

UNDP'S NEW FOSSIL FUEL SUBSIDY SIMULATOR

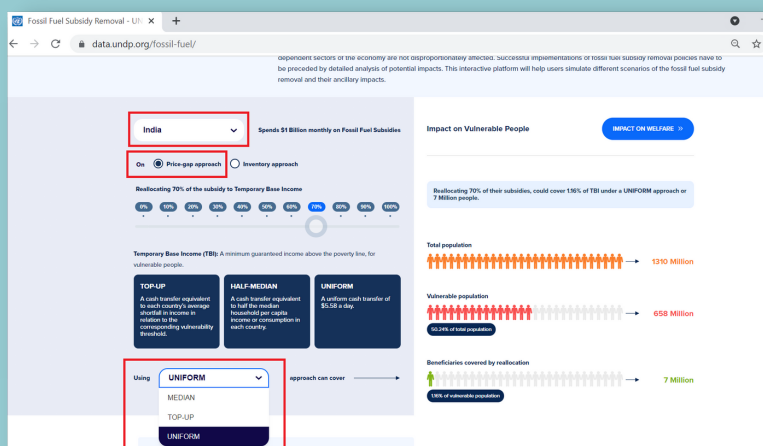
As part of the global advocacy campaign “Don't Choose Extinction Campaign”, UNDP is launching a new Fossil Fuel Subsidy Simulator (data.undp.org/fossil-fuel/), allowing users to explore how reforming fossil fuel subsidies can free up resources for development priorities and explore the true cost of fossil fuels to countries and their populations.

The simulator (which is available in English, French and Spanish) explores the potential impact of fossil fuel subsidy reforms on a temporary basic income, out-of-pocket health expenditures, educational attainment and renewable energy. It is a critical component of UNDP's new Offer on Fossil Fuel Subsidy Reform (FFSR), an organization-wide service line on FFSR with new mechanisms for country-level support.

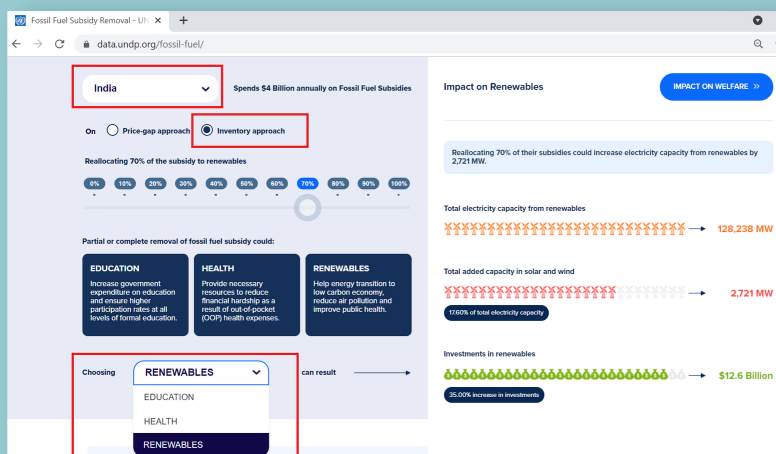
HOW TO USE THE SIMULATOR

This resource is housed on UNDP's Data Futures Platform and is open and accessible to all users, internal and external.

Go to data.undp.org/fossil-fuel/ and choose “Price-gap approach” to explore how a temporary basic income could be financed by redirecting fossil fuels in 32 countries.



Choose “Inventory approach” to see the potential effect of redirecting fossil fuels towards education, health care and renewable energy in a given country.



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COUNTRY EXAMPLES WHICH CAN BE EXPLORED THROUGH THE SIMULATOR:

- Reallocating 70 percent of fossil fuel subsidies toward a temporary basic income could support an average of 95 million people per country across 32 analyzed countries to cover their essential costs, assuming a uniform cash transfer of US\$5.58 per day.¹ In Iran, this could support 115 million people whose average incomes would be supplemented by US\$5.50/day.
- In China, reducing fossil fuels subsidies by 70 percent could support 13 million people to save US\$12.4 billion on out-of-pocket health care expenditures.
- Reallocating 70 percent of fossil fuel subsidies among OECD and partner countries,² which at the end of 2019 stood at US\$147.7 billion (excluding subsidies to consumers), could help fund 23 million students and cover expenditure for teaching staff, school buildings, or schoolbooks and teaching material. This includes 7 million students in Mexico, 2 million students in Turkey and 1 million students in South Africa.
- Reallocating 70 percent of fossil fuel subsidies in Brazil could increase the electricity capacity from solar and wind energy to 14 percent and increase investments in renewables to US\$12.4 billion, representing a 91 percent increase.

RESOURCES

Fossil Fuel Subsidy Simulator:

data.undp.org/fossil-fuel

Fossil Fuel Subsidy Reform Resource Portal:

sparkblue.org/ffsrportal

Communications assets (under development):

trello.com/c/yCBCeNu9/246-fossil-fuel-subsidy-simulator

1. Algeria, Angola, Argentina, Azerbaijan, Bangladesh, Bolivia, China, Colombia, Ecuador, Egypt, El Salvador, Gabon, Ghana, India, Indonesia, Iran, Iraq, Kazakhstan, Malaysia, Mexico, Nigeria, Pakistan, Russian Federation, South Africa, Sri Lanka, Thailand, Trinidad and Tobago, Turkmenistan, Ukraine, Uzbekistan, Venezuela, Vietnam.

2. OECD countries and Argentina, Armenia, Azerbaijan, Belarus, Brazil, China, Georgia, India, Indonesia, Moldova, Russia, South Africa, Ukraine.