



# The Swedish carbon tax

PMR Technical Workshop Berlin

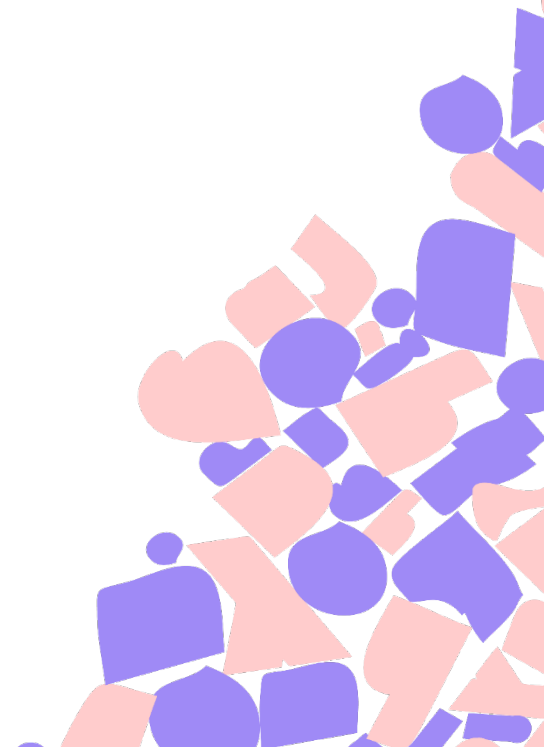
22 October 2019

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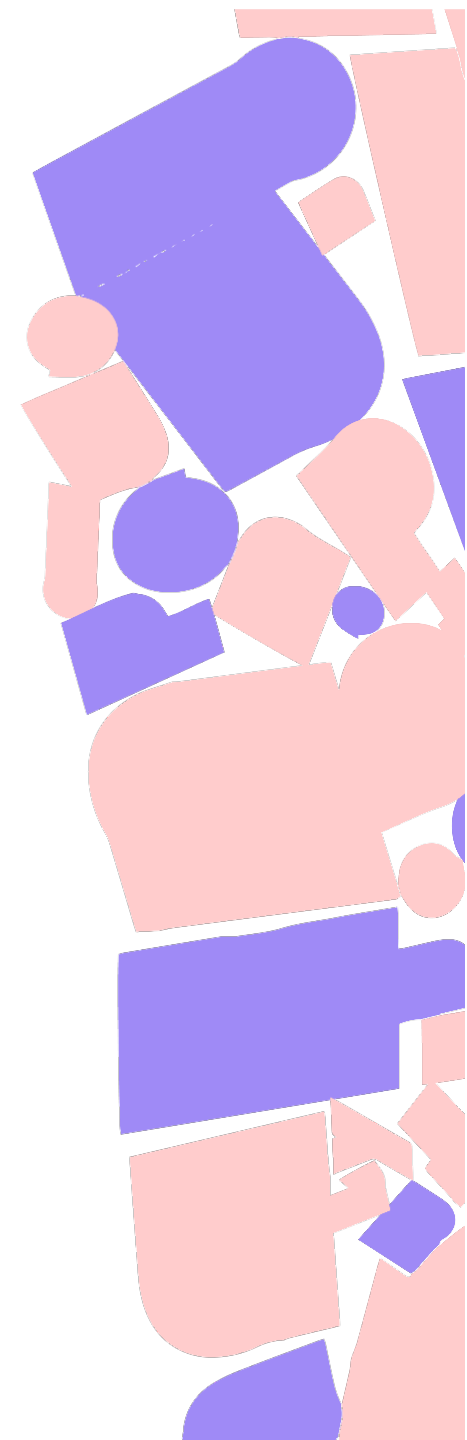
# About the Swedish Energy Agency

- National authority for energy policy issues
- Sorts under Ministry of the Infrastructure
- The Director-General is appointed by the Government
- Government funded
- Around 430 employees, Eskilstuna

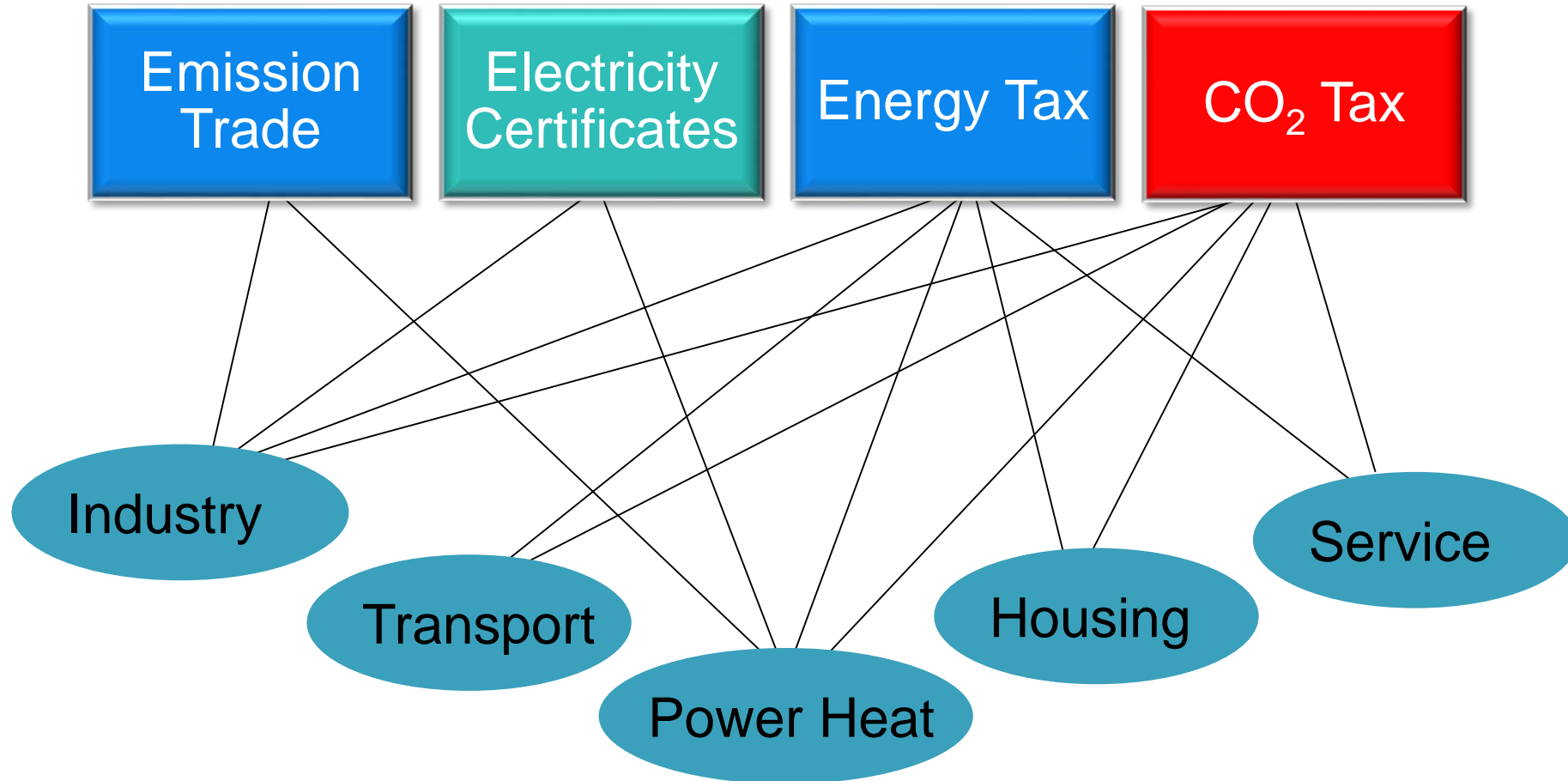


# Challenges for Sweden

1. 2045: No net GHG emissions
2. Transport sector emissions -70 % 2030
3. Energy efficiency 2030
4. Secure energy supply



# Financial policy measures in Sweden



# The path towards carbon taxation

## 27 Years of Carbon Taxation experiences



Carbon Tax

1988-1989 Committee of inquiry 1989

Committee Report

1990 Governmental Bill and Parliament  
Decision

1991 Carbon Tax introduced

# Carbon tax

- Introduced in 1991 part of the 1990/91 tax reform
- Initially 26 €/ton CO<sub>2</sub> today ~120€/ton (1 SKR=0.093 €)

Initially:

- Reduced and simplified labour taxes (-6 billion \$)
- Value Added Tax on energy (+ 1.8 billion \$)
- Carbon tax introduced at a low levels combined with approx. 50% cuts in energy tax rates (+ 0.4 billion \$)
- Certain investment state aid measures

Today: Generating around 23 billion Skr ~ 2.15 billion €

# Green tax change shift

2001-2006 Green tax shift

raised environmental taxes, cuts in income taxes focusing on low incomes

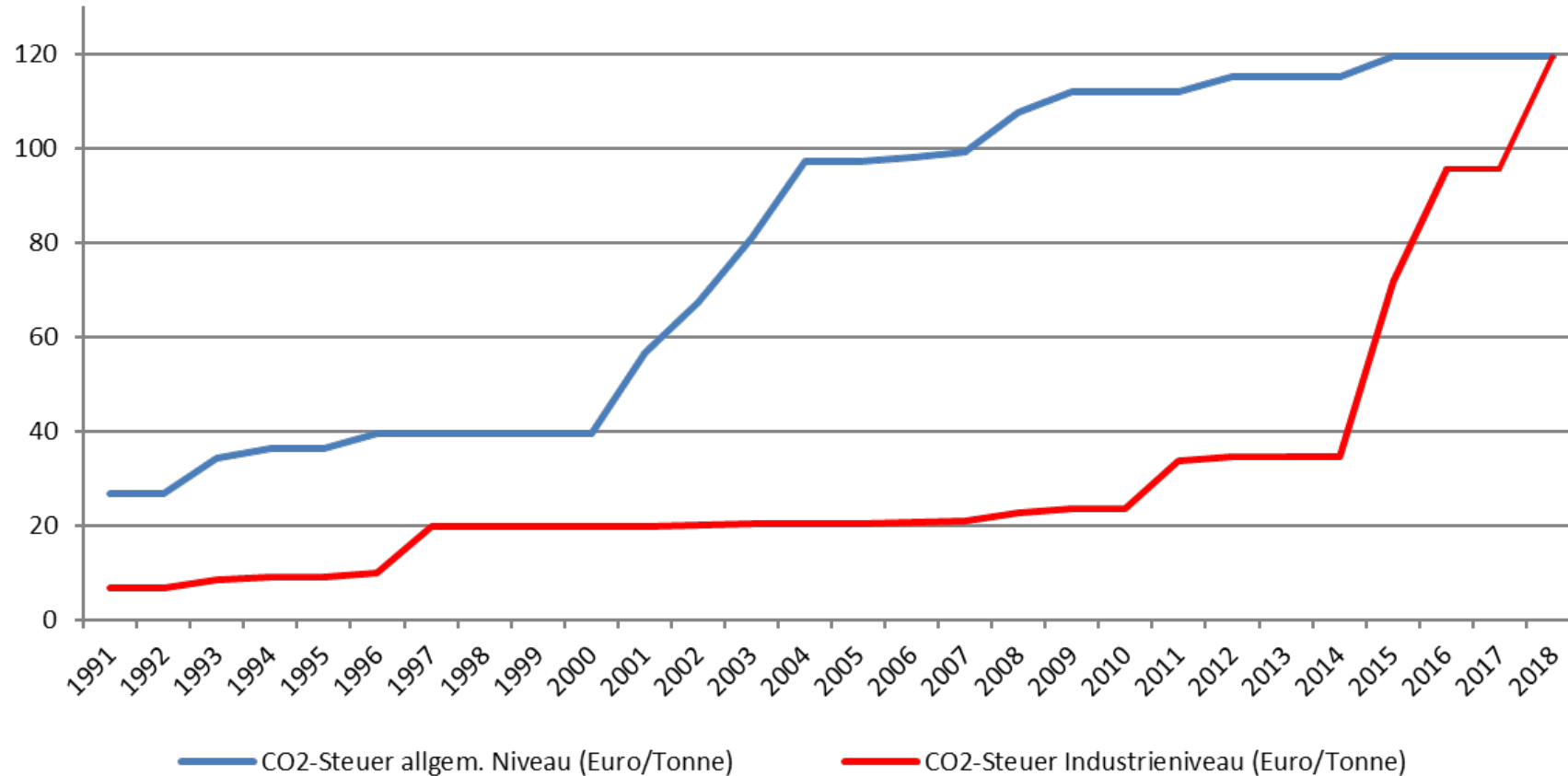
2007-2013 Increased environmental taxes significant cuts in labour taxes

2014 and onwards, for example

- phasing out carbon tax reductions
- increased taxes on pesticides and natural gravel as well as energy tax on transport fuels
- reform of vehicle taxation
- ***In Sweden no earmarking of revenues .... but it may be a solution in other national contexts!***

# The Swedish carbon tax over time

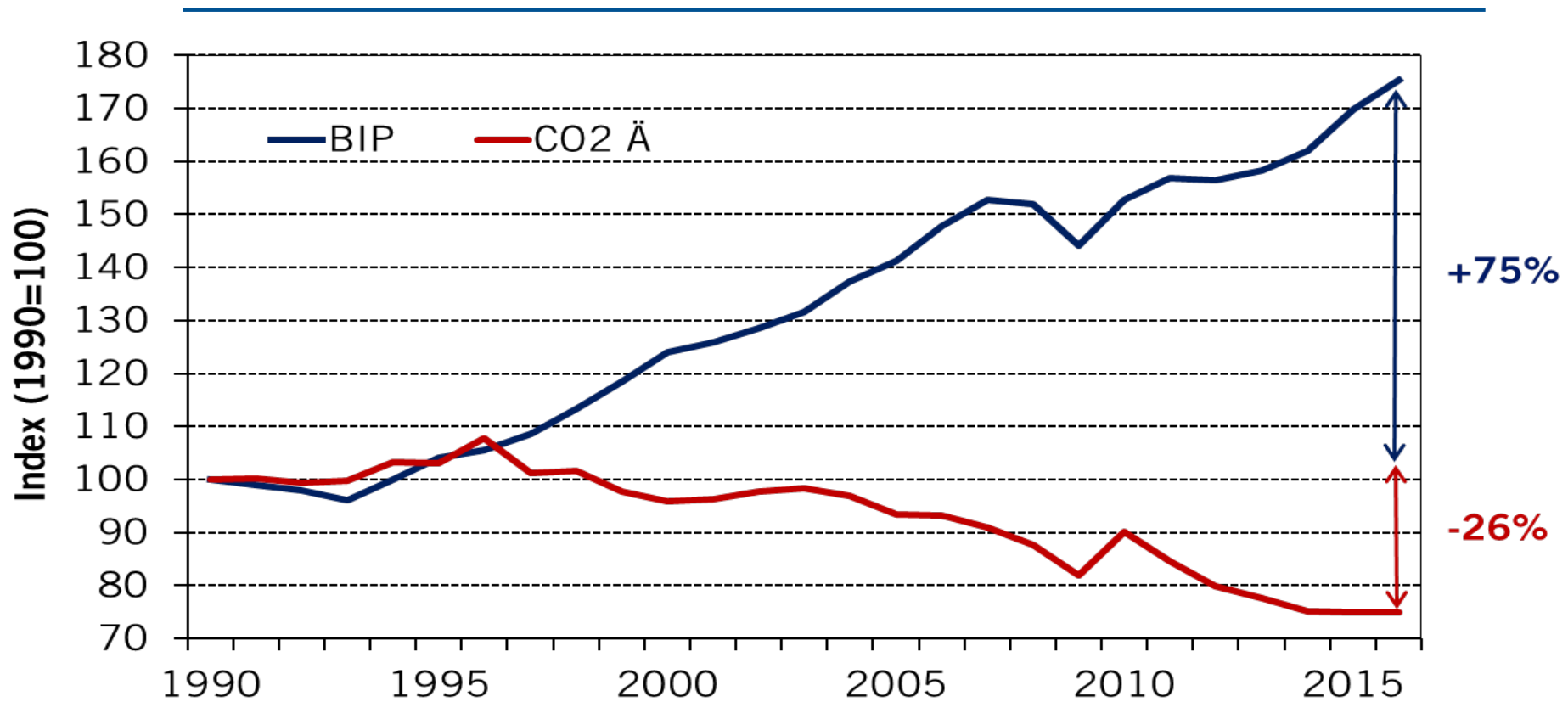
Carbon tax levels : € per ton



Since 2008 Industry only outside of EU ETS, since 2000 fuels in agriculture forestry and fishery subject to the lower tax level



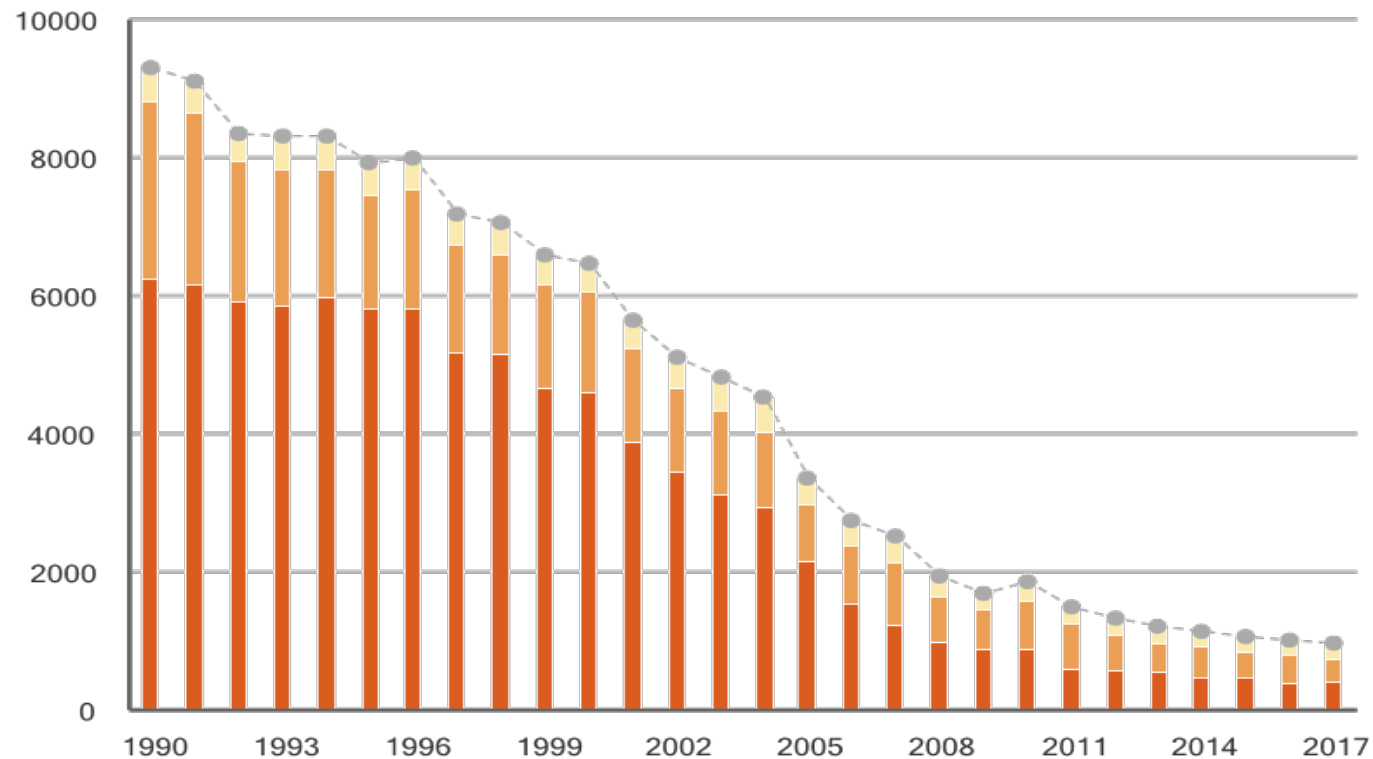
# Real GDP and Domestic CO<sub>2</sub>eq Emissions in Sweden, 1990–2016



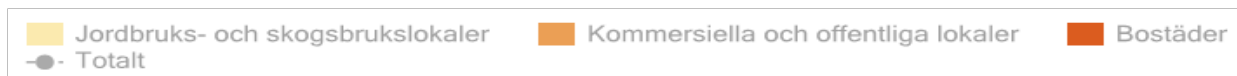
*CO<sub>2</sub>eq = CO<sub>2</sub>-equivalent*

# Most evident success - housing

Tusen ton koldioxidekvivalenter



Utsläpp av växthusgaser från uppvärmning av bostäder och lokaler 1990-2017



Källa: Naturvårdsverket

# Thank you for your attention!

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