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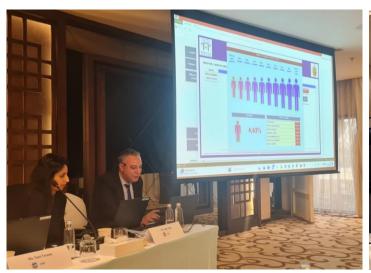
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Regional Workshop on Energy-Related Climate Mitigation Policies in the MENA Region



The METAC and IMF's Fiscal Affairs Department jointly delivered a regional workshop in Riyadh, Saudi Arabia on the design and implementation of energy-related climate mitigation policies, for 27 officials from ministries of finance, energy, environment and climate change from 12 countries. The workshop emphasized theory and practice of fossil fuel and carbon pricing and supporting policies, their macroeconomic and fiscal significance, environmental impacts, political economy issues, and international considerations. It also provided participants with analytical tools to do country-specific analysis of subsidy removal, fuel taxes, and carbon pricing, and common complementary policies such as feebates and renewable energy and electric vehicle subsidies. The workshop comprised lectures, roundtable discussions, participant presentations, hands-on technical sessions, and an interactive simulation exercise using the IMF-WB Climate Policy Assessment Tool (CPAT).

The workshop was led by Ms. Alpa Shah and Mr. Nate Vernon-Lin (both Economists at the Climate Policy Division of the Fiscal Affairs Department). Mr. Nicolo Bird (Economist at the Expenditure Policy Division of the Fiscal Affairs Department) provided a virtual presentation on the design and implementation of energy pricing. Haytem Troug (Senior Economist at the Middle East and Central Asia Department) virtually presented a regional analysis of fossil fuel subsidies reforms.





Left picture: A participant from Tunisia giving a country presentation. Right picture: Participants discussing the interactive simulation exercise using the CPAT with instructor Nate Vernon (Right).

The workshop was timely and relevant and provided a platform to develop technical knowledge and exchange experiences. The instructor-led sessions provided a foundation for lively discussion and varied questions from participants. Country Delegations from Egypt, Morocco, Oman, Qatar, Saudi Arabia, Tunisia, and the UAE presented their country experiences, and prepared presentations on their motivation for fuel pricing reform and supporting policies, and key enabling factors and constraints. Several countries reported progress on energy pricing reform—Morocco and Tunisia highlighted earlier successes, with Tunisia showcasing an analytical tool to track subsidies.

Participants engaged actively in hands-on sessions using the FAD subsidy database and CPAT, and by the end of the workshop were able to navigate CPAT for high-level analysis. In the role-play exercise, participants (in groups of 3-4) represented government ministries of a fictional country, using CPAT to assess trade-offs across revenue, growth, emissions, inflation, and distributional impacts. They concluded with a simulated cabinet meeting, debating a proposal to phase out diesel subsidies and introduce a carbon tax, using CPAT to support their arguments.







Participants participating in the role-play exercise representing different ministries during a fictional cabinet meeting.