



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)



GSI Global
Subsidies
Initiative

iisd International
Institute for
Sustainable
Development
Institut
international du
développement
durable
Better living for all—sustainably

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



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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



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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



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Sectors in which GSI have been active

- Biofuels sector
- Fossil fuels (coal, natural gas & oil) sector
- Renewable energies sector
- Irrigation sector



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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



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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



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Thank you!



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