## Session SBI41 (2014)

Session started at 01-09-2014 00:00:00 [GMT+1] Session closed at 28-11-2014 23:59:59 [GMT+1]



A compilation of questions to - and answers by – Sweden Exported 29/11-2014 by the UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE Question from: United States of America at Tuesday, 28 October 2014 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Title: Double counting prevention

How do you plan to prevent double counting with the host countries of projects that generated CERs that your country plans to use towards meeting its pledge in the pre-2020 period?

If a host country refuses to adjust its reporting towards its progress to its targets to reflect CERs it exported, do you still plan to count them?

#### Answered by: Sweden at Wednesday, 26 November 2014

Net international transfers from market based mechanisms should be appropriately deducted from or added to any quantified commitment. That is, when a Party acquires emission reduction units from another Party to meet its commitments, these should be credited to the acquiring Party (additions) and debited from the originating Party (subtractions). In this way, the integrity of the commitments is maintained. Allowing for such additions and subtractions while respecting agreed standards is the fundamental purpose of the accounting system for flexible mechanisms under the Kyoto Protocol and the EU Climate and energy package. The host countries for Swedish investments in projects do not have any commitments under the Kyoto Protocol or any quantitative pledge under the Convention. None of the countries where Sweden has invested has a national quantitative emission limitation or reduction target up to 2020 and will therefore not claim reductions that occur as a result of the projects.

The Kyoto protocol provides a robust accounting framework for market based mechanisms including the generation and use of CERs. Hence, all Swedish accounting towards UNFCCC commitments is underpinned by transparently measured, reported and reviewed emissions and supplementary information on transactions. The measurement, reporting, review, recording and tracking of this information is in accordance with UNFCCC agreed rules undertaken in UNFCCC certified registry systems. For post 2020 the establishment of common accounting rules for all parties will be key to prevent double counting on mechanisms.

• If a host country refuses to adjust its reporting towards its progress to its targets to reflect CERs it exported, do you still plan to count them? For pre 2020 we consider that this problem is unlikely to arise. Should that situation arise there will be a need to review how this problem can be solved with the view to avoid any double counting.

Question from: Saudi Arabia at Tuesday, 30 September 2014 Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: The assessment of the economic and social consequences of response measures

Sweden has provided detailed information on its package of mitigation actions, Could Sweden clarify if any of these policies are analyzed for potential social and economic impacts on non-Annex I Countries? Will Sweden be reporting on its assessment of social and economic impacts of response measures on its next BR?

### Answered by: Sweden at Wednesday, 26 November 2014

According to the Swedish policy for global development (PGD), all policy areas are to interact in a coherent way so as to ensure an effective contribution to equitable and sustainable global development. If decisions in a given policy area are considered to affect the goal of equitable and sustainable global development, an impact assessment has to be carried out.. In the framework of the PGD, coordination and collaboration take place within the Government services, for example, through a reference group on trade policy at the Ministry for Foreign Affairs. Regular meetings of this group, which includes representatives of business, the Swedish International Development Cooperation Agency (Sida) and civil society organizations, creates a basis for broad consultation on trade policy.

The policies of the Swedish package of mitigation actions have not been considered to affect the goal of equitable and sustainable global development in a negative manner. As reported in the sixth National Communication as well as in the first Biennial Report, considerations of possible impact of the implementation of response measures form part of the fully transparent process of impact assessments or sustainability impact assessments on EU legislative proposals or trade agreements respectively, such as specific proposals on climate action or cross-border sectorial measures including energy, transport, industry and agriculture.

Furthermore, support to specific challenges is provided through the EU development cooperation agreements and projects, which reflect national circumstances and priorities. Apart from tailor-made bilateral programs developed with the individual developing countries, the EU reported on existing regional initiatives targeting economic diversification, renewable energy and energy efficiency, or socio-economic issues. These include, for example, the Global Climate Change Alliance, Mediterranean Solar Plan, Latin American Investment Facility, EU-GCC clean energy network, or the Global Energy Efficiency and Renewable Energy Fund specifically supporting clean energy in developing countries and economics in transition. Finally, the EU and its Member States have provided detailed information on the assessment of the impact of the implementation of response measures and on best practices on various response strategies (e.g. economic diversification) under the forum established by decision 8/CP.17. As the forum consolidates all discussions on response measures under the Convention, the forum included discussions on specific issues related to the impact of the implementation of response measures, such as best practices, regional and bilateral cooperation and the experienced benefits thereof, as

well as available programs and initiatives. For example, the EU presented its European Neighborhood Policy Initiatives and the South Africa-European Commission Forum on Environment and Sustainable Development in detail.

In accordance to the guidelines for BR, each Annex I Party is encouraged to provide, to the extent possible, detailed information on the assessment of the economic and social consequences of response measures.

Question from: Egypt at Tuesday, 30 September 2014 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Title: GHG inventory assumption

what are the normal assumptions in transport and agricultural sector related to GHG inventory related to ipcc 1996 guidelines or 2006 guidelines ?

### Answered by: Sweden at Wednesday, 26 November 2014

For the annual national inventory submissions made until 2014, including the information presented in the 6th National Communication/1st Biennial Report, Sweden has used the Revised 1996 IPCC Guidelines and 2003 IPCC Good Practice Guidance for LULUCF for the GHG inventory.

The use of the 2006 IPCC Guidelines will start as from the 2015 GHG inventory submission only and will also be reflected in the next BR/NC.

Regarding methods and assumptions, Sweden will strive to change only those parts where the 2006 IPCC guide lines and the revised Reporting Guidelines under the convention require a change. Sweden is regularly assessing the choices of methods, emission factors and activity data and is trying to include recommendations from the ERTs and national Peer – reviews.

Summaries of the methods/activity data/EFs for the transport and agriculture sectors are available in the Swedish NIR, more specifically in Chapters 3.2.15, 3.2.16, 3.2.17, 3.2.18, 3.2.19, 3.2.24, 6.2.2, 6.3.2 and 6.4.1.2, 6.4.2.2, 6.4.3.2 and 6.4.4.2. The latest Swedish NIR is available at:

http://unfccc.int/national\_reports/annex\_i\_ghg\_inventories/national\_inventories\_sub missions/items/8108.php

Summaries of the methods/activity data/EFs used by EU Member States for the transport and agriculture sectors are available in the EU NIR, more specifically in Chapters 3.2.3/3.8 and 6 (for the EU-15) as well as 18.2.3 and 21 (for the EU-28). The latest EU detailed inventory submission is available at:

http://unfccc.int/national\_reports/annex\_i\_ghg\_inventories/national\_inventories\_sub missions/items/8108.php

### Question from: Egypt at Monday, 29 September 2014

**Category:** Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

#### Title: Reliable mitigation models

kindly specify and tell me about the reliable mitigation models which were used in building your mitigation scenarios in your national communication or BUR submissions ?

### Answered by: Sweden at Wednesday, 26 November 2014

Different projection methods are used for different sectors. The methods used are described in Annex 5 to the 6<sup>th</sup> National Communication. The models and methods used are combined with expert assessments, for different sectors. Future activity data and emission factors are combined to obtain scenarios for GHG emissions. A brief description of the models and methods for the stationary energy system, the transport sector and for industrial processes can serve as examples: For the energy sector excluding transports, a dynamic optimization model is used. Most of the methods and models used to project developments in the energy system have a bottom-up approach. An iterative process is applied to achieve a weighted projection for the energy system as a whole, excluding transport. For the transport sector the projections are based on projections on energy use for the sector. Other assumptions include changes in transport activity, numbers of vehicles of different types and emission factors. The future usage of fuels, i.e. petrol, diesel and renewable fuels are projected using a bottom-up model. For industries, the projected energy use is an output from the energy model described above, while emissions from industrial processes are based on trend analysis of historic emissions and on the basis of assumptions on growth in the industrial sector derived from a model.

Question from: China at Monday, 29 September 2014 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Title: clarification on national target

As an EU member, Sweden has not pledged a national mitigation target under the UNFCCC. According to the BR1 and TRR, for sectors not covered by EU-ETS, the emission reduction target for Sweden is 17% decrease compared with 2005. However, it is not clear how much effort Sweden is going to make on sectors covered by the EU-ETS, nor the efforts as a whole, compared with its base year level. Additional information is needed in order to make its effort transparent.

Answered by: Sweden at Wednesday, 26 November 2014

For the second commitment period under the Kyoto Protocol, the EU, its 28 Member States and Iceland have inscribed a commitment of reducing average annual emissions by 20 % during the 2013-2020 period, as compared to base year, to be fulfilled jointly.

The EU legislation from 2009, the so called 'Climate and Energy package' provides an integrated package of policies and measures to implement the international

obligations of the EU and its Member States under the Kyoto Protocol's second commitment period.

The Climate and Energy Package sets a 20% GHG emission reduction target for EU-28 by 2020 compared to 1990. This effort is divided between EU ETS and non-ETS sectors as follows:

(a) a 21% reduction of emissions in the EU ETS sector by 2020 compared to 2005: the EU ETS Directive provides an EU-wide cap

(b) a reduction of around 10% by 2020 compared to 2005 for the sectors that are not covered by the EU ETS:

Sectors regulated by the Climate and Energy package	
<b>ETS</b> [1]	Emissions from Stationary Installations, such as emissions from
	energy, industrial processes and product useCO2 emissions from all
	flights falling within the aviation activities listed in Annex I[2] which
	depart from an aerodrome situated in the territory of a Member State
	and those which arrive[3] in such an aerodrome from a third country,
	excluding small Commercial emitters[4].
No	Emissions from sectors not included in the EU ETS such as transport,
ETS	buildings, services, agriculture and waste.

The EU ETS is a market based mechanism setting a EU-wide cap on the total amount of greenhouse gases that can be emitted by operators. As a result, emissions cannot exceed this cap. In the EU as a whole, in 2013, total verified emissions under the EU ETS were 182 Mt  $CO_2$  eq below the cap for that year. Verified 2013 emissions decreased by 4 % compared to verified emissions in the year 2012. Compared to 2005 verified emissions (scope-corrected), the reduction achieved in 2013 was about 19 %.

For the non ETS sectors which includes all emissions that are not covered by the EU ETS, the EU legislation (the Effort Sharing Decision) sets binding annual emissions allocations for each Member State from 2013 to 2020. The emissions reduction target for Sweden in 2020 is 17% compared to the 2005 figure.

According to the latest projections (with existing measures), emissions in Sweden in the non-ETS sectors are projected to be 23 %[5][6] below the 2005 levels in 2020.

In addition to the EU target, Sweden has a national target[7] to reduce the emissions by 40% until 2020 compared to 1990. The domestic target is for all emissions not covered by the EU ETS,[8]. The Swedish national emission target does not include the LULUCF sector (which has been a significant sink in recent decades and is projected to remain a significant sink)..

For the LULUCF sector Sweden will have a target under the second commitment of the Kyoto Protocol, and account for article 3.3 and forest management under article 3.4 as those are mandatory. Sweden has however not yet taken the decision whether to include voluntary activities under article 3.4.

Further detailed information on policies and measures for reducing emissions is available in the Swedish National communication and Biennial Report

[3] The EU ETS foresees the flexibility to potentially exempt incoming flights to the EU. When estimating the total allowed emissions under the 20% pledge emissions from civil aviation activities are based on figures reported to UNFCCC.

[4] See *de minimis* exemption under subparagraph (j) of Annex I to the EU ETS Directive: a small emitter is a non-commercial air transport operator (i) whose flights in aggregate emit less than 10 000 tCO2 per annum; or (ii) which operates fewer than 243 flights per period for 3 consecutive 4-month periods).

[5] http://www.naturvardsverket.se/Miljoarbete-i-samhallet/Miljoarbete-i-Sverige/Regeringsuppdrag/Redovisade-2014/Kontrollstation-2015/ - unfortunately this report is in Swedish.

[6] http://ec.europa.eu/clima/policies/g-gas/docs/com\_2014\_689\_en.pdf ]

[7] prop. 2008/09:162

[8] For clarification of target see chapter 2 in the first Swedish Biennial Report and CTF table 2a and 2b and FCCC/AWGLCA/2012/MISC.1

# **Question from:** Bosnia and Herzegovina at Thursday, 25 September 2014

**Category:** Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target **Title:** emission reduction goals

1. How do you set your emission reduction goals (do you use some type of software of expert judgment etc.) ad how do you follow up on these goals?

Answered by: Sweden at Wednesday, 26 November 2014

The national emission reduction targets have been proposed by the Swedish government and confirmed by the Swedish Parliament. They are the basis of the Swedish climate strategy including reduction objectives, policy instruments and measures, recurrent follow-up and evaluation of established objectives and effectiveness of the policy instruments. The objectives and strategy have since the year 2000 been assessed regularly by the government and proposals have then been submitted to the parliament. As a basis for new decisions on climate policy, the government generally commissions key central authorities such as the Swedish Environmental Protection Agency and the Swedish Energy Agency to perform assessments. Different models, econometric ones as well as energy system models,

<sup>[1]</sup> Cf. Categories of activities to which the ETS Directive applies – Annex I of Consolidated version of Directive2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community

<sup>[2]</sup> The EU ETS directive does not cover flight activities such as search & rescue, state flights transporting third countries' Heads of State, Head of Government and Government ministers, police flights amongst others.

are generally used to model future performance. Common EU climate strategies and common European policy instruments are important points of departure for the analysis. Based on the results of the analyses of the future performance and the analyses of existing and possible future policies and measures the central authorities submit proposals to the Government. In conjunction with the latest completed evaluation of climate policy in 2008, a parliamentary committee was commissioned to assess projections and existing policies as well as to perform analysis of the reduction potentials, costs and the feasibility of additional targets and measures. Based on this work, the parliamentary commission submitted proposals to the government for long and short term national objectives together with an action plan with proposals for new and adapted polices and measures that would be needed to reach the short term objective/target. The proposals were sent on wide referral in the society. The Government then put forward a Climate Bill in 2008 based on these proposals. The Climate Bill was subsequently adopted by the parliament. Methods and models used are reported in the National Communications to the UNFCCC.