

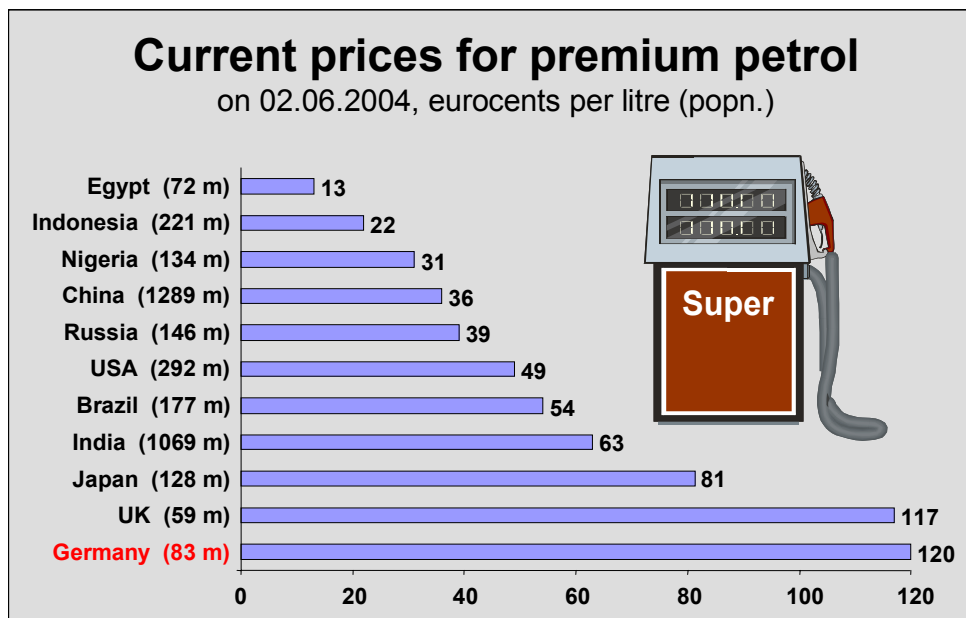
3 June 2004

## Flash survey of current petrol prices<sup>1</sup> on 2 June 2004 in major developing countries

**Car prices** are almost **identical** internationally in the developing and industrialised countries, particularly since under the WTO globalisation import duties on cars are limited to a maximum of 25%.

However, national energy policies mean that **fuel prices** differ widely. In some cases, there is a difference of 900% between developing and industrialised nations, i.e. they are in the ratio **1:10**. In other cases, petrol is either subsidised, or subject to little or no tax, or – as in Japan and the EU - heavily taxed.

In response to the current increases in world market prices for oil, the GTZ has started a **flash survey** (prices of premium grade petrol, 95 octane) **in the most heavily populated developing countries**, with the following results:



Conclusions: An *international* harmonisation of fuel prices seems important. However, this requires a *national* energy pricing policy in developing countries covering the following points:

- **eliminating fuel subsidies**  
 (in countries with premium grade fuel prices at the pump below € 0.40/l)
- **introducing and raising fuel taxes**  
 (in countries with premium grade fuel prices at the pump from € 0.40–€ 0.80/l)
- **harmonisation with EU fuel prices**  
 (in countries with premium prices at the pump from € 0.80 to €1.20/l)

**Because renewable energies can only establish themselves if traditional energy sources (and specifically fuels) are appropriately taxed.**

Note: For more data on international fuel prices collected by the GTZ for 165 countries, see [www.worldbank.org/transport](http://www.worldbank.org/transport) or [www.zietlow.com/docs/engdocs.htm](http://www.zietlow.com/docs/engdocs.htm).

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<sup>1</sup> Data for developing countries from GTZ Offices worldwide, data for EU and USA from ADAC German Automobile Club