

Sweden's view on EU-policy for renewable energy after 2020

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Recent policy developments

- Agreement between five Parties, representing 70% of Parliament
- 2040:100 % renewable electricity production (but no ban on nuclear)
- Prolongation and raised ambition of certificate system until 2030
- Tax cuts on nuclear and hydro
- Energy intensity (TPES/GDP) to be halved 2005-2030



New goal for renewable electricity to 2030

- 18 TWh additional certificates to 2030 and extension of the system until 2045
- Agreement with Norway has been reached



General views REDII

- SE welcomes the proposal on the revision of the renewables directive (REDII)
- Important that REDII allows MS to be more ambitious
- SE support an strong, transparent and predictable governance system in order to assure that the goal to 2030 is met
- Experts estimate that the 2030 framework is insufficient to achieve the Paris Agreement's objectives. The Paris Agreement's five-year review cycle will provide the basis for continuously increasing the level of ambition. An increased climate ambition to 2030 also affects the use of renewable

Bioenergy

- Forest biomass fuels almost half of all RES in the EU. An opportunity – not primarily a risk
- Essential to respect the proportionality principle. Risk-based approach as suggested by the EC is a good solution
- SE supports ambitious GHG requirements for the biomass fuels and support the principle in EC's proposal (GHG performance calculated based on the upstream emissions)
- Essential with well-functioning markets to preserve the competitiveness of both biomass fuels and other forest products
- Too rigorous sustainability criteria may become environmentally counterproductive if good biomass fuels are prevented from substituting fossil fuels because they are not perfect

Transport

- The national target in Sweden is that emissions from the transport sector should decrease by 70 percent until 2030.
- Sweden strongly advocates policies that promote advanced biofuels, but not at the expense of more conventional biofuels that fulfil strict sustainability criteria.
- The proposed cap for conventional biofuels is a very blunt tool. It targets biofuels where there are environmental concerns (i.e. palm oil) but also conventional biofuels with very high emission reductions. Alternatives to be discussed are for example to exclude conventional low-iluc biofuels or pure blends used in dedicated vehicles from the cap.

Support for renewable electricity

- Welcomes the proposal since it makes it clear that support schemes may be used and positive to the general principles of more market responsive support schemes.
- Sweden is positive to cooperation in the field of support for renewable electricity production. Sweden has demonstrated that by expanding the Swedish electricity certificate to Norway since 2012. However, Sweden believes that cooperation should take place on voluntary basis.
- Unclear whether possible gains will offset all practical difficulties and increased administration.
- Risk for increased uncertainty for investors.
- Several other parameters having impacts on investment decisions (i.e. taxes)

Market design

- SE welcomes the proposal aiming at facilitating the integration of a larger share of renewable electricity production
- Supports the starting point for the proposal from an energy-only market with correct price signals – that is necessary in order to increase flexibility in the system
- Support the regional approach. Increased volatility leads to increased trade. A more integrated market lead to increased security of supply and more effective use of resources.
- Priority dispatch: Important to have in mind countries with large share of renewable electricity. We need to be able to use renewable electricity to balance the system.



Thank you for your attention!

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