The importance of the irrigation sector for all: a seminar on irrigation subsidies in the northern Mediterranean

The International Institute for Sustainable Development (IISD)

The Global Subsidies Initiative (GSI)
Introduction

The International Institute for Sustainable Development (IISD)

• IISD is in the business of promoting sustainable development
• Policy research institute
• Partners with over 200 organizations on various projects
IISD and its Global Subsidies Initiative (GSI)

Subsidies and sustainable development

• Subsidies are a legitimate tool of public policy
• GSI works on subsidies which are significant, under researched and can have trade distorting effects; or undermine environmental sustainability
• It’s a question of weighing up the costs and benefits
Aims of the Global Subsidies Initiative (GSI)

The objectives of the research program

• Lifting the definitional fog on subsidies - getting debate and analysis in the same language

• Improving data on the scale and impact of subsidies in selected sectors, irrigation, energy etc.

• Improving reporting of subsidies at the national level, in the WTO and other forums
Sectors in which GSI have been active

- Biofuels sector
- Fossil fuels (coal, natural gas & oil) sector
- Renewable energies sector
- Irrigation sector
6 years of research has taught us for all sectors:

- Subsidies can be difficult to define
- Subsidies are often poorly calculated by governments for all sectors
- The evaluation of subsidies against their stated objectives needs more work by government and is often poorly monitored
- Subsidy policy is critical for achieving sustainable development
Why are we interested in irrigation subsidies?

Managing future water supply and demand issues

• Irrigation: 70 to 90 percent of total water use in developing countries and for more than one third of water use in many OECD countries

• Irrigated agriculture occupies about 17 per cent of the planet’s cultivated land and provides about 40 per cent of the world’s food supply

• Like any issue – subsidy policy – has positive and negative impacts
Positive benefits of irrigation subsidies

• Tax revenues generated by the irrigation sector
• Helping increase agricultural productivity
• Socio-economic benefits:
  – Reliable source of domestic food production providing food security
  – Regional development
• Can provides a source of export earnings from agricultural products
Negative impacts of irrigation subsidies

• Groundwater depletion and disruption of surface water systems
• Increased run-off and pollution of surface water bodies and groundwater aquifers
• Soil salinity and water logging
• Distorted agricultural markets
• Equity considerations of budgetary expenditures
What is planned

Developing a network of individuals and organizations who recognize irrigation subsidies are a key topic

• We hope other organizations become interested in this issue
• Media reporting on sustainable water management recognizes the importance of irrigation subsidies
• Governments are encouraged to make more information and data on this issue available publically
• Irrigation subsidy policy evolves with research and discussion on the topic
www.globalsubsidies.org

Thank you!