Al Dubby, NWRA; Mr. Henning Baur, KfW - Effects of fuel subsidies on water consumption.
- 14:45 Mr. Tushan Shar, IWMI - India's groundwater-energy nexus: Current state and future prospects
- 15:00 Mr. Alberto Garrido, IPM - Water pricing in Spain
- 15:30 Coffee break
- 16:00 Podium discussion with:
 - Mrs. Dimple Roy, IISD
 - Mr. Saleh Al Dubby, NWRA
 - Mr. Henning Baur, KfW
 - Mr. Tushan Shar, IWMI
 - Mr. Alberto Garrido, UPM
- 17:15 Closing messages with:
 - Mrs. Dimple Roy, IISD
 - Mrs. Franca Schwarz, BGR
- 17:30 Close of Seminar