



Bundesministerium
für Umwelt, Naturschutz
und Reaktorsicherheit

OECD Workshop on Reforming Environmentally Harmful Subsidies (EHS), Paris, 5 October 2005

Outline of the German “Case Study on Subsidy Reform Experiences” on Energy

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Hard Coal Mining in Germany

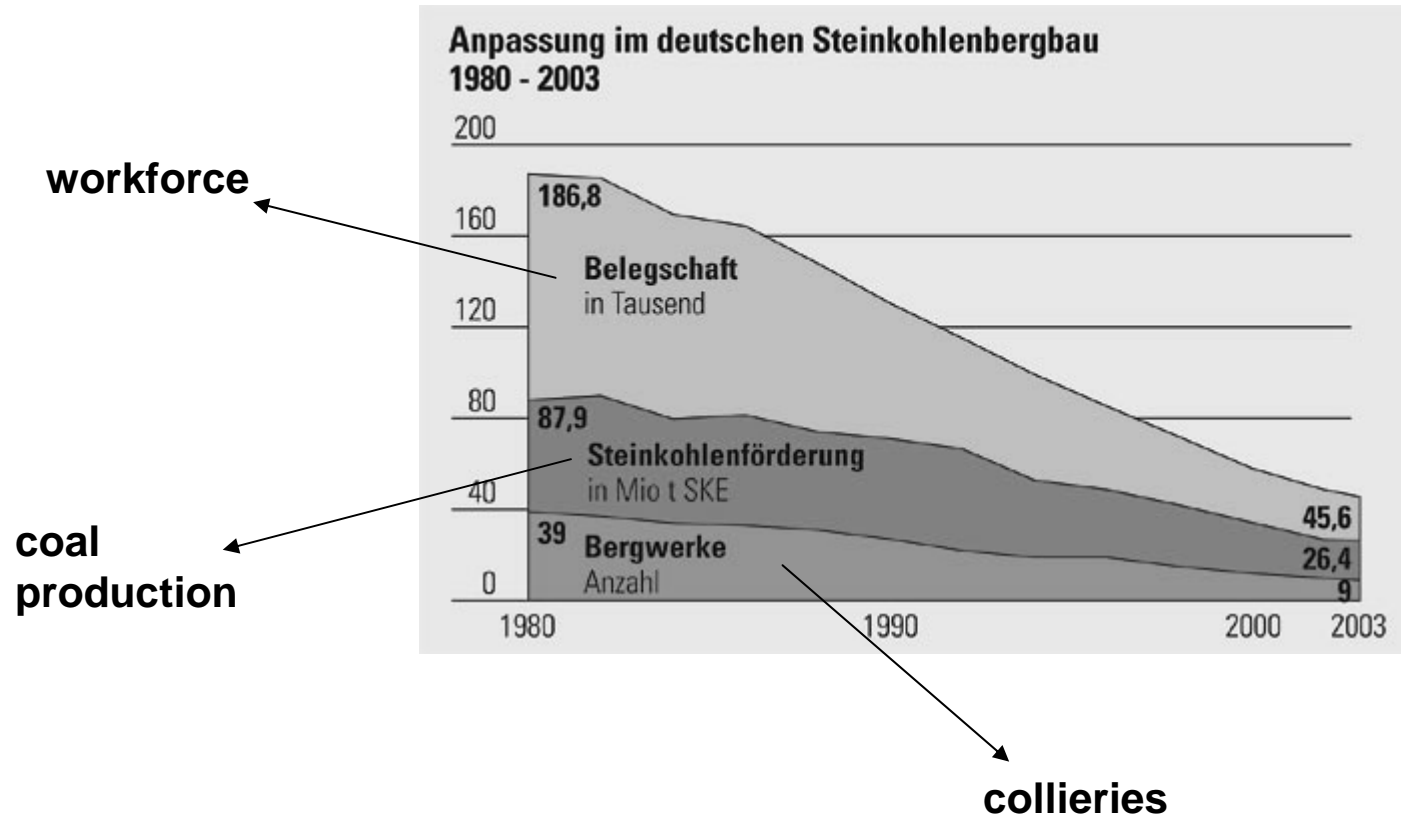


Fig. 1. German hard coal mines.

- 153 collieries operating in 1957 have been reduced to 9
- 64 coke works reduced to 1

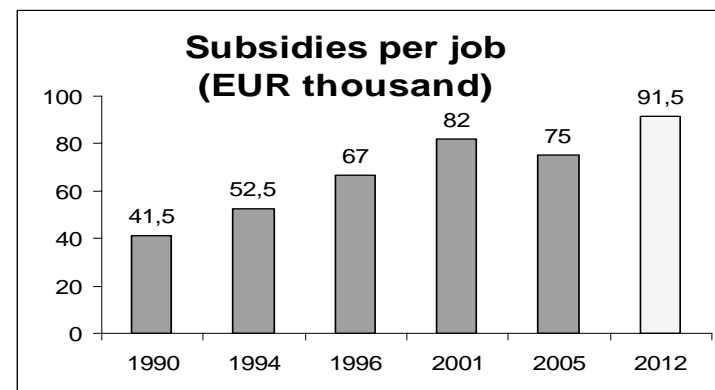
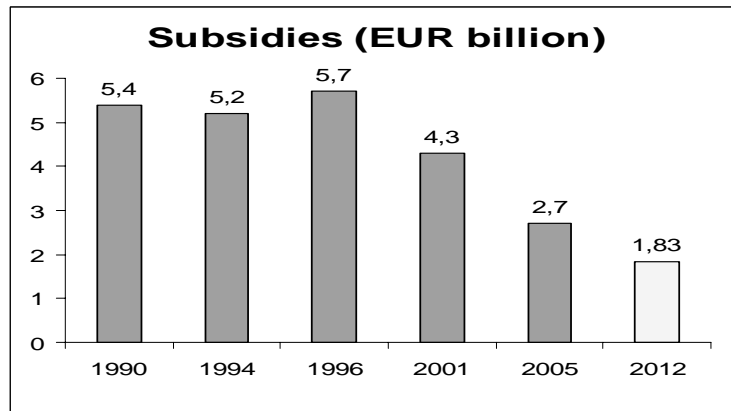
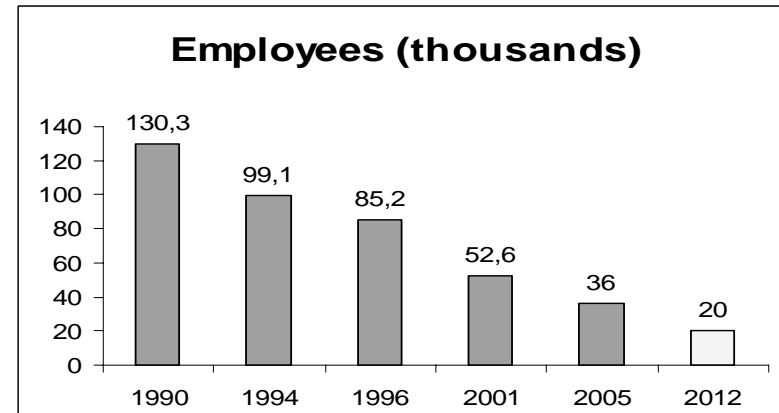
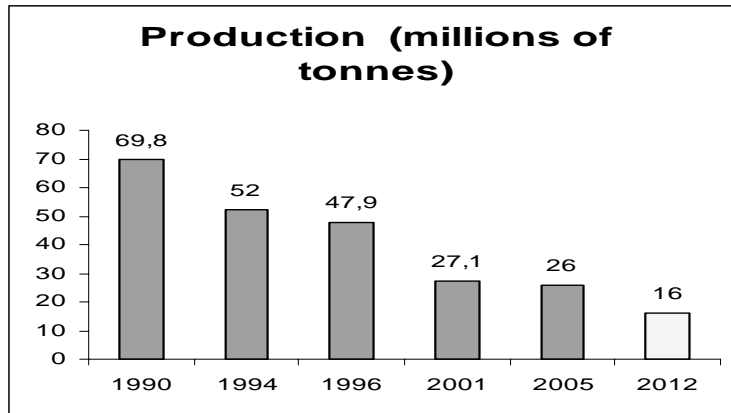


Restructuring of hard coal industry



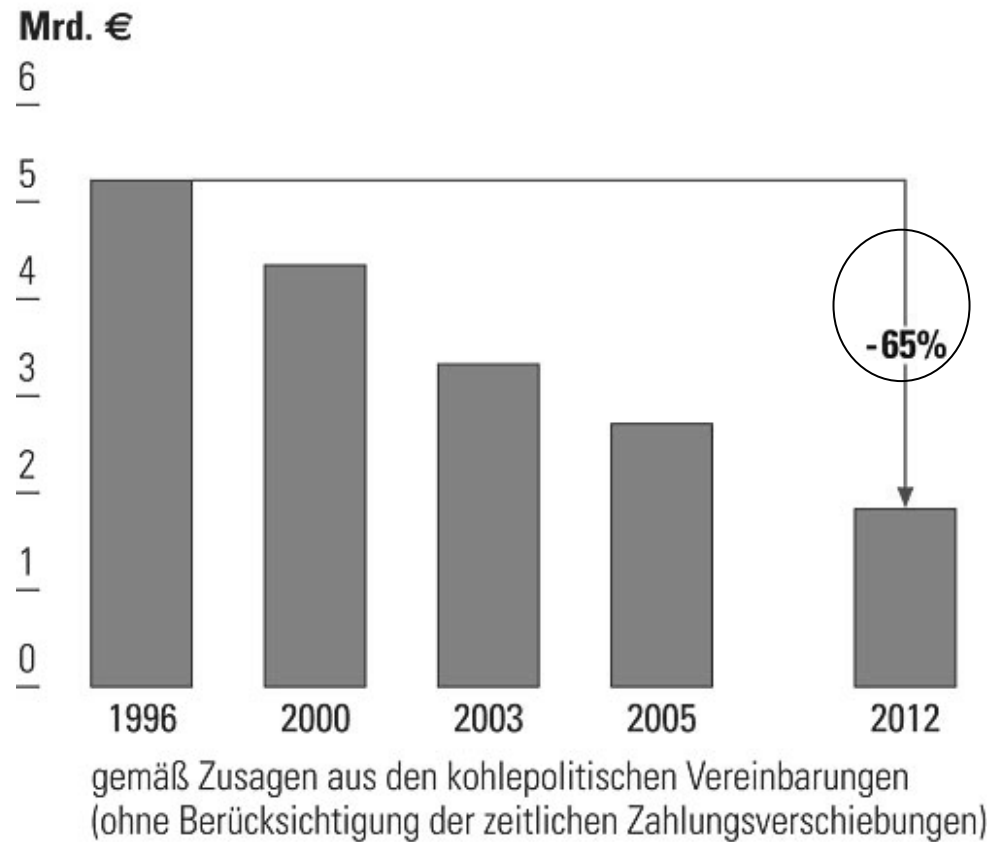


Hard coal facts in Germany, 1990 - 2012





Following Agreement 2003 - Commitments -





Arguments pro Subsidies

- **Argument No. 1: Jobs and structural adaptation should be arranged in a socially and regionally acceptable way.**
- **Argument No. 2: Hard coal Subsidies are an “insurance premium” against political and economic risks that affect imported energies.**
- **Argument No. 3: Germany’s position as a leader in mining technology needs domestic coal mining.**



Current EHS issues in Germany (1)

1. Reduction of the tax deduction rate for distances between home and workplace
2. Equal treatment of all modes of transport (individual car, public transport, bicycle)
3. Reduction of the house ownership subsidy
Equal treatment of new and existing houses



Current EHS issues in Germany (2)

1. Reporting and Transparency: Chapter on „Subsidies and Environment“ in the annual „Subsidy Reports“ of the Federal Government
2. A variety of further subjects is linked to public debates on subsidies in general: promotion of renewable energies, regulations within the ecological tax reform, (future) taxes and fees on aviation