The Swedish Energy and Climate Policy -

The Energy Policy Commission, the June 2016 Framework Agreement and the Climate Policy Framework

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The Swedish situation

- Stalling electricity demand/strong electricity balance => low electricity prices
- High dependence of ageing nuclear power
- Hydropower plays a decisive role in transition, regulation and balance of the system
- Strong and subsidized growth of renewables, incl. the green electricity certificate system
- Highly integrated power market

⇒ low profitability
⇒ low investment rate
⇒ closure of nuclear
The Objectives of the Energy Commission

• Propose the basis for a broad agreement on long term energy policy 2025/2030 and beyond, with particular emphasis on the electricity sector

• An open and transparent process, involving all the relevant actors

• Three phases:
  1. Gather knowledge
  2. Analyse challenges and opportunities
  3. Finding agreement
The June 2016 Energy Agreement

"Sweden must have a robust electricity network with high security of supply, and low environmental impact, and offer electricity at competitive prices"
Targets for the future Energy policy

• By 2040, 100% renewable electricity production (but no ban on nuclear)

• By 2030, Sweden’s energy use 50% more efficient than in 2005 (Primary energy use/GDP)

• By 2045, no net emissions of GHG into atmosphere, with the aim of negative emissions

• By 2030, raised ambition of 18 TWh in the green electricity certificate system
The June 2016 Energy Agreement

Other elements… 1(2)

• Tax cuts for nuclear and hydro

• Adjustment of environmental requirements on hydro power to the Water Framework Directive – at the same time ensuring a future effective use of hydro for energy and system stability

• Connection fees for offshore wind to be abolished
The June 2016 Energy Agreement

Other elements… 2(2)

• Sectoral strategies on energy efficiency

• An energy efficiency program for electricity intensive industry

• Electricity transmission capacity to be expanded, both within Sweden and to neighbouring countries

• Sweden to advocate increased interconnections within the EU
... and now what?

- A number of Government Bills, incl. A Long term Energy Policy Bill to Parliament end of 2017

- Further investigations e.g. relaxation of regulation and taxation on new products and services for energy efficiency with a focus on consumers and small scale enterprises

- An implementation group for energy policy and checkpoints every fourth year, starting in 2018

Government Offices of Sweden
Financing

Tax cuts to be financed through an increase of general energy tax. Electricity-intensive industry to be exempt.
Climate Policy Framework for Sweden

• On June 15, 2017, the Parliament decided on the introduction of a Climate Policy framework for Sweden

1. New climate goals,

2. A climate policy council

Climate goals

• By 2045, net zero emissions of GHG

• Remaining emissions from activities on Swedish territory will be at least 85 % lower than in 1990

• Emissions in Sweden in EU regulated sectors should, by 2030, be at least 63 % lower than emissions in 1990 and at least 75 % lower by 2040

• Emission from domestic transport will be reduced by at least 70 per cent by 2030 compared with 2010
Climate Act and Climate Policy Council

- The Climate Act establishes that the Government’s climate policy must be based on the climate goals.

- The Government is required to present a climate report every year in the Budget Bill.

- The Climate Policy Council will assist the Government by an independent assessment of how well the Government’s policy is compatible with the climate goals.
The Climate Leap – local and regional investments

- The Climate leap – so far 2 billion SEK for 1000 climate smart investments
- Results in significant emission reductions all over Sweden
- In total SEK 4 billion of Government investments 2015 – 2020

Number of projects per county:

- 1-30
- 31-50
- 51-160
Thank you!