OECD Inventory of Fossil Fuel Support Database

Overview of OECD's Inventory's data production system

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The OECD Fossil Fuel Support Inventory Database

The **website** is located at:

http://www.oecd.org/fossil-fuels/data/

with links to the country **FFS data** in the OECD.stat portal:

http://dotstat.oecd.org/

The dotstat portal displays **individual country FFS** data measure-by-measure.

Country notes describes country's energy market and fossil fuel support policy environment

Interactive data visualisation for export of graphics and data export available in the homepage (aggregate data) and individual country notes



OECD analysis of budgetary support and tax expenditures

2020 country notes

Consult fossil fuel support data sorted by

*Asterisk indicates data and country notes from Data for the EU Eastern Partnership (EaP) control Data and country notes for the EU Eastern Pulsupported by Germany.

- > Armenia Data | Country note
- > Argentina Data | Country note
- > Australia Data | Country note
- > Austria Data | Country note
- > Azerbaijan Data | Country note
- > Belarus Data | Country note
- > Belgium Data | Country note
- > Brazil Data | Country note
- > Canada* Data | Country note
- > China Data | Country note
- > Chile Data | Country note
- Colombia Data | Country note

Rising fossil fuel support poses a threat to building a healthier and climate-safe future

OECD analysis of budgetary transfers, tax breaks and spending programmes linked to the production and use of coal, oil, gas and other petroleum products in 44 OECD and G20 ff. economies showed that total fossil fuel support rose by 10% to USD 178 billion in 2019, ending a five-year downward trend. The analysis builds on the OECD Inventory of support measures for fossil fuels.

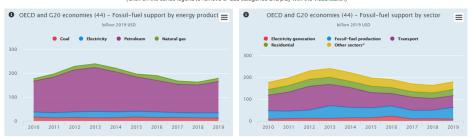
In 2019, oil and gas industries in several countries received additional benefit, mostly through direct budgetary support to alleviate corporate debt, fossil-fuel infrastructure investment and tax provisions that provide preferential treatment on capital expenditures for fossil-fuel production. This represents a rise in overall support for the production of fossil-fuel production. This represents a rise in overall support for the production of fossil-fuel and related industries in the wake of the disruptions caused by Covid-19 bringing fuel price levels to record lows. In most countries, support for fossil-fuel consumption remains widespread. Among energy products, support to petroleum remained the largest component with 74% of the total support estimate. Natural gas receives the next largest portion of the total support estimate with 12%, followed by electricity at 8% and coal at 7%.

By inducing increased greenhouse gas and air pollutant emissions, such policies go against domestic efforts to curb climate change and improve air quality. They maintain economie locked up in energy- and pollution-intensive technologies, they jeopardise efforts to modernise economies and strengthen the competitiveness of clean, low-carbon sectors; and they may be socially inequitable. By encuraging combustion of fossil fuels, such government support contributes to exposing people to air pollution, which can exacerbate vulnerability to pandemics like the Covid-19.

Nonetheless, some progress has been made. Western Europe has completed its phasing out of hard-coal subsidies and efforts continue to end state aid to coal-fired power generation in the European Union.

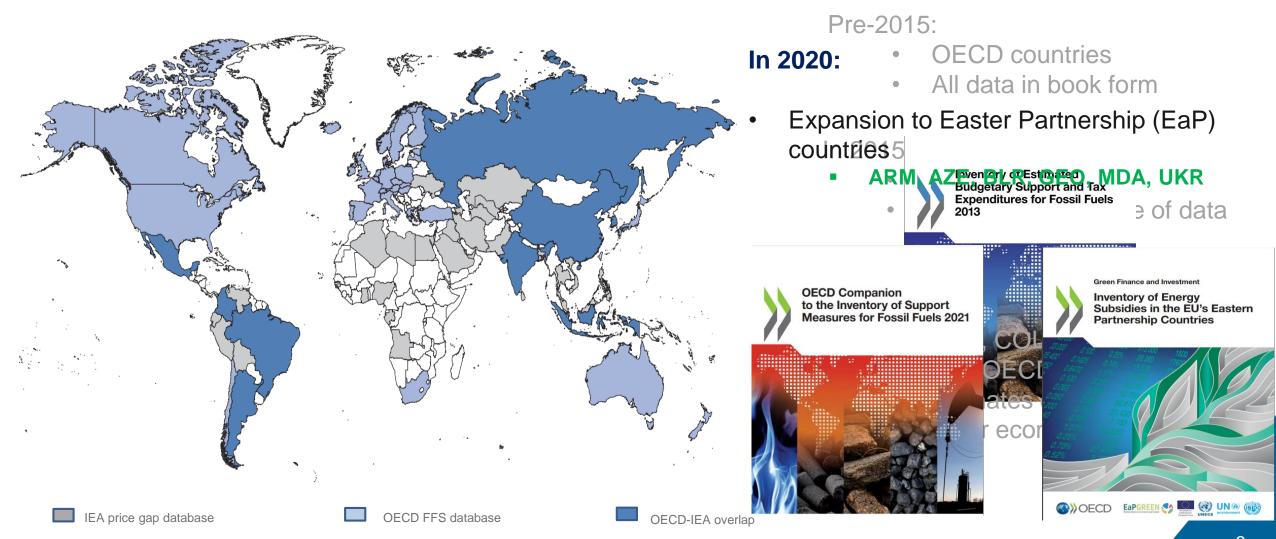
Support for fossil fuels in the OECD and selected partner economies is on the rise again after five years of steady declines

(Click on the series legend to remove or add categories and play with the visualisation





The Inventory over the years



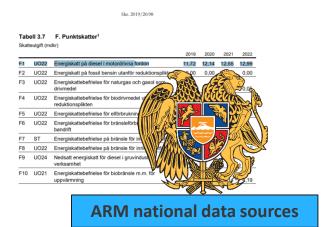


Timeline for the Inventory Data Update

	M	M+1	M+2	M+3	M+4	M+5	M+6	M+7	M+8
 Data procurement Official budgetary publications Programme announcements Direct ministry contacts 	1000 (H) 22 10010 (H) 23 1000 (H) 24 100 (H)	1100 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	100 ton 1001t His 1001t His 1100 July						
Data processingQuality checksFuel & sector allocation									
 Country validation Country internal co-ordination Delegate submission of comments and revisions 					₹	₹)	Y	₹	
Press Release publication & Upload on OECD.stat									
Publication of country notes									

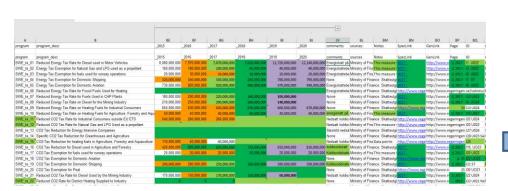


FFS Inventory data update example: Armenia



Step 1: Data collection in official budgetary documents





Step 2: Compilation of quantitative and qualitative data in Excel and MS Word file.

Armenia yielded 7 FFS measures.



World Energy Balances

Oil (%), gas (%), coal (%), transport (%),

production (%)



Step 5: Country coordinator vet the data and exchange with Secretariat

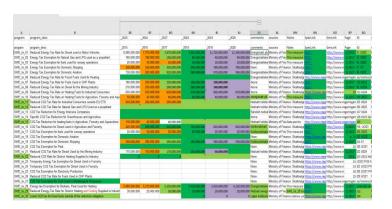


Step 4: Compiled data sent to Country co-ordinator

Exchanges made between Secretariat and Country coordinator for quality control



Fuel and sector allocation: role of IEA data



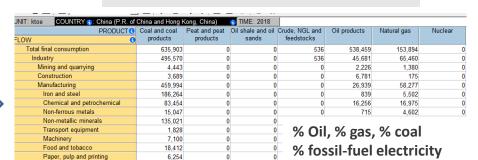
Compiled budgetary data



beneficiary fuel*

- Petroleum
- Natgas
- Coal
- Electricity

Fossil Fuel Support - ALIS 0



IEA Energy Balances data

% renewable electricity

21.820

290,492

23,921

235,963

3.215

25,288

Calculation of fuel shares

Wood and wood products

Textile and leather

- Non-fossil fuel shares are removed
 - Biofuels
 - Renewable electricity

1,025

5,590

27.444



Shares allocation % shares are applied to raw budgetary data



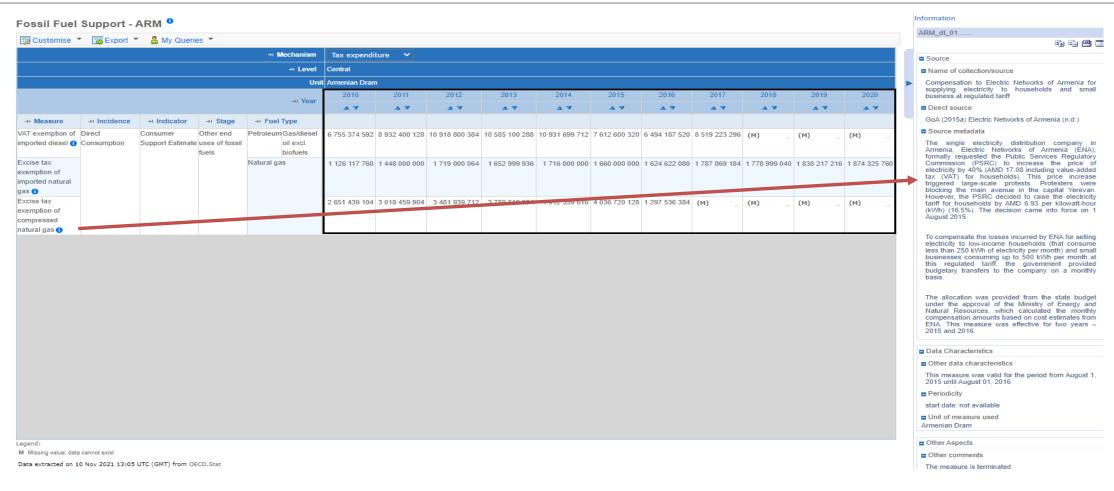
Allocated data are then ready for publishing in the OECD FFS Inventory .Stat portal

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→ Measure	→ Incidence	→ Indicator	→ Stage	→ Fuel	Туре								
Capital Expenditure	Capital	Producer Support	Extraction or mining stage	e	Coking coal	1 364 357	294 424	279 230	275 501	285 115	289 684	294 880	(M)
Deduction for Mining, Quarrying and		Estimate			Other bituminous coal	1 320 568	313 966	329 160	332 888	323 275	318 706	313 510	(M)
Petroleum Operations ()					Sub- bituminous coal	21 573	4 783	4 657	5 007	4 919	4 896	4 896	(M)
					Lignite	32 951	7 571	7 698	7 348	7 435	7 458	7 458	(M)
				Petroleum C	Crude oil	444 115	94 138	92 354	74 824	70 540	64 888	54 334	(M)
			Natural gas liquids	45 959	9 207	9 546	8 235	8 966	7 747	6 138	(M)		
			Natural gas		853 613	201 128	202 572	221 413	224 966	231 837	244 001	(M)	
Reduced Excise Rate on	Direct Consumption	Consumer Support	Other end uses of fossil	Petroleum	Aviation gasoline	24 943 472	23 533 765	21 960 752	19 414 140	20 081 617	21 387 396	19 960 854	21 497 18
Aviation Fuel 6		Estimate	fuels		Kerosene	995 056 528	1 046 466 235	948 039 248	930 585 860	1 089 918 383	1 238 612 604	1 210 039 146	1 258 502 81

^{*}based on measure details



OECD. Stat database

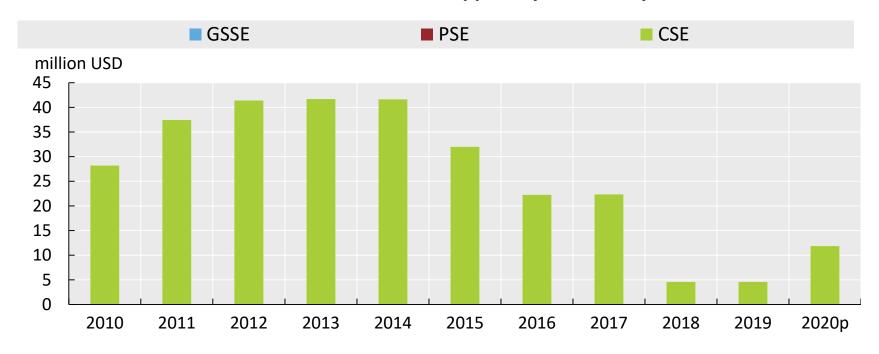


 Two main types of data are provided: (i) fiscal time series per measure and decomposed by fuel; (ii) description of measures



Inventory data: available decompositions ARM – Fossil-fuel support by beneficiary

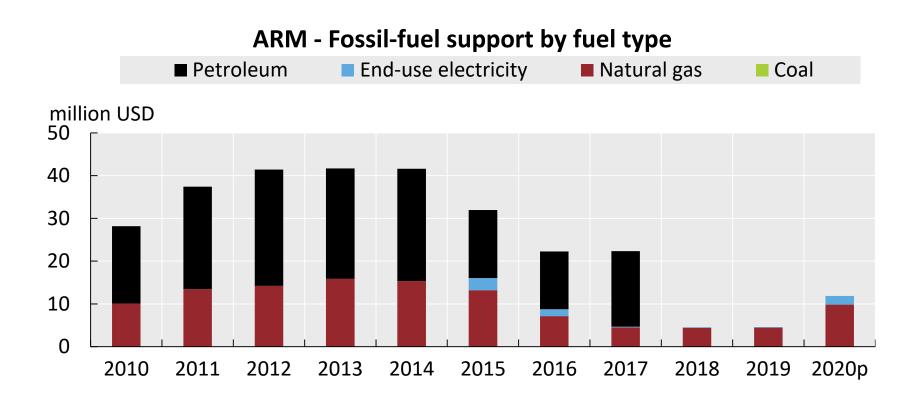
ARM- Fossil-fuel support by beneficiary



Note: PSE – Producer Support Estimate; CSE – Consumer Support Estimate; GSSE – General Services Support Estimate, represents policy measures creating enabling conditions for the fossil-fuel sector where fossil fuels are main beneficiaries, including payments to fund remediation activities to address the legacy of past fossil-fuel extraction.



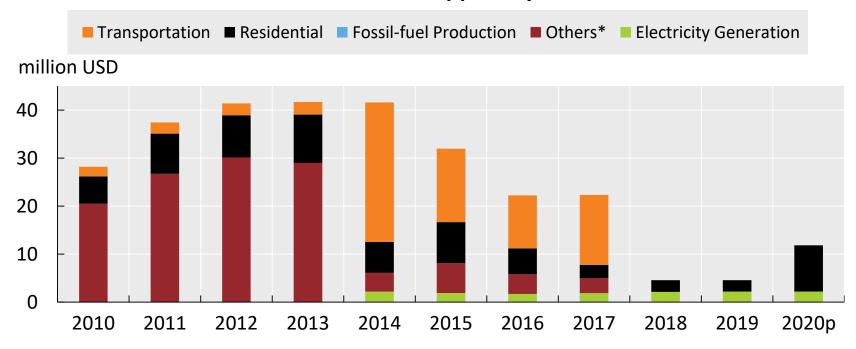
Inventory data: available decompositions (2) ARM – Fossil-fuel support by fuel type





Inventory data: available decompositions (3) ARM – Fossil-fuel support by sector

ARM - Fossil-fuel support by sector



Note: Other sectors – includes measures that support the use of fossil-fuels in the energy transformation sector other than electricity and heat generation; industrial and manufacturing sector; commercial and public services; agriculture, forestry and fisheries sector; non-energy use.

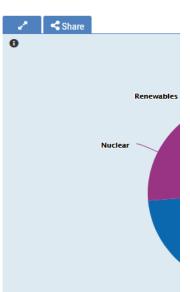


Armenia

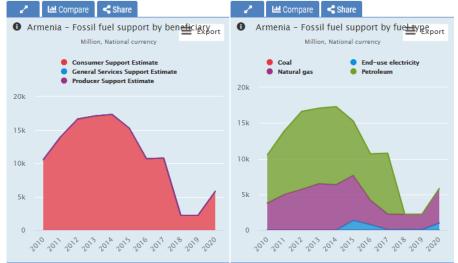
Energy resources and ma

Armenia has no indigenous fossil-fuel imported natural gas to meet the major

Imported natural gas predominates th Armenia's TES and 85% of the fossil fi mostly from Russia - nearly 84% in 20



Total tax rebates and support for fossil fuels in Armenia *



* The above charts are based on an arithmetic sum of the individual support measures identified in the Inventory. Because they focus on budgetary costs and revenue foregone, the estimates for partner economies do not reflect the totality of support provided by means of artificially lower domestic prices. Particular caution should therefore be exercised when comparing these estimates to those reported by the IEA for these countries. The data for 2019 are preliminary.

Recent developments and trends in support

The Country Notes provide:

- Snapshot of the energy market structure
- Current state of energy prices and taxes
- Recent developments and trends in fossil fuel support environment
- Country-specific data visualisation by beneficiary and by energy product



Challenges of Tax Expenditure Reporting in Developing and

Emerging Economies

Availability

- tax data are not available in structured electronic format.
- availability of supporting data for fuel and sectoral allocation of support

Capacity challenges

- collection of data deemed to be difficult due to financial and technical constraints in developing countries
- Wide variation in the rate of budgetary data availability among countries

Absence of institutional setting and legal framework

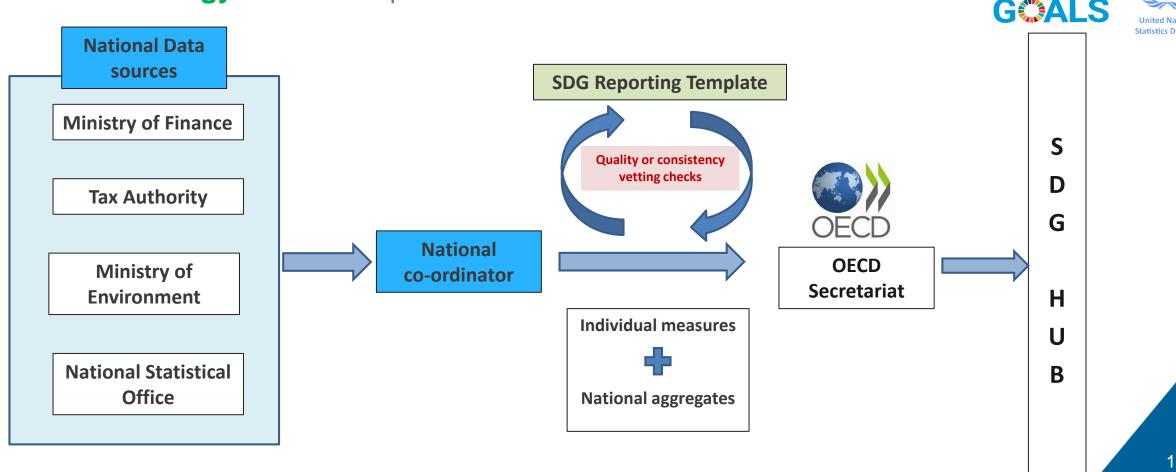
- legal framework among responsible ministries (Ministry of Finance, Internal Revenue or Tax Authority, Customs, Ministry of Energy etc.) does not exist for confidential data sharing.
 - Ministry staff turnover



Moving forward: SDG 12.c.1 reporting

SDG 12.c.1 has adopted the OECD Inventory approach as the reference

methodology for the compilation of the indicator



DEVELOPMENT



Thank you for your attention

OECD Fossil Fuels Support Unit http://www.oecd.org/fossil-fuels/FFS.contact@oecd.org

