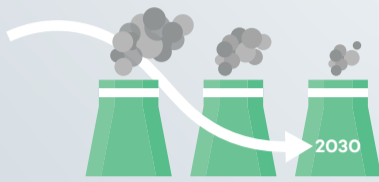


# Fossil Fuel Subsidy Reform

## BY THE NUMBERS

Consumer fossil fuel subsidy reform (FFSR) could reduce CO<sub>2</sub> emissions by 5.46 billion tonnes by 2030.



Across all 32 countries analyzed,\* FFSR would lead to average national GHG emission reductions of 6% by 2030.

The equivalent to the annual emissions of



**1,000** coal-fired power plants  
or  
**3.8 billion** cars

In countries where a large percentage of the government budget goes toward subsidizing fossil fuel consumption, the emission reductions could be as high as 35%.

Over 15% of the national emissions of



could be cut through FFSR alone.

The seven countries with the highest possible absolute emission reductions could each achieve close to (or more than) 400 million tonnes in GHG emission reductions by 2030.



Five of these seven countries are G20 members.

FFSR could save governments close to USD 3 trillion by 2030.

The additional revenue and savings can be put toward high-priority areas, like financing the energy transition through investments in renewable energy supply and energy efficiency.



For every tonne of CO<sub>2</sub> removed through FFSR, governments save an average of USD 546.

If a total of 30% of those savings were to be invested in energy efficiency and renewable energy,

emissions would decrease by an additional 2.55 billion tonnes of CO<sub>2</sub> by 2030 and governments would still save USD 164 for every tonne of CO<sub>2</sub> removed.

Going beyond FFSR, governments can increase their ambition through a 10% tax on fossil energy.

- This would allow them to raise over USD 1.7 trillion cumulatively from 2025 and 2030.
- In combination with investing parts of these revenues to energy efficiency and renewable energy, CO<sub>2</sub> emissions would be further reduced by 2.4 billion tonnes by 2030.

By using all 4 measures together—FFSR, investing subsidy savings, fossil energy tax, and investing tax revenue—governments could:

- reduce global CO<sub>2e</sub> emissions by 10.42 billion tonnes by 2030
- increase annual national emission reductions to almost 12% on average

### \*COUNTRIES ANALYZED



Find current data on fossil fuel subsidies: [FossilFuelSubsidyTracker.org](https://www.fossilfuelsubsidytracker.org)

See the full report: *Cutting Emissions Through Fossil Fuel Subsidy Reform and Taxation*

Based on data from *Cutting Emissions Through Fossil Fuel Subsidy Reform and Taxation*, a report produced by the International Institute for Sustainable Development with support from the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) and coordinated by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

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The report models scenarios of the direct effects of fossil fuel subsidy reform (FFSR) using International Energy Agency (IEA) and International Monetary Fund (IMF) data from 32 countries.