

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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Sweden

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Swedish Sustainability Certification for Biofuels

Report Categories:

Bio-Fuels

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Report Highlights:

Starting February 1, 2012, a Sustainability Decision from the Swedish Energy Agency is required for biofuels in order to be eligible for tax incentives or to count for mandatory national renewable energy targets in Sweden.

General Information:

Sweden was one of the first member states to implement the Renewable Energy Directive (RED) into national law by Government Bill (2009/10:128) Implementation of the Directive on Renewable Energy.

On August 1, 2010, the Act (2010:598) concerning sustainability criteria for biofuels and bioliquids came into force. The Act was based on the European Directive 2009/28/EC on the promotion of the use of energy from renewable sources. The sustainability criteria are identical with those stipulated in Article 17 of the RED.

Government Bill 2010/11:152 proposed several amendments to the Act, which subsequently have been accepted by the Swedish Parliament in September 2011. The new Act connects the tax incentives to the Sustainable Criteria Act and a Sustainability Decision will be needed. The new Act entered into force on November 1, 2011.

As of February 1, 2012, biofuels will need a Sustainability Decision from the regulatory authority in order to be eligible for tax incentives or to count for mandatory national renewable energy targets. In order to receive a Sustainability Decision, the economic actor with a reporting obligation must have a verification system in place that ensures that sustainability criteria are fulfilled in accordance with the legal framework. The verification system has to include the entire production chain and take into account the nature and extent of the operations. The verification system must be audited by an independent auditor. The Sustainability Decision has to be applied from the Swedish Energy Agency, which is the regulatory authority for sustainability criteria. The Sustainability Decision will be subject to re-evaluation. The time for re-evaluation will be notified by the Swedish Energy Agency.

A reporting obligation is designated to those who are:

- taxable for fuel that is partly or completely comprised of biofuel or bioliquid according to Chapter 4 Energy Tax Act 1994:1774, or
- economic actors that in their business operations use biofuel or bioliquid that is neither partly nor completely taxable according to the Energy Tax Act.

Sweden has a national system for sustainable biofuels in place. Swedish companies can choose to adhere to the national system or use voluntary schemes recognized by the European Commission. While the EU voluntary schemes are valid in all EU Member States, the national system standards can differ and thus, do not automatically apply in other Member States.

In 2010, Swedish imports of ethanol from the U.S. amounted to 5,700 MT. Brazil is the main exporter of ethanol to Sweden. About 95% of all imported soy to Sweden is GM-free soy from Brazil. There are no imports of biodiesel from the U.S. Main exporters of biodiesel to Sweden are Lithuania, Germany and Denmark.

