

## SDG Goal 12

## Responsible consumption and production

### SDG Target 12.c

**Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities**

### SDG Indicator 12.c.1

**Amount of fossil-fuel subsidies (production and consumption) per unit of GDP**

### Time series

**Tax breaks and direct transfers of funds**

### 1. General information on the time series

- Date of national metadata: 20 April 2023
- National data: <http://sdg-indicators.de/12-c-1/>
- Definition: Following the UN metadata, fossil fuel subsidies that are taken into account are direct transfers of funds, induced transfers and tax expenditures. Since induced transfers on fossil fuels do not exist in Germany, these are not reported and only data on direct transfers and tax expenditure is used for the calculation of the indicator.  
The definition of subsidies applied here also comprises tax breaks as subsidies. Following the definition of subsidies of the System of National Accounts, tax breaks are instead not counted as subsidies. For the different types of government revenue foregone that fall in the category tax expenditure, only tax breaks exist in Germany and therefore only this specific category is reported.
- Disaggregation: Not available.

### 2. Comparability with the UN metadata

- Date of UN metadata: January 2024
- UN metadata: <https://unstats.un.org/sdgs/metadata/files/Metadata-12-0c-01.pdf>
- The time series is compliant with the UN metadata.

### 3. Data description

- Data on tax breaks is gathered from the Taxed Energy Products Statistics and the Environmental Tax Revenues Statistics that are part of the Environmental Economic Accounting. To qualify as a tax break on fossil fuels, two conditions have to be fulfilled. First, there has to be an exemption from a benchmark tax rate that is granted under certain circumstances. Second, the tax rate that on which the exemption is made has to be based on a fossil fuel.

Data on direct transfers of funds is gathered directly from the respective national and sub-national authorities that administer the payments of the funds. To qualify as a direct transfer of funds on fossil fuels, a direct government spending to another entity has to be made and this payment has to be related to the consumption or production of a specific fossil fuel.

#### 4. Access to data source

- Data on the Taxed Energy Products Statistics (only available in German):  
[https://www.destatis.de/DE/Themen/Staat/Steuern/Verbrauchssteuern/\\_inhalt.html](https://www.destatis.de/DE/Themen/Staat/Steuern/Verbrauchssteuern/_inhalt.html)
- Data on the Environmental Tax Revenues Statistics of the Environmental Economic Accounting (only available in German):  
<https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Umwelt/UGR/steuern-weitere-abgaben/Tabellen/energiesteuern-unternehmen.html>

#### 5. Metadata on source data

- Quality report – Taxed Energy Products Statistics (only available in German):  
[https://www.destatis.de/DE/Methoden/Qualitaet/Qualitaetsberichte/Steuern/energiesteuerstatistik.pdf?\\_\\_blob=publicationFile](https://www.destatis.de/DE/Methoden/Qualitaet/Qualitaetsberichte/Steuern/energiesteuerstatistik.pdf?__blob=publicationFile)
- Quality Report – Environmental economic accounts – Environmental taxes and duties (only available in German):  
<https://www.destatis.de/DE/Methoden/Qualitaet/Qualitaetsberichte/Umwelt/ugr-umweltbezogene-steuern-abgaben-2022.html>

#### 6. Timeliness and frequency

- Timeliness: t + 20 months
- Frequency: Annual

#### 7. Calculation method

- Unit of measurement: Million EUR; Percent of GDP
- Calculation:

**Not applicable.**