

regarding the

Lima Work Programme on Gender (LWPG) & its Gender Action Plan (GAP), in particular the Link between Fossil Fuel Subsidy Reform and Gender Responsive Climate Action

Switzerland is herewith addressing the link between Fossil Fuel Subsidy Reform (FFSR) and gender-responsive climate action:

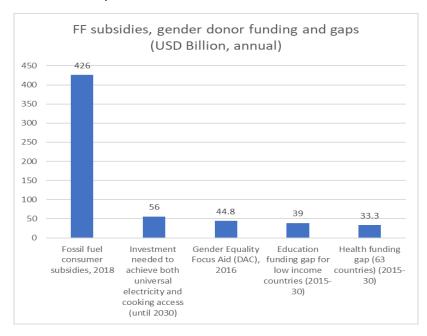
Phasing out fossil fuel subsidies (currently, consumer subsidies are estimated at more than <u>400</u> <u>billion USD</u> annually) would free financial capacities to support gender-responsive action.

Among others, phasing out fossil fuel subsidies could allow for the targeted expansion of clean energy (avoiding negative impacts on women's health from <u>cooking fuels</u>), the support of social security or social safety nets for women and their children, or increased investments in infrastructure (water supply, sanitation, energy supply etc.) and education.

Current Fossil Fuel Subsidies reduce available public funding to women and girls

Governments that heavily subsidise fossil fuels limit opportunities to support government-funded education, health and gender empowerment programmes. Investment in fossil fuel subsidies reduces available public funding for other key needs, including gender-responsive climate action that would benefit women and girls.

<u>Global research</u> finds that public expenditures on education and health are lower on average by 0.6% of GDP in countries that spend 1% of their GDP on subsidies to fossil fuels. Some countries spend between 5-30 % of government budgets on fossil fuel subsidies, several times more than that of health and education expenditures combined.



Source: Global Subsidies Initiative (2019), based on data from IEA (<u>2017</u> & <u>2019</u>), <u>Zinecker</u> et al. (<u>2018</u>), <u>OECD (2019</u>), <u>UNESCO (2015</u>), and <u>WHO (2015)</u>.



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Countries that reform fossil fuel subsidies and adequately tax fossil fuels and carbon, generate savings and revenues that can be redirected towards and invested in domains that build resilience through gender empowerment.

Concerning GAP priority Areas A and D we propose the following:

GAP-Priority Area A: Capacity-building, knowledge-sharing and communication

The phasing out of fossil fuel subsidies is a low hanging fruit to shift capacities into genderresponsive climate action. We propose to integrate a specific reference to the phasing out of fossil fuel subsidies to support gender responsive climate action.

> Proposed wording:

"Savings and revenues from Fossil Fuel Subsidy Reform FFSR can benefit gender-responsive climate projects through the reallocation of government funds."

GAP-Priority Area E: Monitoring and reporting

We propose country to country peer reviews with an emphasis on the collection of sexdisaggregated data to measure the positive impact of phasing out of Fossil Fuel Subsidies on women and children.

Proposed wording:

"Collect and evaluate sex-disaggregated data on the impact of the phasing out of and redirection of fossil fuel subsidies through country to country peer reviews. Peer reviews are an effective tool to measure and evaluate genderresponsive climate action."