

ESMAP Knowledge Exchange Forum

On Energy Subsidy Reform

HOTEL ROYAL | GENEVA, SWITZERLAND | OCTOBER 30-31, 2018
RUE DE LAUSANNE 41, 1201



**CO-HOSTED BY THE WORLD BANK ENERGY SECTOR MANAGEMENT
ASSISTANCE PROGRAM (ESMAP) AND THE STATE SECRETARIAT
FOR ECONOMIC AFFAIRS (SECO)**

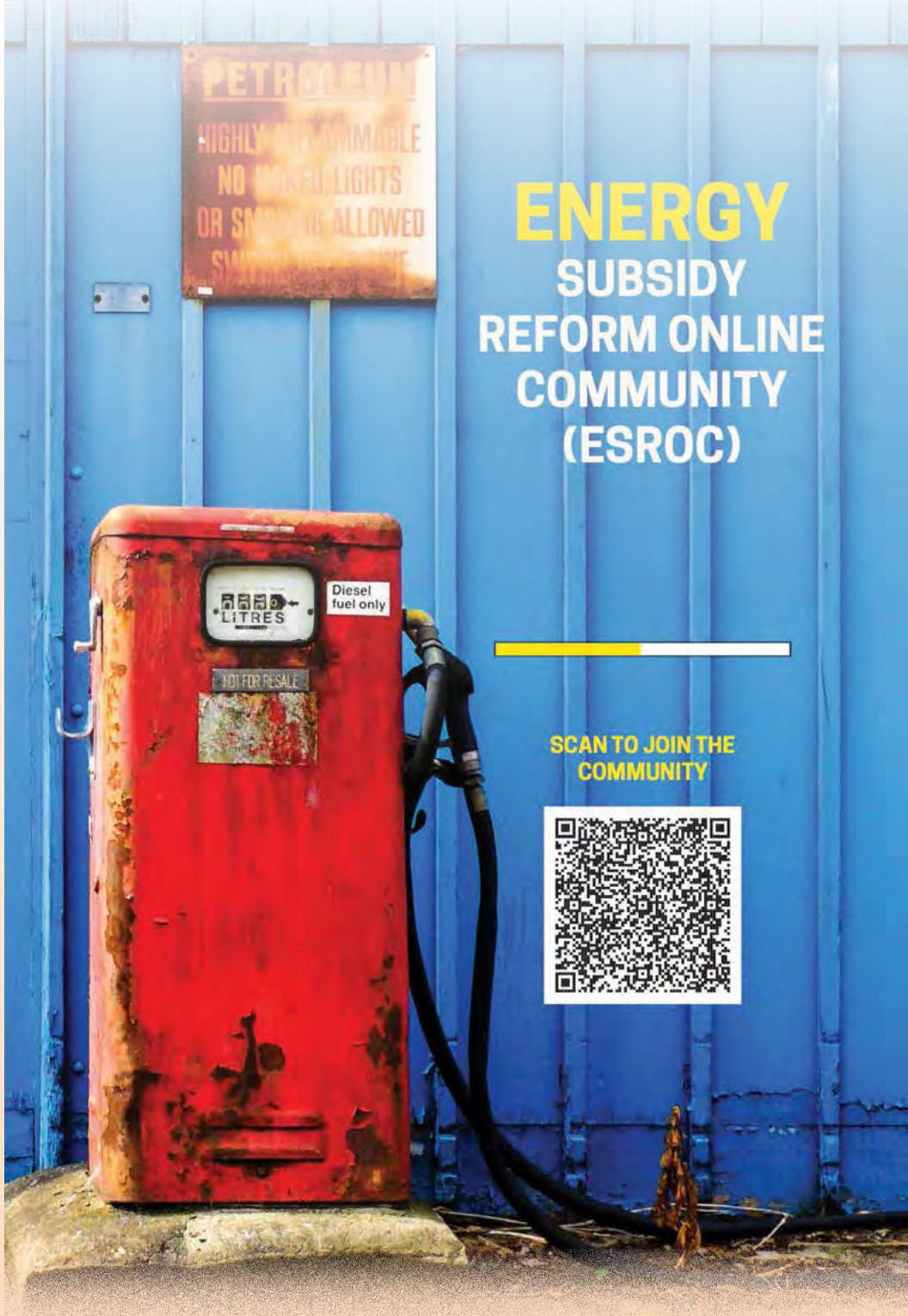


Image: Courtesy of Gunnar Svanbergw

ESMAP MISSION

The financial and technical support by the Energy Sector Management Assistance Program (ESMAP) is gratefully acknowledged. ESMAP—a global knowledge and technical assistance program administered by the World Bank—assists low- and middle-income countries to increase their know-how and institutional capacity to achieve environmentally sustainable energy solutions for poverty reduction and economic growth. ESMAP is funded by Australia, Austria, Canada, Denmark, the European Commission, Finland, France, Germany, Iceland, Italy, Japan, Lithuania, Luxembourg, the Netherlands, Norway, the Rockefeller Foundation, Sweden, Switzerland, the United Kingdom, and the World Bank.

ESMAP KNOWLEDGE EXCHANGE FORUM

We would like to welcome you to Geneva and to the 2018 ESMAP Knowledge Exchange Forum (KEF) on Energy Subsidy Reform.

The event is co-hosted by the World Bank Energy Sector Management Assistance Program (ESMAP) and the State Secretariat for Economic Affairs (SECO) from Switzerland.

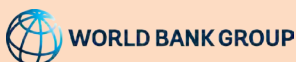
The ESMAP Knowledge Exchange Forum is meant to be a venue for the exchange of knowledge, experiences, lessons and insights among practitioners. This year, the Forum will bring together participant representatives from energy, finance, social protection, planning ministries and energy regulators from selected developing countries, as well as experts from the World Bank Group, IEA, IMF, GSI/IISD, and OECD.

The KEF seeks to facilitate peer-to-peer learning, by showcasing country experiences on the design, implementation, and impact of energy subsidy reforms. To inform the design and implementation of energy subsidy reforms that aim to reduce fiscal stress and improve sector performance while providing incentives for greater energy efficiency and increasing the use of renewable energy. And finally, to present recent country experiences, research and analytical tools to help practitioners design and implement sustainable energy subsidy reforms.

In this event, we will consider energy subsidies for fossil fuels and electricity, but not subsidies for renewable energy. Discussions at the KEF will be structured in 6 sessions spanning two days. This year, the KEF will follow the Chatham House Rule to allow for an open and candid exchange of views:

- Energy Subsidies | State of Play
- Building Public Support for Subsidy Reforms
- How have Countries Mitigated the Impact of Subsidy Reform on the Poor?
- Reforming Subsidies in the Power Sector
- Impact on Energy Intensive Sectors | Firms and Employment
- Managing Fossil Fuel Domestic Prices When International Prices Increase

It is our goal that you find the event interesting and insightful!





AGENDA

HOTEL ROYAL | SALON ROUSSEAU | GENEVA, SWITZERLAND

TIME	DAY 1 TUESDAY OCTOBER 30
08:00	Registration and Coffee
09:00	Opening Remarks: Sustainable Energy Subsidy Reform <ul style="list-style-type: none"> • Rohit Khanna, The World Bank—Manager, ESMAP • Ranjit Lamech, The World Bank—Director, Energy and Extractives Global Practice • Ivo Germann, SECO—Head of Operations
09:30	Session 1 Energy Subsidies—State of Play Moderator: Marianne Fay, The World Bank <ul style="list-style-type: none"> • What are energy subsidies? • How have subsidy reform efforts played out across the world over the last decade? • How has the size and composition of energy subsidies evolved in different regions? • How do energy subsidies and their reforms affect global efforts to reduce poverty and combat climate change?
10:30	Coffee and Networking Break
11:00	Session 2 Building Public Awareness and Support for Subsidy Reforms Moderator: Heather Worley, The World Bank <ul style="list-style-type: none"> • What is the role of public opinion in reform processes and how can well-designed communication campaigns help? • What steps can governments take to close information gaps with citizens and foster public acceptance of reforms? • How does the political economy of subsidy reforms impact the reform processes? • How can communication planning help build coordination among constituents/ministries for consistent messages in favor of the reform?

12:30	Lunch	
13:30	Session 3 How Have Countries Mitigated the Impact of Subsidy Reform on the Poor? Moderator: Peter Wooders, GSI/IIS	
	<ul style="list-style-type: none"> • To what extent did the context, preconditions and existent instruments define the mitigation strategy to protect the poor during the reform? To what extent was the decision driven by the diagnostics, the available tools or previous reform experiences? • How have governments decided how much of the savings from subsidy reforms to allocate to mitigate the impact on the vulnerable? • How much did the mitigation program contribute to the credibility/sustainability of the reform? Which factors have contributed to this outcome (such as using an already well-established program, launching a new program, or scaling up and expanding the scope of an existing program)? 	
15:00	Coffee and Networking Break	
15:30	Session 4 Managing Oil Price Volatility Moderator: Ronald Steenblik, OECD	
	<ul style="list-style-type: none"> • How have government fuel pricing policies dealt with rising oil prices over the last two years? • How have attempts to smooth oil price increases using pricing policies fared? • What are recommended features of a policy to cope with fuel price volatility? 	
17:00	<ul style="list-style-type: none"> • Friends of Fossil Fuel Subsidy Reform • The Global Subsidies Initiative • World Trade Organization 	
17:40	Group Photo and Reception hosted by SECO	Hotel Royal

TIME	DAY 2 WEDNESDAY OCTOBER 31	
08:30	Coffee	
09:00	Session 5 Impact on Energy-Intensive Sectors: Firms and Employment Moderator: Sudarshan Gooptu, The World Bank	
	<ul style="list-style-type: none"> • When and how do energy price increases hurt manufacturing firms and employment? • What barriers do firms face in improving energy efficiency and how can governments help them overcome them? 	

	<ul style="list-style-type: none"> • How can governments alleviate the employment effects of plant/mine closures in the context of the energy transition? • Are there effective and fiscally sustainable ways of mitigating the impact of fuel price increases on the transport sector?
11:00	Coffee and Networking Break
11:30	<p style="text-align: center;">Session 6 Reforming Subsidies in the Power Sector Moderator: Guy Bonvin (SECO)</p>
	<ul style="list-style-type: none"> • Why have so many utilities required fiscal support? To what extent is fiscal support needed because tariffs are “too low,” as opposed to operational inefficiencies or lack of system optimization? • Where both costs and tariffs are high and power utilities have required fiscal support, how have governments tried to reduce consumer price subsidies against the backdrop of already high tariffs? • Implications for utilities and energy subsidy reform of <ul style="list-style-type: none"> • Penetration of renewables • Increased distributed generation and cost-effective storage • Energy efficiency advances
13:00	Lunch
14:30	<p style="text-align: center;">Session 7 Breakout Sessions Facilitated Case Study</p>
	<ul style="list-style-type: none"> • Hypothetical case with a moderator • Participants play the role of different ministries/CSOs/other stakeholders—representing their points of view
16:30	Coffee and Networking Break
17:00	<p style="text-align: center;">Session 8 Wrap-up Session Marianne Fay</p>
	<ul style="list-style-type: none"> • Key messages and next steps
17:30	<p>Closing Remarks</p> <ul style="list-style-type: none"> • Rohit Khanna, ESMAP, The World Bank • Ranjit Lamech, The World Bank • Guy Bonvin, SECO

Monday October 29 | Field Visit

(walking tour)

International Geneva, Green and Sustainable City Tour

For more than 30 years, the City of Geneva has been pursuing a proactive energy policy. This policy has continuously evolved over time. Today, the City of Geneva is committed to follow a strategy of “100% renewable energy and zero emission of CO₂ by 2050,” Its investments in district heating and cooling, rational management of electricity and water, public lighting, mobility and climate, make Geneva one of Switzerland’s top-performing cities. Indeed, Geneva has been awarded the Gold Label for Energy Cities in 2010 for the successful implementation of its sustainable energy policy.

The walking tour will start at the lakeside and lead visitors through Geneva’s international district, stopping at Maison de la Paix, International Museum of the Red Cross and Red Crescent, as well as Place des Nations, presenting innovative solutions in terms of sustainability. Visitors will learn about the hydrothermal system GeniLac®, a 100% renewable thermal solution, making use of lake water to provide heating and cooling capacity for residential and commercial buildings in the international district.

Max number of participants | 30 (2 subgroups of 15 each)

- **1st tour |** 2 pm – 5 pm
- **2nd tour |** 3 pm – 6 pm
- **Meeting point |** Hotel Royal Lobby
- **Meeting time |** 30 minutes before departure time at Hotel Royal and walk or take tram outside the hotel.
- **End point |** Red Cross Museum

Departure Times for Field Trips

- First group will meet at the Hotel Royal Lobby at 1:30 pm
- Second group will meet at the Hotel Royal Lobby at 2:30 pm

(Please be on time!)

- Kindly bring your valid public transport ticket given to you by the hotel at check in.
- **Kindly note:** this is a walking tour, please wear comfortable clothing and shoes according to the weather conditions.

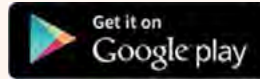


Frequently Asked Questions

IS THERE AN APP THAT WILL HELP ME GET AROUND DURING MY STAY IN GENEVA?

GVApp saves you time as soon as you land, giving you in real-time the schedules of the next buses and trains departing from the airport. Our application also guides you among all the other transportation means that are available upon arrival (taxis, shuttles to hotels, rental cars). Find shopping, money exchange places, lounges, arrival and departures, etc.

The app also helps you get around the airport.



IS THERE FREE WI-FI AT GENÈVE AÉROPORT?

Yes, Genève Aéroport offers 120 minutes of free Wi-Fi to its passengers and visitors. The various connection options are explained in the [GVA Free Wi-Fi description sheet](#).

HOW CAN I CONNECT TO WI-FI IF I CAN'T USE AN SMS SERVICE?

You have two options if you do not wish or are unable to use an SMS service:

1. Scan the Boarding Pass to get an access code. Five access points are available in the terminal.
2. Get an access code on presentation of an identity document at the Visitor's Centre (Arrivals level)

The various connection options are explained in the [GVA Free Wi-Fi description sheet](#).

CAN I LEAVE BAGS IN THE LEFT LUGGAGE?

Yes, you can deposit your bags either in lockers or at a counter (e.g., for bulky items). The lockers and counter are located on the Swiss Railways airport station.

For more options: <http://www.gva.ch/en/desktopdefault.aspx/tabid-426/>

Airport Map: <http://www.gva.ch/en/desktopdefault.aspx/tabid-60/>

HOW FAR IS THE CITY CENTER FROM THE AIRPORT?

Train departures are every 12 to 20 minutes from the Geneva Airport to Gare Cornavin Central Railway Station (and vice versa). One way takes 6 minutes. From Gare Cornavin, you can catch a bus/tram practically anywhere. First train from Geneva to GVA Airport goes at 4:43 am and the last one at 0:07.



TRAVEL FREE ON PUBLIC TRANSPORTATION ON ARRIVAL AT THE AIRPORT

TRAVEL FOR FREE ON PUBLIC TRANSPORT FREE TICKET ON ARRIVAL AT THE AIRPORT | You can pick up a free ticket for public transportation from the machine in the baggage collection area at the Arrival level. This Unireso ticket, offered by Genève Aéroport, allows you to use public transport in Geneva free for a period of 80 minutes.



Take Tram 15 and get off at Môle in the direction of “Palettes-Acacia-Gare Cornavin.” This tram will stop directly in front of the hotel, see image.

RIDE FOR FREE DURING YOUR STAY IN GENEVA | You will receive a “[Geneva Transport Card](#)” free of charge upon check-in at the Hotel Royal. With this personal card, public transport in Geneva is free for the full duration of your stay. Info: www.geneva-tourism.ch

Map of Geneva’s Transportation system: http://www.gva.ch/en/Portaldata/1/Resources/fichiers/publications/Print_Home_Acces_Transports_Publics_AIG18.pdf

GETTING AROUND GENEVA

Public Transportation main page: <http://www.gva.ch/en/desktopdefault.aspx/tabid-62/>



Geneva and region

Trains, trams, buses and boats for getting around in Geneva. Free shuttle buses to some hotels. Taxis.



Switzerland

The airport offers connections to the Swiss and European rail network. The SBB/CFF airport railway station has direct access to the airport Check-in and Arrival levels.



France

Buses, coaches and trains to everywhere in France. Free shuttle buses to some hotels.

ENERGY SUBSIDY REFORM ASSESSMENT FRAMEWORK (ESRAF)

Reforming subsidies can be a complex and politically unpopular process. Countries that have embarked on this journey underline the need for understanding the political context of reform, crafting the right energy pricing, designing solutions that mitigate the adverse impacts of reform on affected populations, and engaging with citizens.

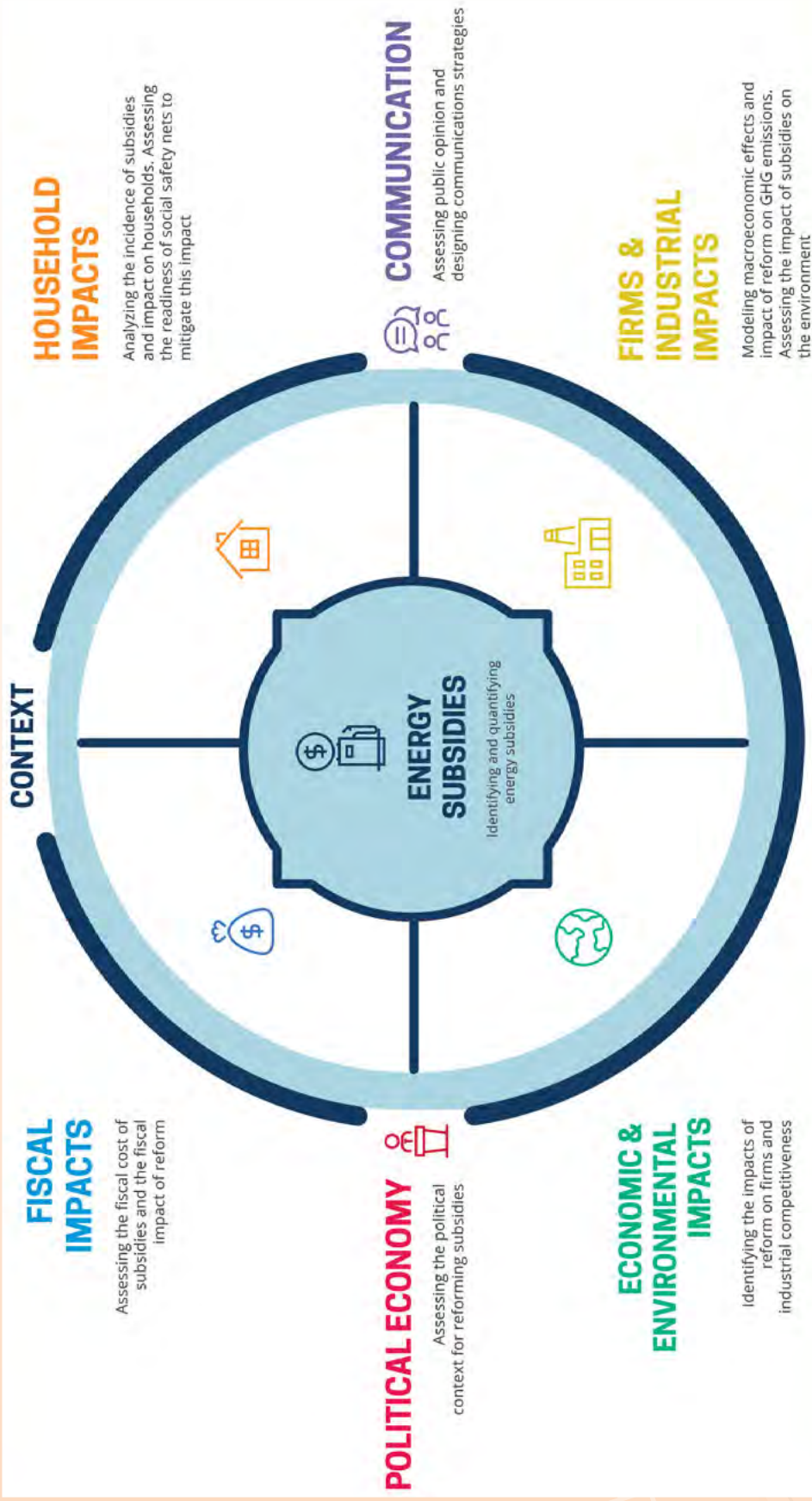
Energy Subsidy Reform Assessment Framework (ESRAF) is a comprehensive analytical toolkit and assessment framework for helping countries to identify and quantify energy subsidies, understand their impact, and evaluate the enabling environment for reform.

ESMAP offers detailed explanations on how governments can identify and quantify their energy subsidies, analyze their impacts on households, industry, the economy and the environment. The notes outline the main issues, present essential diagnostic tools, and provide guidance on how to conduct relevant analysis at country level. They also contain specific country experiences from across the world.



**SCAN THE CODE TO DOWNLOAD THE
OVERVIEW AND GOOD PRACTICE NOTES**

GUIDANCE FOR COMPREHENSIVE ENERGY SUBSIDY REFORMS





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