The role of fossil fuel subsidy reform and renewable energy investment for a green recovery

COSTA RICA

Energy Planning Secretariat
Ministry of Environment and Energy

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A country with renewable energy in the electricity sector

Credit: ICE, National Expansion Plan

Source: CENCE, Annual reports
But we still rely on fossil fuels...

... mainly for the transport sector
Costa Rica commits to an absolute maximum of net emissions in 2030 of 9.11 million tons of carbon dioxide equivalent (CO2e) including all emissions and all sectors covered by the corresponding National Greenhouse Gas Emissions Inventory.
Energy transition

- Avoid lock-in
- Use of various technologies
- Electrification of all sectors
Electrification Renewable energy

- Intersectoral work is required
- Public sector/Private sector
- Investments
- New business models
Fossil fuels prices

Comparison of weekly prices of oil in the region

Taxes on gasoline: 35-36%

Fixed use of the tax:
- Attention of national roads: 21.75%
- Attention of local roads: 22.25
- Payment of environmental services: 3.5%
- Payment of agricultural environmental benefits: 0.1%
- Guarantee maximum efficiency of public investment: 1%
Fossil fuels subsidy reform

• Some actions included in National Energy Plan
• National work group will dive deeper
• Actions for starting report on SDG 12.c.1
• Support is needed.
Thank you

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