

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2657
ANSWERED ON:17.08.2011
SUBSIDY ON FOSSIL FUEL
Jaiswal Dr. Sanjay

Will the Minister of PLANNING be pleased to state:

- (a) whether several studies show the perverse impact of subsidies on fossil fuels on human, environment and development;
- (b) if so, whether the Government has commissioned a comprehensive study to assess such external costs of fossil fuel subsidies;
- (c) if so, the details thereof;
- (d) whether the Government is mooting to include the external costs of subsidies to fossil fuels in project appraisal and national accounting; and
- (e) if so, the details thereof, and if not, the reasons therefore?

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCES (DR. ASHWANI KUMAR)

- (a): An International Energy Agency, World Bank and OECD joint report has estimated that phase out of fossil fuel consumption subsidies over 2011-2020 would reduce global energy related CO2 emissions by 5.8 percent by 2020.
- (b): No, Sir.
- (c): Question does not arise.
- (d) & (e): No such proposal exists in view of the lack of any estimates of the external costs of subsidies to fossil fuels.