

IEA calls for scrapping \$312 bln in fuel subsidies

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Road traffic. The International Energy Agency is calling for 312 billion dollars in fuel subsidies to be scrapped in a bid to promote clean energy sources, according to a report presented in Abu Dhabi on Wednesday.

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"More aggressive [clean energy](#) policies are required, including the removal of fossil fuel subsidies and implementation of transparent, predictable and adaptive incentives for cleaner, more efficient energy options," said the Clean Energy Progress Report.

Fossil fuels currently attract 312 billion dollars in consumption subsidies, versus \$57 billion for [renewable energy](#), it added, without specifying

which countries were to blame.

It is not enough for developed countries to cut their [carbon dioxide emissions](#), the report said, arguing that [developing countries](#) must do so as well.

"Even if countries belonging to the Organisation for Economic Co-operation and Development (OECD) somehow drove their emissions to zero, on today's path, emissions from non-OECD countries would still lead to environmental disasters on an epic scale," it said.

According to the same source, renewables are gaining traction, but demand for fossil fuels is growing even faster.

"Despite the tremendous growth seen in this sector, demand for traditional fossil-based energy has outpaced demand for clean energy," the report said.

"For the past decade, coal has been the fastest-growing global energy source, meeting 47 percent of new electricity demand," it said.

The report noted that there are signs that austerity measures adopted by some governments are weakening support for renewables.

But "achieving sustainable energy goals will require a doubling of all renewable energy use by 2020", it said.

The report was presented in Abu Dhabi, the capital of the United Arab Emirates, which ranks seventh in the world for proven oil reserves.

But the emirate, which sits on some 95 percent of the country's oil, also aims to be a centre for renewable energy, through projects such as Masdar City, which is to be powered solely by renewables.

Abu Dhabi was confirmed on Tuesday as the permanent seat of the International Renewable Energy Agency (IRENA).

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