

Use of Existing WTO Mechanisms to Enhance Transparency: Update on TPRs

Questions & answers on fossil fuel subsidies
and FFS reform in WTO Trade Policy Reviews

11 July 2025



ANNEX 2 TO THE MINISTERIAL STATEMENT ON FOSSIL FUEL SUBSIDIES: PROPOSED NON-EXHAUSTIVE LIST OF SAMPLE QUESTIONS ON FOSSIL FUEL SUBSIDIES AND FOSSIL FUEL SUBSIDY REFORM FOR REGULAR USE IN WTO TRADE POLICY REVIEWS

Information about the nature, extent, design and implementation of fossil fuel subsidy measures

1. Noting the commitment made to fossil fuel subsidy reform under SDG 12(c) of the UN 2030 Agenda, could [WTO Member under review] please provide information about the nature, extent, design and implementation of any programmes or schemes, existing or under consideration, that support the production or consumption of fossil fuels?¹ *[Where information is provided, but is incomplete: could [WTO Member under review] please provide more information about the [nature], [extent], [design] or [implementation] of the programmes or schemes that support the production or consumption of fossil fuels discussed in [the Member's TPR report], or any others that may be under consideration?]*
2. What was [WTO Member under review]'s response to the 2021 energy crisis in terms of temporary measures that support the production or consumption of fossil fuels?

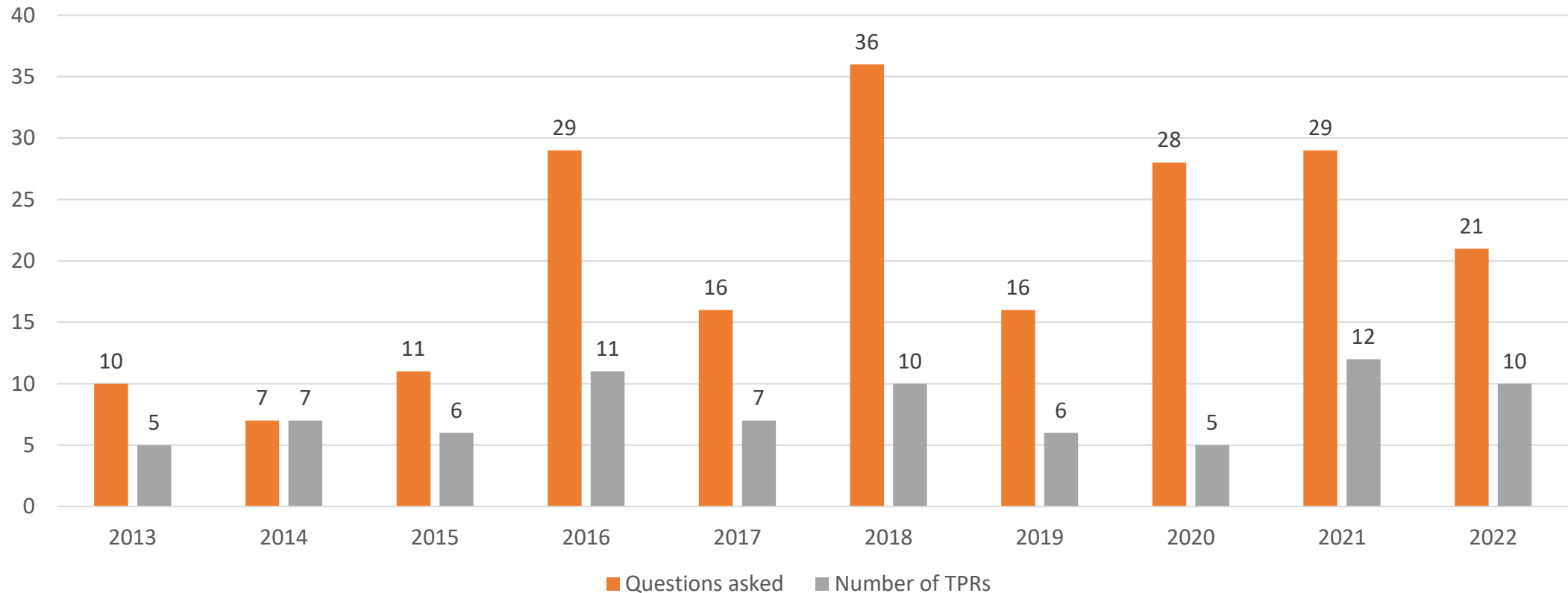
Information about current and planned reforms of fossil fuel subsidy measures

3. How is [WTO Member under review] implementing commitments to accelerate efforts to rationalize and phase out harmful fossil fuel subsidies agreed at recent UNFCCC COPs and in line with UN Sustainable Development Goal 12(c)? For G20 Members: What steps has [WTO Member under review] undertaken to abide by its G20 commitment to phase out inefficient fossil fuel subsidies, and what steps are being considered or introduced to implement this phase-out? *[If information about FFSR has been provided: could [WTO Member under review] please provide more details about its experiences with reforming and phasing out programmes supporting the production or consumption of fossil fuels?]*
4. What steps has [WTO Member under review] taken to phase out any temporary measures in support of the production or consumption of fossil fuels adopted in response to the 2021 energy crisis?

Information about economic, social and environmental impacts of fossil fuel subsidy measures

5. **[impact]** Has [WTO Member under review] undertaken recent analysis of the economic, social and environmental impacts of fossil fuel support programmes it applies and what have been the findings?
6. **[cost/budget]** Could [WTO Member under review] please provide information on the impact of fossil fuel support programmes on the actual costs paid domestically for fuel and on the government's budget?
7. **[vulnerable groups]** In the context of fossil fuel subsidy reforms, what actions are being taken to mitigate the effects on vulnerable groups?

Number of FFSR-related questions and TPRs covered per year (before MC13)



Trade Policy Reviews following MC13

- Since February 2024: 18 TPRs, containing **59 questions** related to fossil fuel subsidies and FFS reform

Angola

Morocco

Iceland

Mozambique

Canada

Sierra Leone

Jamaica

China

Hong Kong,
China

Paraguay

Nigeria

Cabo Verde

Solomon
Islands

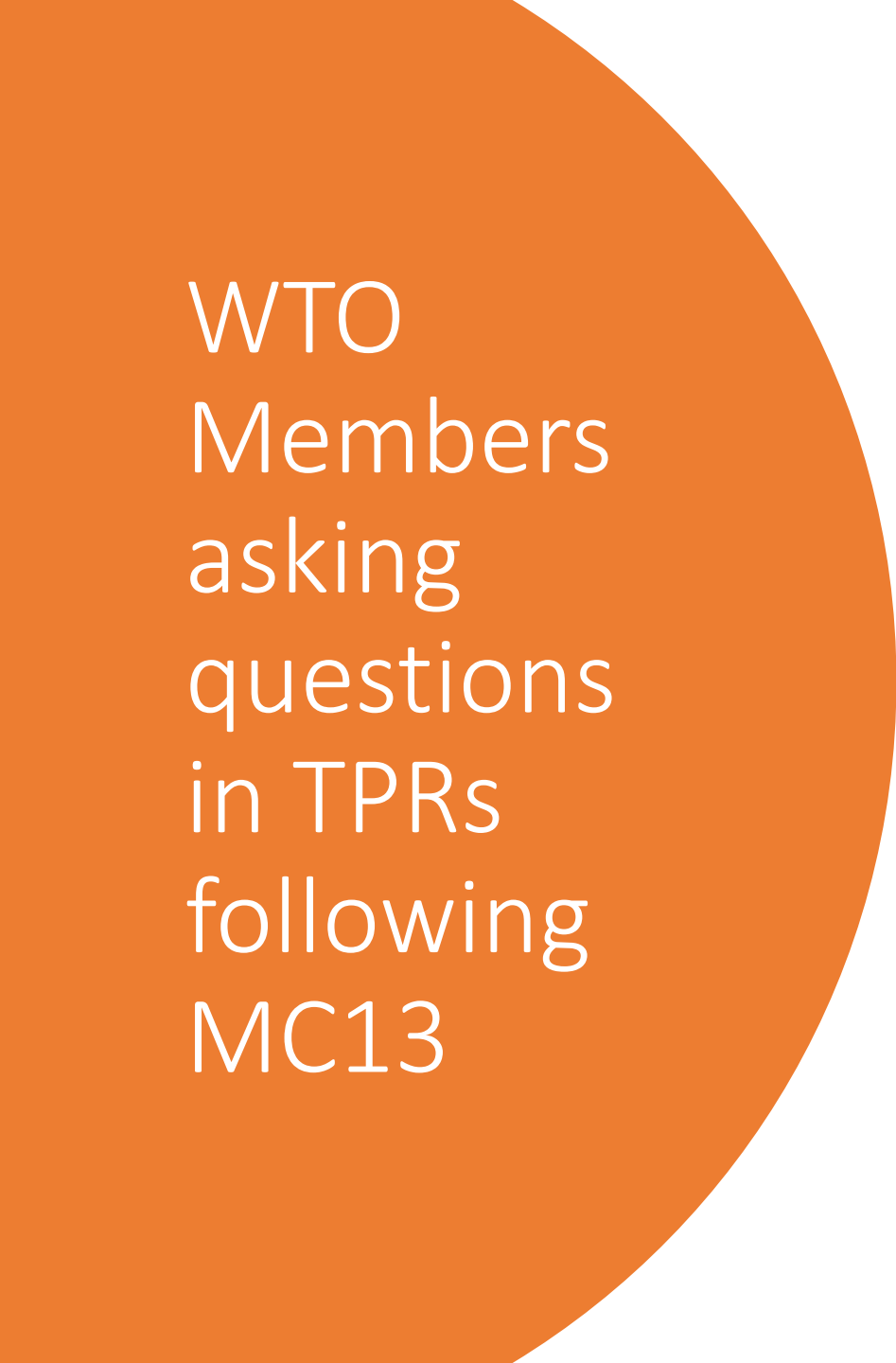
Maldives

Brunei
Darussalam

Madagascar

Ukraine

Australia

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WTO
Members
asking
questions
in TPRs
following
MC13

EU (28)

New Zealand (18)

Switzerland

Thailand

India

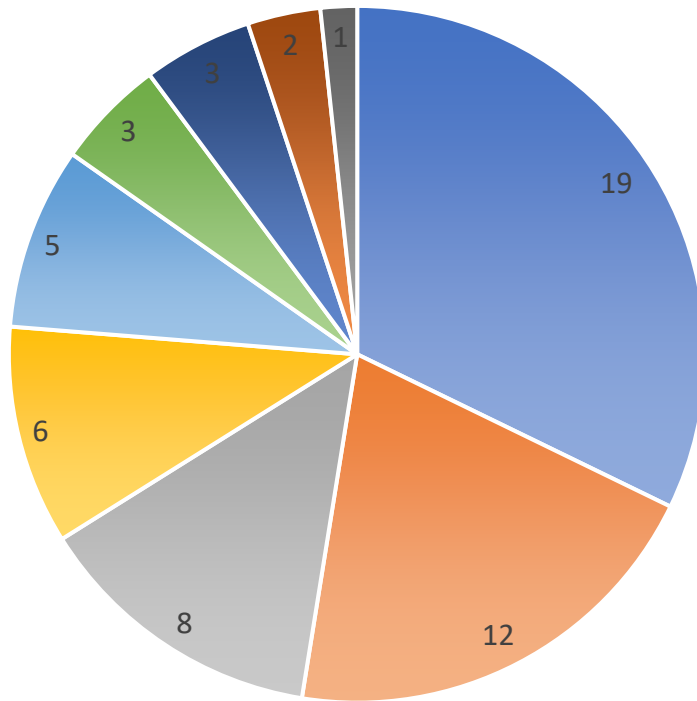
Chinese Taipei

Malaysia

Australia

59 TPR questions

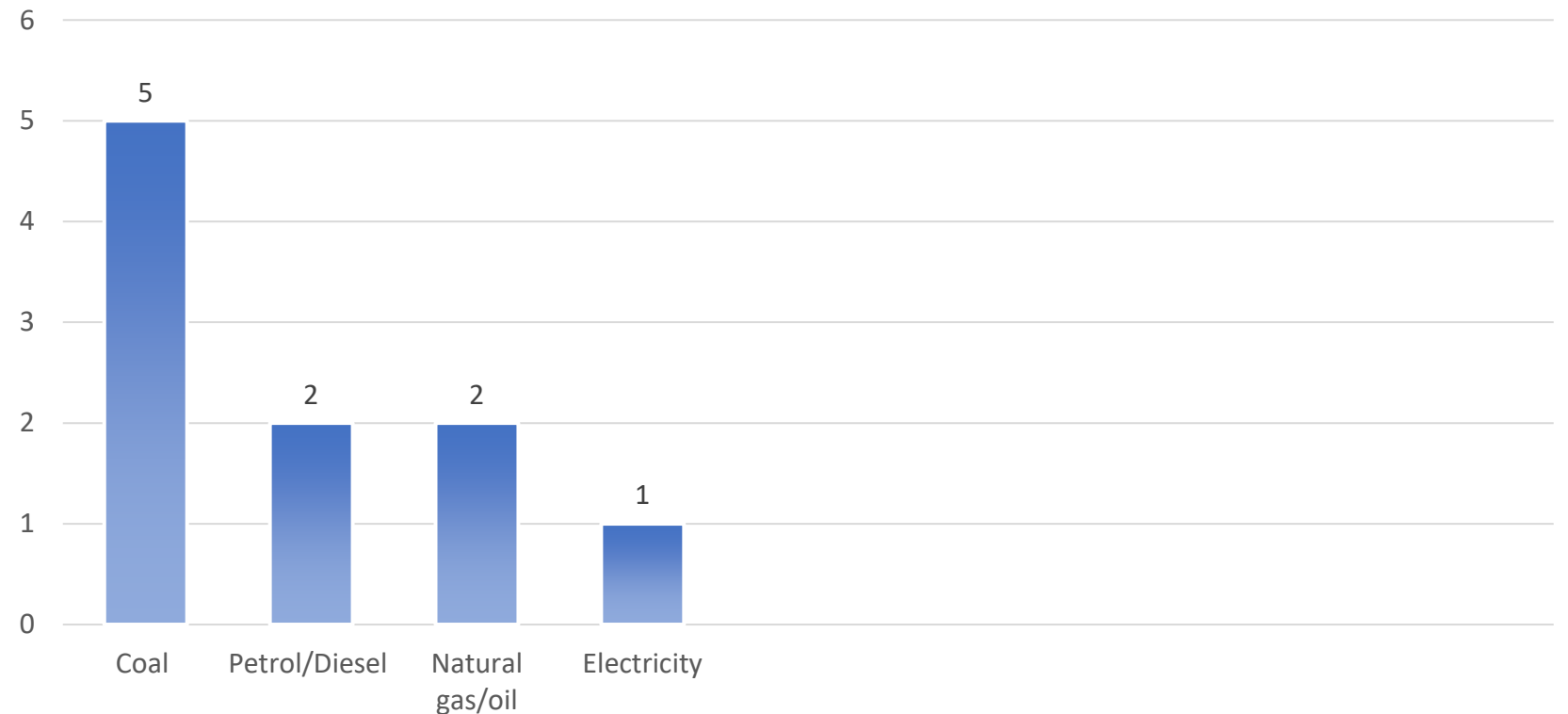
Questions classified by type



- Requests for information and transparency
- Implementation and compliance
- Design and extent of existing programmes
- Experiences and best practices
- Future steps and policy plans
- Barriers and challenges
- Diversification and alternatives
- Environmental and economic impact assessment
- Subsidies for specific products

Questions classified by fuel type

59 TPR questions
refer to fossil fuels broadly



Examples of answers to frequently posed questions from the non-exhaustive list of sample questions adopted by the FFSR initiative co-sponsors at MC13

"Noting the commitment made to fossil fuel subsidy reform under SDG 12(c) of the UN 2030 Agenda, could X please provide information about the nature, extent, design and implementation of any programmes or schemes, existing or under consideration, that support the production or consumption of fossil fuels?"

Examples of answers received to the question:

"**Iceland** does not have support schemes for fossil fuel, with the one exemption that there is a subsidy programme for two small islands north and west of Iceland (Grímsey and Flatey) (...) This measure is necessary in order to maintain population and living conditions on the two islands. The plan is to shift to renewable options, including solar and wind, in the near future. The total annual subsidy for this in the state budget is around ISK 90 million per year (around USD 650,000)."

"In 2020, **Jamaica** updated its Nationally Determined Contributions (NDC) with more ambitious emissions reduction targets and a broader sector scope. The revised targets for 2030 are—1.8 to 2.0 MtCO₂e, up from 1.1 to 1.5 MtCO₂e in the last NDC, representing a 25.4% reduction relative to business-as-usual emissions in 2030 without international support (unconditional) and 28.5% reduction relative to business-as-usual emissions in 2030 conditional upon international support. (...) "

"**China** has consistently prioritized the reform of fossil fuel subsidies, making commitments under both the UNFCCC and the G20 framework. We are dedicated to regulating and phasing out subsidies for inefficient fossil fuels that promote wastage over the medium to long term. China is also eager to work with all stakeholders to carry out reforms aligned with these voluntary commitments. For more information on specific measures, please keep an eye on the relevant Chinese government websites. "

"**Sierra Leone** undertook major fossil fuel subsidy reform in 2016, eliminating subsidies and tax exemptions on petroleum products. As a result, there are currently no direct subsidies or support schemes for the production or consumption of fossil fuels. (...) "

"**Australia** (...) "has taken significant steps to support industrial decarbonisation and the net zero transition at home and abroad. The Government is investing AUD 22.7 billion over the next decade through the Future Made in Australia agenda, to attract investment in clean energy industries such as green hydrogen, green metals, low carbon liquid fuels, critical minerals processing and clean energy manufacturing. There are also policies in place to manage emissions from Australia's existing fossil fuel production, including our reformed Safeguard Mechanism which requires large emitting facilities to reduce their net emissions over time with reference to baselines set at international best practice."

Examples of answers to frequently posed questions from the non-exhaustive list of sample questions adopted by the FFSR initiative co-sponsors at MC13

“How is X implementing commitments to accelerate efforts to rationalize and phase out harmful fossil fuel subsidies agreed at recent UNFCCC COPs and in line with UN Sustainable Development Goal 12(c)?”

Examples of answers received to the question:

"Afin de faire face à la croissance annuelle de la demande en électricité, **le Maroc** a adopté un programme d'équipement électrique à l'horizon 2030 qui prévoit la réalisation intensive des centrales électriques de sources renouvelables (...) ledit plan prévoit la réalisation d'une capacité additionnelle qui s'élève à 9 614 MW avec un coût d'investissement total d'environ 87,9 MMDH dans la période 2023-2027, dont 7 516 MW de sources renouvelables qui représente environ 78% avec un coût d'investissement d'environ 75,5 MMDH, contre 48,6 MMDH qui ont été consacrés aux projets renouvelables réalisés durant la période 2009-2022, soit un investissement annuel de 15,1 MMDH sur la période 2023-2027 contre 3,5 MMDH/an sur la période 2009-2022, ce qui signifie que le rythme des investissements dans les énergies renouvelables est accéléré et augmenté plus que quatre fois. "

"As part of its effort to fulfil **Canada's** G20 commitment to phase out or rationalize inefficient fossil fuel subsidies, on 24 July 2023, the Government of Canada released the Inefficient Fossil Fuel Subsidies Government of Canada Self-Review Assessment Framework and the Inefficient Fossil Fuel Subsidies Government of Canada Guidelines.

The Framework provides a definition of a fossil fuel subsidy and the methodology for assessing efficiency, while the Guidelines are meant to avoid the creation of any new inefficient subsidies.

Consistent with the Inefficient Fossil Fuel Subsidies Government of Canada Self-Review Assessment Framework, the Government of Canada has phased out or rationalized nine tax measures supporting the fossil fuel sector. Of the 129 federal non-tax measures that were assessed, none were determined to be inefficient fossil fuel subsidies."

"**Nigeria** has fully deregulated its downstream sector as the retail price for petroleum products is determined by the market forces of demand and supply. "

"(...) specific details regarding the implementation of measures to rationalize and phase out harmful fossil fuel subsidies [**in the Solomon Islands**] are an area that needs to be developed. The focus at this early stages [is] on policy development and regional collaboration to address fossil fuel dependency and promote sustainable energy alternatives."

Examples of answers to frequently posed questions from the non-exhaustive list of sample questions adopted by the FFSR initiative co-sponsors at MC13

“Could X please provide information if it has a catalogue of fossil fuel subsidies?”

Examples of answers received to the question:

"Ukraine has a system for tracking and managing state aid to businesses, including energy sector. The regulatory framework for this is outlined in the "Order on the Maintenance and Access to the State Aid Register for Economic Entities", which was approved by the Antimonopoly Committee of Ukraine in December 2015. The register is a centralized information system that collects, processes, and stores data on state aid provided to businesses whether in the form of direct spending, tax exemptions, price support etc.

The register, managed by the Antimonopoly Committee, is publicly accessible and ensures transparency regarding state support. It includes information submitted by state aid providers, covering both ongoing and new subsidies, as well as any changes made to existing subsidies. The register also tracks decisions made by the Antimonopoly Committee regarding state aid, including its compliance with Ukrainian laws. This allows the government to monitor the extent and impact of such support systematically. Furthermore, the register is updated regularly and ensures that information about subsidies is available for public scrutiny."

"Sierra Leone does not currently maintain a formal catalogue of fossil fuel subsidies, as such subsidies were removed in 2016. The elimination of subsidies included both price support mechanisms and tax exemptions. Since then, fuel prices have been determined based on international benchmarks through a pricing formula regulated by the PRA. However, Sierra Leone recognizes the importance of tracking and reporting any support measures that may qualify as fossil fuel subsidies. As such, steps are being considered to establish a fossil fuel subsidy inventory system, in line with the country's SDG 12(c) commitments and ongoing cooperation with development partners, including under UN and ECOWAS frameworks. Page 52, para. 4.57: "It was indicated during the previous Review that the current legislation covers only offshore petroleum activities. The legislation is being revised, with a view to establishing a single legal framework for onshore and offshore activities."

"As agreed at COP28, **Australia** is committed to phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible. Australia is implementing an ambitious domestic climate and energy agenda to transition away from fossil fuels and grow our renewable energy sector."

"Brunei Darussalam does not currently have a publicly available, comprehensive catalogue of fossil fuel subsidies."

Other examples of posed questions extracted from the TPRs following MC13, incl. from the non-exhaustive list of sample questions

