

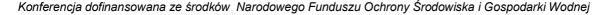
## I FORUM GOSPODARKI NISKOEMISYJNEJ





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Lena Ek, Swedish Minister of Environment

Theme: The Swedish experience in implementing a low-emission programme

Thank you for inviting me to speak at this important event. It is my conviction that a low emission economy is not only necessary for the environment, but that it is necessary for the economy itself and that it will be beneficial for us all.

Sweden's path towards a low carbon economy has been set out in national strategies and been set out in national strategies and been developed through emission goals, policies, measures and recurrent evaluations over the years. In addition, it has been built through international partnerships including a strong early engagement in market based mechanisms, in particular the CDM market, and through parallel collaborations such as the Climate and Clean Air Coalition.

Just over 40 year ago, in 1972, the United Nations Conference on the Human Environment was held in Stockholm. It signalled a new chapter in international development by acknowledging protection of the environment as a major issue which affects economic development throughout the world. Looking instead 40 years into the future we will have just passed 2050. By then Sweden will have no net emissions of greenhouse gases to the atmosphere according to the aim adopted by the Riksdag and the EU is to have reduced its emissions by 80-95% compare to 1990 levels.

When evaluating progress in Sweden to date, one achievement stands out: The decoupling of increasing greenhouse gas emissions and economic growth, CO2 emissions have halved since the first Stockholm Conference in 1972, while our GDP has doubled. To a large extent this decoupling has been achieved by introducing fiscal instruments such as carbon and energy taxes. The polluter pays principle and setting the right economic incentives by pricing carbon dioxide is a solid foundation for Swedish climate policy. But certainly simply raising taxes does not create a world class business climate that encourages corporate green initiatives. Other examples of measures taken that can combine environmental concerns with economic development and increased competitiveness are:

- Support to city development projects with great potential to lower climate impact and increase technology exports and international cooperation (economic support 34 million Euro during 2009 2010)
- Energy research and innovation contributes to sustainable energy systems and national growth.

• We have also invested in installation support for solar panels and green certificates to increase the share of renewable energy,

One of the most significant contribution to lowering Swedish emission of greenhouse gases was the development of the district heating sector. In Sweden, like in Poland, a large share of the household is connected to a district heating network. This has made heating more efficient and through a careful use of fiscal measures, the sector has phased out the use of oil in favour of biomass. We can also see an increased use of biomass in the industry e.g. the pulp and paper sector. The ban on landfills for waste has also contributed significantly.

Transport is the sector which has been and is difficult to transform. Over the last few years, however, we have been successful in increasing the share of eco-cars significantly due to EU-legislation on vehicle CO2 emissions and by using economic instruments. The emissions from cars are continuously decreasing every year due to more efficient engines and increased use of biomass. We have a long term priority that the Swedish fleet of vehicles shall be independent of fossil fuel by 2030.

Due to the early policies, such as carbon tax, Sweden is one track to reach its national target of reducing greenhouse gases by 40 % in the non-trading sector until 2020 compared to 1990. Having said that it is also correct to say that Sweden has long way to becoming a truly low carbon economy. The next step will be more difficult. That's is why we have put our ambitions high. Our objective is to solve all the main environmental problems within a generation. Climate changes requires global action but we are committed to do our part and have a vision of no net emissions of greenhouse gases by 2050.

In 2011 we started a broad process, involving actors and stakeholders from many parts of society, to create a Swedish roadmap on how to reach our vision of no net emissions in 2050. In this process we will draw up scenarios talking into account preconditions an possibilities in all sector of society and outline the way forward.

I want Sweden to build on the early good example we have had, continue to development innovative solutions to our global challenges, be a forerunner in the creation of the green economy and, most importantly, to share experiences and do this in cooperation with other countries. A fulfilment of the 2050 vision requires transformative changes. I am confident those changes are possible and that early movers on change will benefit.

A recent study from the Swedish innovation agency shows that employment in the eco-innovation sector has increased by 15% since 2007. The agency also shows that also more traditional sectors are increasing their efforts in the co-innovation sector. And, maybe the most interesting conclusion from the study is: external drivers, such as legislation, used to be the main driver for eco-innovation. But today, the main driver for companies is identified business opportunities, cost-efficiency and request from consumers.

For too long the commonly held view has been that climate policy, almost without exceptions, would prove socially uncomfortable and economically painful. But such assumptions have failed to fully take into account the benefits stemming from climate policy. Public health benefits will offset much of the costs of climate change mitigation and should be taken into account. Another example is energy efficiency. According to the IEA World Energy Outlook in 2012, a significant share of the potential to improve energy efficiency – by 80% of the potential in the buildings sector and more than half in industry – still remains untapped. Tackling the barriers to energy efficiency investments can unleash this potential and realize huge gains for energy security, economic growth and the environment. Well-designed policies can safeguard well-being and more resilient, long-term economy.

To sump up, Sweden has managed to decouple emissions from economic growth. Yet, many challenges remain down the road towards our vision of no bet emissions to the atmosphere in the year 2050. I'm confident the hard work will be rewarding, not only for the climate but also for our economy.

Thank you!