

Fossil-Fuel Subsidy Reform: Social Impacts & Increasing Momentum at Rio+20



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26 March 2012



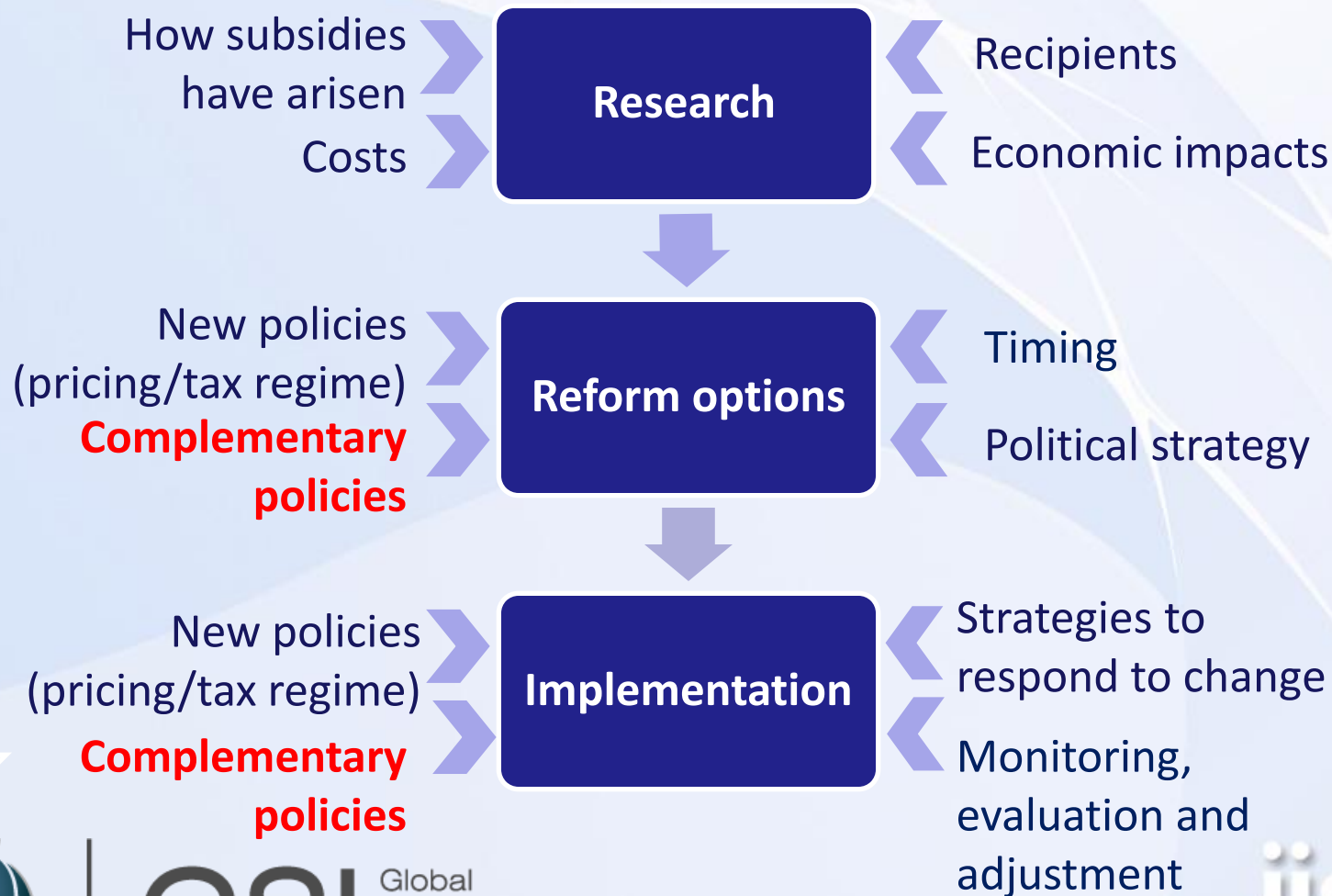
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Social Impacts & The Reform Strategy



Complementary Policies

Industry/business

- Support to restructure sectors e.g. retraining programmes
- Measures to improve energy efficiency
- Investments in infrastructure

Social

- **Cash transfers: (un)conditional**
- Social safety nets, pensions, health insurance
- Increase (minimum) wages
- Pro-poor expenditure

Energy

- Investment in renewable or alternative energies, rural electrification, etc.
- Energy conservation, energy security, energy efficiency policies

Macro-economic

- Policies to manage inflation
- Strengthen market forces and encourage competition

Banking

- Can help roll out cash transfers
- Credit facilities, e.g. for SMEs and micro-credit

Transport

- Expanding public transport systems
- Alternatives for freight (rail or inland waterways)
- Transitional support for taxi drivers



What can be achieved at Rio+20?

Text should commit to:

1. Phase out fossil-fuel subsidies that undermine sustainable development
2. Assist developing countries to phase out their FFS

In addition countries pledge to provide the following supporting measures:

1. Reporting & Review: Prices, Subsidies, Subsidy Reform
2. Technical & financial assistance for developing countries
3. Common research and analysis
4. Secretariat support



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