Energy Subsidy Reform in Ecuador —

Why
What
How
WHAT THE DATA SHOWS
Fiscal situation is challenging

Ingresos 2013 - 2017

Déficit fiscal y Financiamiento 2011 - 2017
These subsidies are substantial and volatile

Follows fluctuation in the price of oil
They Benefit mostly upper income deciles

Who benefits from these subsidies
Can be as high as social spending

Relative to social spending
NATURE OF THE PROBLEM
This data is just the tip of the iceberg and it is only going to get us this far.

This problem has social, environmental, health and political ramifications.

A technical solution is not enough.

We are in the Business of mobilizing stakeholders for change.
STARTING POINT AND KEY STRATEGIC ELEMENTS
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<td><strong>History</strong></td>
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<td><strong>Benefits are diffused</strong></td>
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<td><strong>Communication is key</strong></td>
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Our action plan should then:

Designed as an adaptive process balancing three factors

Balance technical soundness, political feasibility and capabilities to implement

Balance “best fit” and “best practice”
GRACIAS