

ATI Workshop Series: Environmental taxation and related instruments

Workshop 3: Social Impact Assessment
20 February 2025

Interpretation

Community of Practice on Tax Expenditures - A Joint Initiative by ATI & the Tax Expenditures Lab

31:39

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IE
Interprefy English (Unverified)

IF
Interprefy French (Unverified)

CD
Celine Dietrich (Unverified)

SS
Simon Schoofs (Unverified)

IA
Interprefy AG (Unverified)

SC
Sayweh Cooper (Unverified)

Interpreters (2)
Interprefy English (Unverified)
Interprefy French (Unverified)

People added to the chat (2)
Thiessen, Ulrich GIZ
Mueller-Nuebling, Artur GIZ

Agenda

Time (CET)	Topic	Speaker / facilitator
13:00 – 13:10	Welcome and introduction	ATI Secretariat, Markus Paffhausen
13:10 – 13:30	Introductory presentation	Jacqueline Cottrell
13:30 - 14:15	Social Impact Assessment: Predicting the distributional impacts of environmental taxes, fees and charges	Daniele Malerba, IDOS
14:15 – 14:30	Break	
14:30 – 14.45	Morocco: Predicting impacts of green fiscal measures for energy efficiency	Manuel Cocco, GIZ
14.45 – 15.30	Panel discussion: predicting the social impacts of environmental taxes, fees and charges, with: Daniele Malerba, IDOS Manuel Cocco, GIZ Morocco Dean Luneta, Zambia Primula Kingmele, Solomon Islands	Moderators: Jacqueline Cottrell and Florian Schatz
15.30 – 15:40	Reflections conclusions, key messages	ATI Secretariat

Workshop methodology and rules



To maximize learning outcomes, this workshop series will be **interactive** and facilitate for peer-to-peer learning and exchange



Everyone will have the opportunity to **participate actively** and share their experiences with the group



Please **mute your microphone** and keep your camera off when someone is presenting



Please **raise your hand** when you would like to ask a question



Please have your camera on for group work and discussions in the plenary, if your connection is stable enough

Introduction to Workshop 3 on predicting social impacts of environmental taxes



Reminder: Definition of environmental taxation for the workshop series

- Definition of environmental taxation that covers environmental taxes, fees and charges
- Includes all payments that are government attempts to manipulate prices with the intention of changing behaviour in favour of a positive environmental impact
- We try to look at environmental taxes other than carbon taxes, such as taxes on road vehicles, road use, aviation; taxes on air, water and soil pollution; taxes on natural resource extraction and use, including forestry, mining, fisheries



Key points from Workshop 2 on data

- Data challenges are a significant problem for ATI member countries – to levy an ET on an environmental bad, we must be able to reliably measure or quantify it
- Often data is available but diffuse – improving inter-institutional coordination on data collection and management practices can address this problem
- Data is political, so political support for better data collection is required
- Be innovative: governments can use proxies or model-based data where monitoring is limited, integrate multiple data sources, use historical and archived data, etc.
- Good starting point can be to make an inventory and act on what is available
- Tax design can address (some) data challenges, e.g. taxing proxies

What is Impact Assessment?



- Preparing the ground well for the implementation of environmental fiscal policies is essential to build political consensus
- Impact Assessment (IA) can accurately predict economic, fiscal, social and environmental impacts
- IA is a structured process for considering the implications – for people and their environment – of proposed actions while there is still an opportunity to modify (or abandon) policy proposals.
- IA involves the identification and characterisation of the most likely impacts of proposed actions (impact prediction/forecasting), and an assessment of the social significance of those impacts (impact evaluation).

Source: International Association for Impact Assessment: <https://www.iaia.org/wiki-details.php?ID=4>

Objectives of Impact Assessment?



- Impact Assessments aim to:
 - ✓ provide information for decision-making that analyses the biophysical, social, economic and institutional consequences of proposed actions;
 - ✓ promote transparency and participation of the public in decision-making;
 - ✓ identify procedures and methods for the follow-up (monitoring and mitigation of adverse consequences) in policy, planning and project cycles; and
 - ✓ Contribute to environmentally sound and sustainable development.

Source: International Association for Impact Assessment: <https://www.iaia.org/wiki-details.php?ID=4>

Social Impact Assessment (SIA)

- SIA includes the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions.
- Primary purpose is to bring about a more sustainable and equitable biophysical and human environment.
- An SIA is a key element of a strategic, integrated approach to ET
- To address social impacts, ET should always be implemented within an integrated policy package to prevent negative impacts while creating incentives in favour of a cleaner environment



Predicting social impacts

- Calls for a deeper understanding of impacts than progressivity or regressivity of the tax
- Absolute impacts are important – small changes in relative prices can have a significant impact on the most vulnerable

Consider:

- Intersectionality and multiple dimensions of deprivation
- Availability and price of less polluting alternatives
- Multiple positive and negative, direct and indirect impacts on prices, access to goods and services, employment and subsistence, assets, etc.
- Dynamic impacts and responses over time



Source: <https://womenfriendlycitieschallenge.org/intersectionality/>

Gender Impact Assessment



- ✓ Indirect taxes: women are disproportionately represented among low-income earners, thus are very likely to be more affected by ETs
- ✓ ETs on domestic goods and services have a high potential to disproportionately impact women
- ✓ Some gender-based differences in taxation are justified by policy objectives relating to health or the environment, e.g. higher burden of excise on men due to higher rates of smoking
- ✓ Tackling gender bias within the tax system calls for a broad approach - not considering ETs in isolation but within a progressive fiscal system and social welfare state

More information see: https://eige.europa.eu/gender-mainstreaming/toolkits/gender-impact-assessment/what-gender-impact-assessment?language_content_entity=en

Daniela MALERBA, IDOS

Predicting the social impacts of environmental taxes, fees and charges

Break – please be back by 14.30 CET



Manuel COCCO, GIZ

Mesures fiscales pour l'efficacité énergétique (EE) pour le Projet de Loi de Finances (PLF) au Maroc

Panel Discussion: predicting the social impacts of environmental taxes, fees and charges



- Daniele Malerba, IDOS
- Manuel Cocco, GIZ Morocco
- Dean Luneta, Zambia
- Primula Kingmele, Solomon Islands

Please raise your hand so that we know you would like to speak or type your questions in the chat

Panel discussion

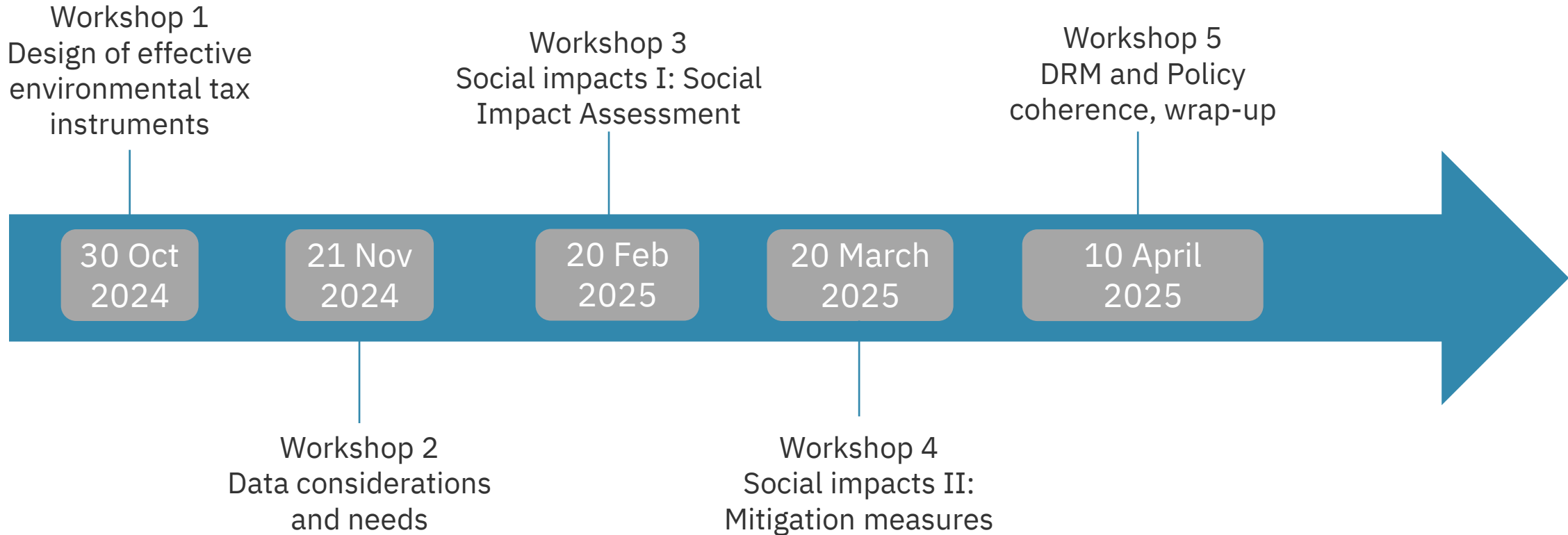
1. What experiences have panellists and participants had in predicting the social impacts of environmental (or other) taxes?
2. What challenges have ATI members encountered when implementing SIAs or predicting impacts of ETs?
3. Question to our international experts: what are the key lessons for ATI countries seeking to implement SIAs?
4. Have panellists or participants identified gender-specific impacts pertaining to ET?

Reflections and key messages

- Please answer the questions below in the chat:
1. What were the key takeaways of this session?
 2. What would you like to learn more about?
 3. What part of the workshop did you enjoy most?



Please note! Revised timeline for workshops



Thank you for your attention!
Merci pour votre attention !

See you on 20. March 2025!