

Climate Dialogues 2020

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Multilateral Assessment

A compilation of questions to - and answers by -

Sweden

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Question by United States of America at Monday, 07 September 2020

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Residential energy efficiency

The BR describes a range of energy efficiency related measures, including those designed to promote renovation and energy efficiency of rental apartments in the residential sector. The BR notes that the Government allocated almost SEK 5 billion for the scheme during the period 2016–2020, and that cases in which the efficiency was improved by at least 20% were eligible to receive support, and only projects including both renovation and energy-efficiency measures were approved. The BR also notes that in December 2018, the Swedish Parliament decided to end the support scheme.

Answer by Sweden

In December 2018 there were some political difficulties in Sweden to form a government and at last the budget did not receive support by the Parliament. This is the reason to the ending of the support scheme. In September 2020 the Government however proposed in its budget bill to allocate SEK 900 million in 2021 and SEK 2 400 million in 2022 and 2023 to a new support scheme aimed at renovation and energy efficiency measures of rental apartments. The Parliament will decide on the bill in December 2020.

Question by United States of America at Monday, 07 September 2020

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Climate Policy Council

Sweden notes it has an interdisciplinary expert body, the Climate Policy Council, tasked to provide annual independent assessments of progress of “climate work and emissions development”, in addition to periodically assessing if the overall policy presented by the government is compatible with the national climate goals.

- a. How are council members selected or nominated? Do they serve limited terms?
- b. How are the council’s findings shared? Are they public?
- c. Are there findings that have recently been translated to revised policies, etc.?

Answer by Sweden

1. The Climate Policy Council was established in 2017 as a part of the Swedish Climate Policy Framework. In 2017, the government appointed eight members to the Climate Policy Council, of which one was chairman and one was deputy chairman. All were appointed for a period of three years. Thereafter, the members of the council themselves shall submit proposals as to who shall succeed them, as a way of strengthening the Council's independence. The appointments are given for a fixed period, however, not exceeding six years in a row for the chairman and a maximum of three years in a row for the other members of the council. The members of the Council must have a high level of scientific competence in the subject areas of climate, climate policy, economics, social sciences and behavioral sciences.
2. The Swedish Climate Policy Council presents a yearly report in March to the Government that contains an assessment of the climate policy and emissions trends together with an evaluation whether the governments overall policies are aligned with the national climate goals. This year the report was published together with a press conference held by the council. The reports are available to the public and can be downloaded from the council's webpage, both in Swedish and English. Please find the reports through the link: <https://www.klimatpolitiskaradet.se/en/rapport-2020/>
3. The council's yearly report from March 2019 was a great influence to the government's first Climate Policy Action Plan. In the action plan that was handed over to the Swedish parliament in December 2019 the government presents how it will continue its work in relation to the specific recommendations.

Question by Republic of Korea at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: GHG emissions and removals

1. In CTF table 4, Sweden did not disclose total emissions excluding LULUCF, leaving the column empty for all years. Could you explain why please?
2. In its BR4, Sweden did not have estimates of indirect GHGs of carbon monoxide, nitrogen oxides, non-methane volatile organic compounds or sulfur oxides. Could you explain this please?

Answer by Sweden

1. The figures of the total emissions excluding LULUCF will be included in the next Biennial Report. The figures can be found in table 1 in the CTF.
 2. The figures of indirect GHGs of carbon are included in the lastest CRF tables. The CTF table 1 does not include columns for the reporting of these gases.
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Question by Republic of Korea at Monday, 07 September 2020

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Mitigation actions

1. Greenhouse gas emissions have consistently declined, and decoupling has been achieved in Sweden. GHG emissions have also decreased trend in not only the manufacturing industry but also Iron and steel and Chemicals sector since 1990. Please let us know the most effective policy and measure.
2. Sweden did not report any estimates of the mitigation impacts of the mitigation actions reported in CTF table 3, leaving all relevant cells blank. A footnote to CTF table 3 explains that the effects of the mitigation actions have not been estimated individually for each mitigation action. Could you please elaborate any challenges that Sweden faces to estimate the effects of mitigation actions?
3. Sweden reported on its self-assessment of compliance with its emission reduction targets but did not report on the national rules for taking action against domestic non compliance. Can you explain it on that please?
4. Sweden has not outlined any EU-wide mitigation steps that are under development in its BR4. Furthermore, Sweden has not highlighted any domestic mitigation initiatives currently under development. Could you please provide an explanation?
5. After its BR3, Sweden has made no changes to its evaluation of the economic and social effects of response measures introduced as part of the country's climate strategy. Does Sweden intend to change/improve its evaluation of the economic and social effects of response measures in the near future?
6. In its BR4 the Party did not report a summary of the strengths and weaknesses of the model or approach used for the GHG projections, nor an explanation of how the model or approach used accounts for any overlap or synergies that might exist between different PaMs. Could you explain this please?

Answer by Sweden

1. A combination of several policies and measures has been applied in Sweden since 1990. Both general policies, such as the carbon dioxide tax, energy tax and the EU emissions trading system (EU ETS), and more sector specific instruments have played important roles – often in combination with measures that contribute to an enabling environment, such as improved public transport, infrastructure for district heating etc. There is not one policy instrument that can be singled out to be the most effective. Descriptions of the most important policy instruments are described for each sector in Sweden’s Biennial Report in chapter 3. Also note that Sweden has adopted ambitious national mid-term and long-term climate targets which play an important role for long term investments in the country. Moreover, a close dialogue, through the governmental initiative *Fossil free Sweden*, is kept with key stakeholders, including the heavy industry, to build trust and mutual understanding of the issues needed to be resolved together in order to reach the targets. Industry branches have developed voluntary road maps for fossil free competitiveness and now look at GHG mitigation as business opportunities. See <http://fossilfritt-sverige.se/in-english/>.

2. In most cases two or more policy instruments interact with each other, e.g. regulation and a support scheme or two different taxes or all of them. Carrots and sticks in combination with enabling parameters such as building of public infrastructure are resulting in a mitigation effect. How much each of the single policy instruments contribute is in many cases impossible to assess – for instance you cannot use an electric car if there is no station to charge the car along the road. This is the reason to why Sweden has reported mitigation effect as a result of the aggregated effect of many policy instruments, see table 3.2 Summary of policies and measures.

3. Sweden does not have any national rules for non-compliance of the national Climate Act. However, the Government can be held accountable by the Climate Policy Council as well as the public since all documentation of climate action plans and reports are public. Ultimately it is the public who, at the elections every fourth year will decide if the Government has earned the trust to stay or not.

4. In Sweden, there is always work under way when it comes to planning for climate action. In the Biennial Report Sweden defines “planned PaMs” as those that are stated in a Government Bill yet to be adopted by the Parliament. At the time of reporting there were no new policy instruments presented in any Government Bill that had not already been adopted.

5. There are no specific plans to change Sweden’s evaluation of the economic and social effects of response measures in the near future.

[Question by Australia at Monday, 07 September 2020](#)

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Common electricity certificate market

Sweden's fourth Biennial Report notes that Sweden and Norway share a common electricity certificate market and target. What enforcement mechanisms underpin Sweden and Norway's common electricity certificate market, and how is it managed across the two jurisdictions?

[Answer by Sweden](#)

There is an international agreement between Sweden and Norway for a common electricity certificate market. The agreement regulates a number of different issues of principle. The agreement regulates, among other things, common goals, financing, redistribution of statistics, principles that must be equal in the legislation of both countries, principles that are important to follow for a common market to work (no other support), cooperation between countries, common control stations, exit rules etc. Each country also has an electricity certificate law that is designed based on the principles that the countries agreed on in the agreement.

Swedish authorities are responsible for ensuring that the Swedish law is complied with. In the same way, Norwegian authorities handle the Norwegian law. The Swedish and Norwegian authorities exchange information, cooperate with market information and jointly implement control stations (major legislative changes).

[Question by Australia at Monday, 07 September 2020](#)

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Low Emissions Zones

Sweden's fourth Biennial Report states that eight municipalities in Sweden have already set up low emission zones, which currently restrict access to lorries and buses that don't meet specific requirements. What are the risks associated with expanding Low Emissions Zones in 2020 to include cars and what considerations are being made to ensure adequate low emission transport alternatives in the participating Municipalities?

Answer by Sweden

Acceptance and compliance

The problems with air pollution vary greatly around the country, and the biggest problems are in the cities and close to busy roads. Moving towards lower emissions requires flexibility and adaptation to local conditions. Municipalities are responsible for air quality at local level. Since 1 January 2020 the municipalities have had the possibility of introducing low emission zones for cars. The purpose is to provide the municipalities with a tool to tackle air pollution. Municipalities can decide themselves weather and where low emission zones should be applied. Up to date only one low emission zone for cars has been introduced, at Hornsgatan in Stockholm.

As the expansion of low emission zone for cars entered into force this year it hasn't been evaluated yet. The Swedish Transport Agency will analyze the effects and the compliance within 2021.

Costs for the individual and companies

As the introduction of environmental zones prevents people and companies from using certain vehicles within a limited area, the regulations mean that they may need to find other ways to get around the area, use alternative means of transport such as public transport or bicycle or invest in a new vehicle that meets the requirements or is not covered by the regulations.

As one measure to increase energy efficient transport solutions with low emissions the Government has introduced "urban environment agreements", a grant to promote sustainable urban environments. Municipalities and county councils can apply for the grant in order to increase investments in facilities for public transports and bicycle traffic, see page 75 in Sweden's Biennial Report.

EU law and regulations

Regarding EU regulations, this is an interesting area as there is a conflict between two different EU regulations: the EU provisions on free movement of persons, goods and services and the EU air quality directive. Many countries need to take tough measures to comply with EU air quality directives. This means that at the same time they need to make restrictions on EU rules on free movement. As a result, certain measures proposed in various European cities have been withdrawn. Which has meant that perhaps less effective and more expensive measures have had to be introduced.

Question by Australia at Monday, 07 September 2020

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: 2018 electric bikes and scooters policy

Sweden's fourth Biennial Report outlined the government's 2018 policy to cover 25% of the purchase price for electric bikes and scooters. What impact did the policy have on uptake of electric bicycles and scooters prior to its end?

Answer by Sweden

The Swedish EPA assessed the Electric vehicle premium, specifically the electrical bicycles, in August 2019 (Report 6894). 61 percent of the respondents answered that the premium to a high degree had affected their decision to purchase an electric bicycle and 16 percent answered the premium had affected their purchase to a very low degree.

The premium resulted in a lot of attention to electrical bicycles and the sales increased with approximately 50 percent in 2018 compared to the year ahead. Hence the premium is concluded to have had an effect in the number of purchased electrical bicycles.

Moreover, the assessment states that half of the usage of the electrical bicycles has replaced the usage of cars and the other half has replaced other means of travel (walk, bicycle and public transport).

Question by Japan at Monday, 07 September 2020

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Outreach on policies and measures progress on Climate Change

Japan recognizes that the dissemination of information on the progress of each policy and measure towards achieving the 2020 and 2030 emission reduction targets, as reported in the BR, is very important from the perspective of raising awareness about climate change. Please share any outreach measures you are implementing to publish and communicate the progress of main policies and measures towards the target in 2020 and 2030. Also, if you publish the information online, please provide the URLs of them.

Answer by Sweden

Information on each policy and measure is normally published on the website of the Governmental agency responsible for the implementation of the specific PaM. Some examples:

The Climate Leap

<https://www.naturvardsverket.se/Stod-i-miljoarbetet/Bidrag/Klimatklivet/>

The Industrial Leap

<http://www.energimyndigheten.se/utlysningar/industriklivet2/>

Bonus Malus system

<https://www.transportstyrelsen.se/bonusmalus>

EU ETS

<http://www.utslappshandel.se/ustart>

Emission reduction obligation

<http://www.energimyndigheten.se/fornybart/hallbarhetskriterier/reduktionsplikt/>

Moreover, the Government usually publish an announcement to the media on their website when a new PaM is adopted or proposed.

Each year the Government must, according to the Swedish Climate Act, present a Climate Report to the Parliament. The report shall contain changes and additions to climate policy instruments and measures as well as the remaining gap, if any, to the climate targets. Additional PaMs to reach the targets are also to be included. The report is public and available on the Government's web, <https://www.regeringen.se/4a6660/contentassets/bc0f4b1a4ce844f2aa59949d09c93f29/utgiftsomrade-20-allman-miljo--och-naturvard.pdf> .

Each year the Climate Policy Council shall assess the Government's over all politics. Their report is public and available on their website, <https://www.klimatpolitiskaradet.se/en/rapport-2020/> .

Every fourth year the Government must, according to the Climate Act, present a Climate Action Plan. The plan is available to the public on the Government's website (<https://www.regeringen.se/4afbe4/contentassets/61f93d2abb184289a0c81c75395207b6/en-samlad-politik-for-klimatet--klimatpolitisk-handlingsplan-prop.-20192065>).

The climate action plan is also assessed by the Climate Policy Council who makes their reports available on their website.

Climate Policy council's website:

<https://www.klimatpolitiskaradet.se/en/>

To make available an overview of the progress, the possible measures and current PaMs, the Climate Policy Council and the Swedish EPA have developed a digital view called "Panorama". It can be viewed in Google Chrome:

<https://www.klimatpolitiskaradet.se/panorama/>

Question by Japan at Monday, 07 September 2020

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: The projection for net removals from forest land

It is mentioned that "Net removals for LULUCF are expected to decrease to 2035,..... Continuously increasing harvests have been added to the projections mainly after 2025, since it is foreseen that demand for biomass will increase over time". What is the background the increment of demand for biomass will not considered before 2025?

[Answer by Sweden](#)

This is an assumption based on the assumptions from the "EU reference scenario 2016, energy, transport and GHG emissions, Trends to 2050" (European commission, 2016) where the demand for timber is assumed to increase. Together with the EU assumptions, expert judgements in Sweden and based on what was known at that time and in accordance with the historical trend we did set this assumption on increased harvest by 2025.

[Question by Japan at Monday, 07 September 2020](#)

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: The detail of BECCS

It is mentioned that "Supplementary measures may count towards achieving zero net emissions, such as increased uptake of carbon dioxide in forest and land, investments in other countries or bioenergy with carbon capture and storage (BECCS)". What kinds of BECCS will be applied to?

[Answer by Sweden](#)

It is not yet decided what kinds of BECCS that can be applied.

[Question by Japan at Monday, 07 September 2020](#)

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Target of 100% renewable electricity production by 2040

According to page 48 of the BR4, Sweden set out a target of 100% renewable energy electricity generation by 2040. Nuclear power and hydropower account for a dominant share of electricity generation in Sweden. According to page 158, nuclear power generation is expected to be 47 TWh at the timing of 2035 (23% lower than in 2016), which is still a substantial amount. What kind of policies and measures does Sweden intend to take toward the target for 2040? Also, please elaborate on how and why Sweden set this target, including the background.

Answer by Sweden

The overarching goals of the energy politics is security of supply, competitiveness and ecological sustainability. The goal was set through a parliamentary inquiry on the future energy politics.

The goal does not mean that there is a stop date that prohibits nuclear power, nor does it mean a closure of nuclear power with political decisions. The nuclear power producers act in the electricity market like all other electricity producers (without support) based on price signals and current laws and regulations. No subsidies or support is given to nuclear power.

The most important policy to increase the production of renewable electricity production is the electricity certificate market which is a green certificate scheme. To reach the goal it is also vital that the grid infrastructure is expanded (incl. measures for smart grids). Sweden has several policies for this, incl. R&D.

Other key PaMs to reach the target are general PaMs: the EU ETS, energy and carbon dioxide tax, research and development (described in chapter 3.2.2 in Sweden's BR), as well as sector specific PaMs described in chapter 3.2.3 in Sweden's BR.

The Government also proposes in the Budget Bill for 2021 that a tax reduction for the installation of green technology is introduced from 2021. The tax reduction replaces the existing subsidy for solar power installations for households.

Question by Japan at Monday, 07 September 2020

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

Type: Before 07 September

Title: National targets for the transport sector by 2030

According to page 124 of the BR4, Sweden has set a national target of emissions from domestic transport to be reduced by at least 70% by 2030, compared to 2010. Meanwhile, emissions from domestic transport are projected to decrease by 35% between 2010 and 2030. What additional policies and measures does Sweden intend to implement for the achievement of the target?

Answer by Sweden

In its Budget Bill for 2021 the Government has proposed the following to reduce emissions from domestic transport:

- That the reduction levels within the reduction obligation be gradually increased until 2030. The focus is on levels of 28 per cent for petrol and 66 per cent for diesel in 2030 with a control station 2022.
- The Bonus-Malus-system to be strengthened with higher level of bonus for new zero emission vehicles and higher levels of malus for petrol and diesel vehicles with relatively high emission of carbon dioxide.
- The government extends and further develops the environmental compensation for freight transport by rail in Sweden.
- The government is temporarily extending support for biogas production for vehicle gas .
- The government extends the Industrial Leap to also include investments in e.g. production of biofuels.
- The government proposes support for regional electrification pilots with charging infrastructure for heavy vehicles in order to electrify heavy road transport. The refueling infrastructure for hydrogen is also included in the investment.
- The government proposes in the Budget Bill for 2021 that a tax reduction for installation of green technology is introduced from 2021. The tax reduction replaces i.a. the existing subsidy for the installation of charging points for electric vehicles.
- The government intends to propose adjustments to the car benefit to better reflect the market value, which means that the taxation of most fossil-fueled benefit cars will increase.
- To reduce emissions from the existing vehicle fleet, the government proposes that a conversion premium for cars from fossil fuels to biofuels or biogas should be introduced in 2022.
- In 2020, the EU Commission decided to approve Sweden's state aid applications for continued tax exemption for biogas, and to extend the exemption to bio propane. The decision is valid for ten years, which provides for long-term conditions.
- In 2020, the EU Commission also decided to approve Sweden's state aid application for continued tax exemption for pure and highblended biofuels. The decision is valid until the end of 2021.
- The government proposes a two-year initiative that aims to stimulate increased and safe cycling, e.g. in government bicycle infrastructure and in collaboration with civil society.
- A temporary strengthening of the urban environment agreements is made with a special focus on cycling.
- The Government proposes that the environmental compensation for freight transport by rail in Sweden be extended and further developed.

- In general, all cars that a government agency enters into leasing agreements for or purchases must be environmentally friendly cars.
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Question by New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: International cooperation opportunities for Smart City Sweden

The export and investment platform Smart City Sweden, showcasing smart and sustainable city solutions, facilitates cooperation and technology transfer between Sweden and other countries. Is there an opportunity to involve other countries in this?

Answer by Sweden

Smart City Sweden is a state-funded export platform for sustainable city solutions and have ongoing delegation meetings with other countries. The platform is open for any country who wants to learn more about Swedish sustainable solutions for environment. Several governmental agencies and regions are contributing this demonstration platform. Smart City Sweden is also working with digital platforms for meetings and workshops with involved partners, stakeholders and interested parties. You can visit the Smart City Sweden website for more information about the project here:

<https://smartcitysweden.com/>

Question by New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: The use of urban form to reduce emissions

The BR4 indicates that legislation, such as that involving prohibitions, standards, and urban planning, also plays an important part in curbing emissions. What lessons could Sweden offer other countries in terms of the use of urban form to reduce emissions?

Answer by Sweden

Sweden has built up systems and infrastructure for public transport already before 1990, which has enabled both GHG emission reductions, clean air and limited traffic congestion. More recently the

Government has established Urban Environment Agreements - a scheme for investments in public transport and cycling infrastructure at the regional and local level in Sweden, see page 75 in Sweden's BR.

The Government proposes in its Budget Bill for 2021 a two-year initiative that aims to stimulate increased and safe cycling, e.g. in government bicycle infrastructure and in collaboration with civil society.

Question by New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Implementation of renewable electricity incentives

Sweden's BR4 states a tax reduction for households and businesses was introduced in 2015 to stimulate investment in the micro-production of renewable electricity. What were the opportunities and challenges in setting this up for households? Were there any barriers to offering alternative electricity production than the national grid?

Answer by Sweden

Introducing a net debiting system was not considered possible due to the common European VAT rules. The tax reduction is a remuneration for own produced electricity, from small scale renewable production, that is abandoned to the grid.

Question by New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Emissions reduction plans for construction sector

It is noted that increased production of metal and minerals will result in increased emissions as compared to 1990 levels, attributed mainly to increased construction of new buildings. Will the construction sector ensure there are mechanisms to offset these projected emissions in the long-term?

Answer by Sweden

There is no specific mechanism for the construction sector to offset any emissions in the long-term. However, there are many on-going initiatives to reduce the emissions from the production of metal and minerals. Also note that the production of metal in Sweden is to a large extent attributed to an international market and to less extent the national construction sector.

In 2016, SSAB, LKAB and Vattenfall joined forces to create HYBRIT – an initiative that endeavors to revolutionize steel-making. HYBRIT aims to replace coking coal, traditionally needed for ore-based steel making, with hydrogen. The result will be the world's first fossil-free steel-making technology, with virtually no carbon footprint.

During 2018, work started on the construction of a pilot plant for fossil-free steel production in Luleå, Sweden and the plant opened for production in September 2020. The goal is to have a solution for fossil-free steel by 2035. If successful, HYBRIT will reduce Sweden's CO2 emissions by 10%.

HYBRIT has received funding from the "Industrial Leap" (see page 66 in Sweden's BR).

Under the Governmental initiative "Fossil Free Sweden" (see page 57 in Sweden's BR), a set of voluntary "roadmaps for fossil free competitiveness" have been developed by the industry including the steel industry and the construction sector. The roadmaps describe the ambitions and steps foreseen in different sectors, see <http://fossilfritt-sverige.se/in-english>.

Moreover, the Swedish Transport Administration places demands on suppliers in investment and maintenance projects to reduce the infrastructure's climate impact. The requirements apply to the climate impact of construction, the materials used and future maintenance.

Question by New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Planned regulations for transport sector

The BR4 mentions 'As transport of goods on roads is assumed to increase and given that the relative low blended level of renewable fuel is assumed to be constant after 2020 in the scenario, the increased transport activity results in increasing emissions from heavy duty lorries and light duty lorries after 2020.' Are there regulations in place or planned to ensure heavy duty and light lorries are able to shift to more fuel-efficient options such as biofuels post-2020?

Answer by Sweden

In the Government Bill 2020/21:1, announced in September 2020, the Government proposes:

1. The reduction levels within the reduction obligation will be raised gradually to 2030. The focus is on levels of 28 per cent for petrol and 66 per cent for diesel 2030 with a control station 2022.
2. The Government proposes support for regional electrification pilots with charging infrastructure for heavy vehicles, in order to electrify heavy road transport in the busiest areas. The tank infrastructure for hydrogen is also included in the investment.
3. The Government extends and further develops the environmental compensation for freight transport by rail in Sweden.
4. In 2020, the EU Commission decided to approve Sweden's state aid applications for continued tax exemption for biogas, and to extend the exemption to bio propane. The decision is valid for ten years, which provides for long-term conditions.
5. In 2020, the EU Commission also decided to approve Sweden's state aid application for continued tax exemption for pure and high-blended biofuels. The decision is valid until the end of 2021.

Question by New Zealand at Monday, 07 September 2020

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: The role of the Ecodesign Directive in reducing emissions

The BR4 states that Sweden's Ecodesign Directive aims to improve products' environmental performance during their full life cycle. What contribution has reducing embodied emissions in the building sector played in the 2020 target, and how great a contribution is it expected to play in later target periods?

Answer by Sweden

The effect of the Ecodesign Directive is to a large extent connected to energy efficiency. As the electricity production in Sweden to a great extent already is fossil free, the direct effect on the GHG emissions from of the energy efficiency is not substantial. As there is a limited amount of renewable electricity available, energy efficiency measures are, however, of key importance to make available carbon free electricity to enable emission reductions in other sectors.

[Question by](#) New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Emissions from refineries

What specific policies does Sweden have planned to address the increase in emissions from refineries?

[Answer by](#) Sweden

The key policy influencing refineries in Sweden is the EU emissions trading system (EU ETS).

In addition to the EU ETS, the Government proposes in its Government Bill 2020/21:1 investments in modernizing existing test beds for biorefineries.

Moreover, the Government has in its Bill 2020/21:1 proposed new reduction levels for the years 2021- 2030 for the existing greenhouse gas emission reduction obligation for petrol and diesel. This gives a clear signal to the market that there will be a demand for biofuels.

Moreover, the Government proposes the introduction of a state green credit guarantee, which is based on technology-neutral criteria for major industrial investments that contribute to achieving the goals in the environmental goal system and the climate policy framework.

[Question by](#) New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Carbon tax implementation

Sweden's BR4 suggests the energy and carbon taxes are seen as the instruments contributing most to reducing the use of fossil fuels in the residential/commercial/institutional sector in recent decades. What were the primary barriers to setting up a carbon tax?

[Answer by](#) Sweden

The Swedish carbon dioxide tax was introduced in 1991 as part of a major tax reform. The carbon dioxide tax is easy to administer at low costs to authorities and operators, as a system for levying energy tax was already in place. At the beginning tax levels were low and until 2019 there was a higher tax rate for households and the service sector and a lower level for the industry. The carbon dioxide tax rates were low from the start but have since gradually been raised, giving firms and

households time to adapt. Sweden has by far the highest carbon dioxide tax in the world. Although no earmarking of carbon dioxide tax revenues takes place in Sweden, a key parameter in the implementation of the carbon dioxide tax has been to ensure that options for switches to low carbon alternatives are available for households and firms (such as public transport, time-limited grants for green investments). For further information, see www.government.se/carbontax.

Question by New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Product pricing mechanisms for agriculture

‘Product pricing mechanisms’ are stated as a cause for reduced numbers of dairy cows. Can Sweden provide additional information on the nature of these product pricing mechanisms, and describe any relationship with, or integration with existing carbon pricing mechanisms?

Answer by Sweden

The assumptions on prices, used in the projection model, are based on price projections from OECD-FAO Agricultural outlook and according to those projections the prices are decreasing.

Question by New Zealand at Monday, 07 September 2020

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Emissions reduction ambitions for agricultural sector

Targets for Effort Sharing Decision (ESD) sectors are stated that exceed those set at an EU level. Within these targets, has Sweden adopted any specific reduction ambitions for the agricultural sector, or for emissions of gases associated with agricultural activities (i.e. CH₄ and N₂O)?

Answer by Sweden

No, Sweden has not currently proposed a decision on specific sectoral targets for greenhouse gases from the agricultural sector.

There were no new policy instruments presented in any Government Bill. And there are no specific plans to change Sweden's evaluation of the economic and social effects of response measures in the near future.

Question by Canada at Monday, 07 September 2020

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

Type: Before 07 September

Title: Gender integration

Sweden's BR4 notes that "Sweden has been a champion of gender integration in the multilateral climate funds, including the promotion of separate gender policies and action plans that support gender-responsive actions." Can Sweden elaborate on its work in support of gender integration in multilateral climate funds? What would Sweden consider to be areas requiring further improvement?

Answer by Sweden

Sweden has been working very actively for many years in the Global Environment Facility (GEF) to strengthen gender equality with a major impact on the fund and managed to broaden the circle of countries on the board that support gender equality work. This has resulted in the adoption of a gender equality policy in 2011; an updated and strengthened policy that reflects Swedish priorities for being gender responsive adopted in 2017; a strategy and an action plan for 2018, and a practical guide shortly thereafter on how gender equality can be strengthened in all phases of the project cycle. Gender equality integration in GEF has today gone further than in most climate/environmental funds but is something that Sweden and other like-minded countries are constantly following up. Gender equality integration continues to be strengthened and reported and needs to be monitored systematically. Gender equality will continue to be one of Sweden's priorities also in the next replenishment of GEF; negotiations will begin in 2021 and end in 2022.

In November 2019 The Green Climate fund's (GCF) Board of directors decided on an updated gender equality policy. Sweden was a strong driving force in this work. In collaboration with UN Women, GCF also developed a Gender Tool Kit to provide guidance and support to GCF's partner countries and partner organizations on gender integration in the development of project proposals.

Furthermore, Sweden was a driving force in developing the gender policy and action plan that was decided in the Adaptation Fund in 2016. This means, among other things, that all project proposals are examined on the basis of gender equality parameters.

[Question by China at Friday, 04 September 2020](#)

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: WAM scenario

According to TRR, Sweden did not provide WAM projections in BR. Could Sweden provide the clarifications in this regard. Does Sweden plan to provide WAM scenario in the next BR?

[Answer by Sweden](#)

In the BR Sweden defines “planned PaMs” as those that are stated in a Government Bill yet to be adopted by the Parliament. At the time of reporting there were no new policy instruments presented in any Government Bill that had not already been adopted. Hence, Sweden did not provide WAM projections in the BR.

If there are any new or revised PaMs in a Government Bill, not yet adopted, at the time of the delivery of the next BR, Sweden will report on those PaMs, and Sweden will provide a WAM scenario if it is possible to assess the effect of those PaMs.

[Question by China at Friday, 04 September 2020](#)

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 07 September

Title: Estimation methods

According to the TRR, Sweden states that it has not conducted any assessment of the estimated emission reduction impacts of the PaMs additional to those reported in the BR3. Given the existing PaMs (WEM), has Sweden considered to optimize its estimation methods to better quantify the progress and detailed contribution towards its QEWERT?

[Answer by Sweden](#)

Sweden has reported all PaMs that at the time of the submission were decided. At the time of the submission there were no additional PaMs in any Government Bill. Hence, Sweden did not report effects of any additional PaMs.

Sweden is currently working on new, updated scenarios and effects of PaMs adopted and planned by the Government since the submission of BR4. There will not be any major changes to the method of developing the reference scenario, but Sweden will make efforts to find new ways of estimating the effect of additional measures. The result will be reported in Sweden's fifth Biennial Report.

Question by China at Friday, 04 September 2020

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

Type: Before 07 September

Title: Target ambition

According to the TRR, Sweden have will achieved its 2020 target in the WEM projection. Does Sweden have any plan on increase the reduction target with more ambition?

Answer by Sweden

There is no plan to increase the target in 2020. Sweden has set more ambitious targets for 2030, 2040 and 2045.

Question by China at Friday, 04 September 2020

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

Type: Before 07 September

Title: IPPU emissions

Compared to the projection in BR3, the projected emissions of the IPPU sector by 2020 (7680.8 ktCO₂ eq) and 2030 (7305.3ktCO₂ eq) in BR4 suggest a significant increase. Could Sweden provide more information on the differing assumptions or emerging trends to explain such disparity?

Answer by Sweden

The difference in emission reductions in the projections for IPPU between BR3 and BR4 is mainly due to recalculations in the historical inventories resulting in higher emissions and higher projections.

Climate Dialogues 2020
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UNFCCC - LAST PAGE OF EXPORT