Community of Practice on Tax Expenditures

A joint initiative by the ATI & the Tax Expenditures Lab

Fuel and food tax cuts in response to the energy crisis: a tax expenditure perspective

11th Meeting | 3 December 2026 | 15:30 – 17:00 CET | Virtual | MS Teams

Join us for the 11th virtual meeting of the Community of Practice on Tax Expenditures!

The Addis Tax Initiative (ATI), together with the Council on Economic Policies (CEP) and the German Institute of Development and Sustainability (IDOS) — the partners behind the Tax Expenditures Lab — have been cooperating to strengthen the transparency, governance, and effectiveness of tax expenditures (TEs) worldwide. The Tax Expenditures Lab is responsible for the Global Tax Expenditures Database (GTED) and the Global Tax Expenditures Transparency Index (GTETI), two key tools that provide comprehensive data and showcase good practices in TE reporting, evaluation, and management.

Together, the ATI and the Tax Expenditures Lab partners have conducted a series of workshops on TE policy and administration for finance ministries, revenue authorities, and parliamentarians, to build capacity, foster knowledge sharing, and develop regional networks of experts in the field. These efforts aimed to strengthen institutional capacities to report, evaluate, and reform TEs effectively, supporting evidence-based and transparent policies in the field and contributing to broader domestic revenue mobilisation (DRM) efforts. Building on this momentum, the Community of Practice (CoP) on TEs was established as a sustained platform for exchange, enabling stakeholders to leverage collective expertise and improve TE governance and management across institutions.

The **11th virtual CoP meeting** will focus on **fuel and food tax cuts in response to the energy crisis**. For example, governments have introduced or extended fuel tax reductions and other measures to cushion the impact of rising fuel prices. While these measures can provide rapid and visible relief, they also raise questions about their effectiveness, fiscal costs, and distributional implications. These discussions will explore why governments continue to rely on these measures, the practical constraints they face, and alternative policy options.

The session will begin with a broader analysis of the effectiveness and implications of fuel tax cuts, drawing on the recent brief by the World Bank *Responding to the Global Shock from the War in the Middle East*. This will be followed by a country presentation from **Zambia**, examining the rationale and experience behind the temporary zero-rating of VAT and suspension of excise duties on imported petrol and diesel in 2026. A presentation on **India** will then consider the country's response to rising fuel prices, drawing on the analysis *The Fiscal Cost of Holding Down Fuel Prices in India After the Middle East War*.

Agenda 11th meeting: *Fuel and food tax cuts in response to the energy crisis*		
Time (CET)	**Topic**	**Speakers**
15:30 – 15:35	*Welcome and introduction*	Tax Expenditures Lab / ATI Secretariat
15:35 – 15:50	*Effectiveness and implications of fuel tax cuts*	Dario Tortarolo (World Bank)
15:50 – 16:05	*Presentation of Zambia*	Kelvin Mpembamoto (Zambia Revenue Authority)
16:05 – 16:20	*Presentation of India*	Sanjeev Gupta (Center for Global Development)
16:20 – 16:55	*Q&A and open discussion*	All
16:55 – 17:00	*Closing*	Tax Expenditures Lab / ATI Secretariat