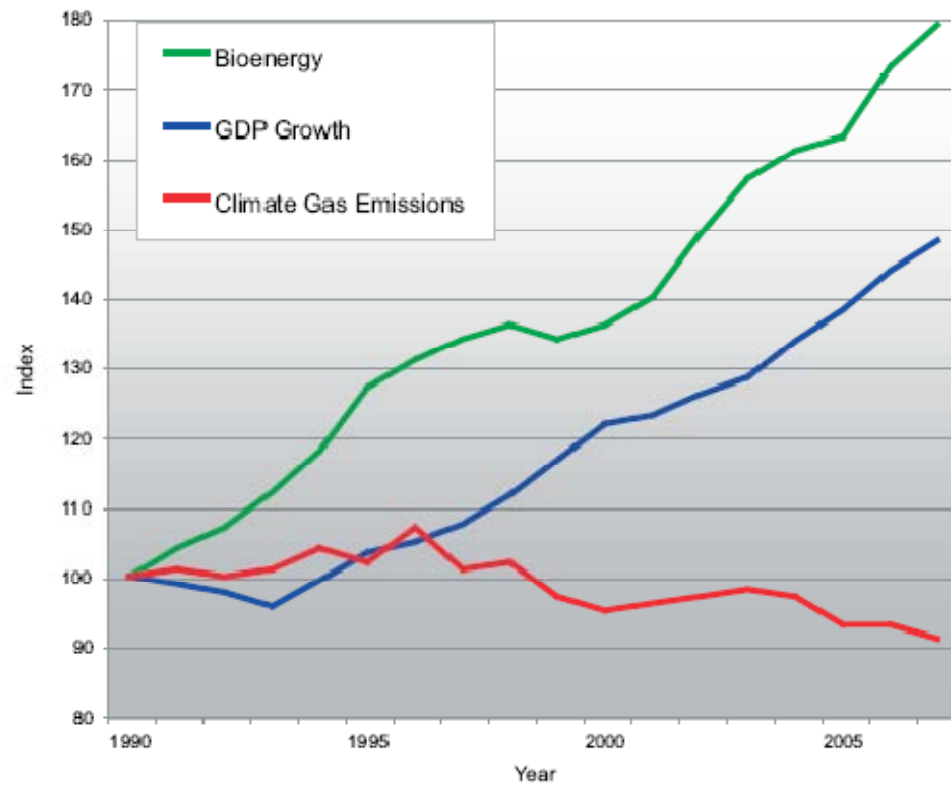


Biofuels and its role for business development

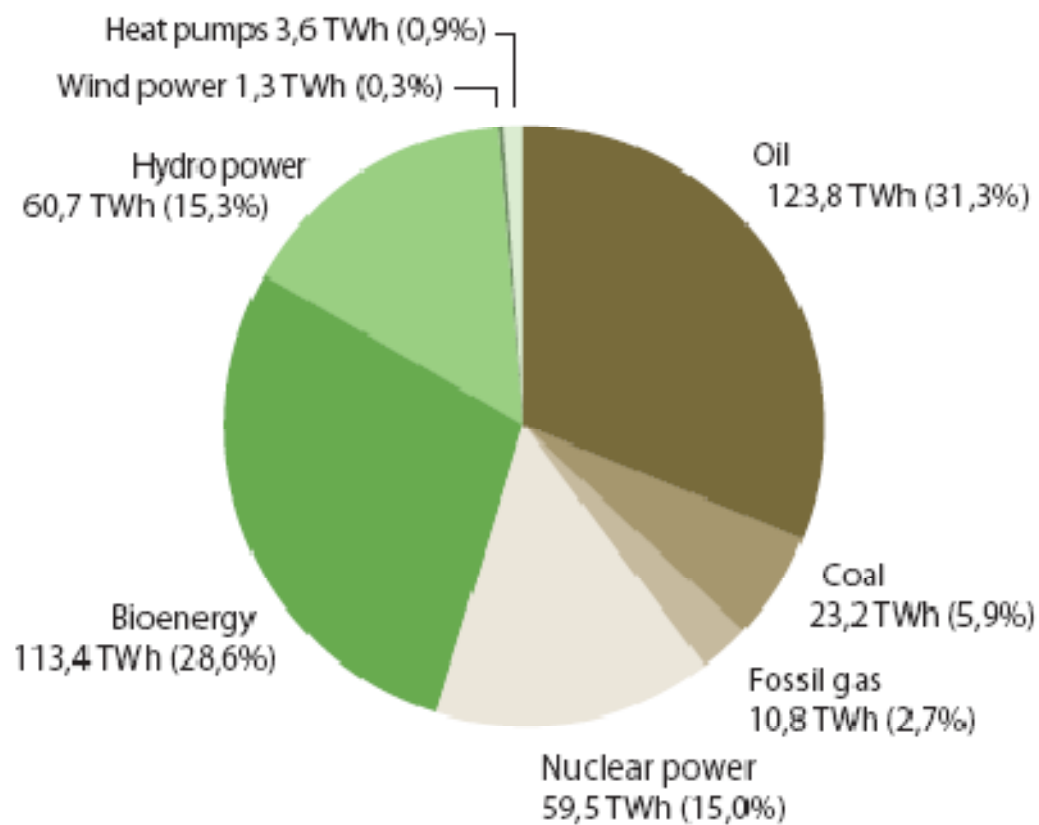
Claes Västerteg, Swedish
Parliament Deputy chairman
Committee on Environment and
Agriculture

Economic growth and carbon reduction



Source: www.svebio.se

Share of final energy use 2007



Source: www.svebio.se

Background to the Swedish energy success

- Tradition of general incentives and steering mechanisms
- Widespread use of the Polluters Pays Principle
- Examples of successful Swedish programmes:
 - Sulphur taxes
 - Nitrogen oxide fees
 - Carbon taxes

National targets

- The national share of renewable energy shall increase to at least 50 % of the total energy use by 2020
- The national share of renewable motor fuels shall increase to at least 10 % of the final energy use in the transport sector

Final energy use in the transport sector, 1992–2007, TWh

	<u>1992</u>	<u>1997</u>	<u>2002</u>	<u>2007</u>
Petrol	50,9	48,3	48,9	45,8
Diesel/gas oil	19,0	21,6	30,3	41,8
Electricity	2,5	3,0	2,9	3,0
Bunkers oils	10,7	15,6	14,3	26,7
Medium/heavy fuel oils	0,5	0,4	0,5	0,5
Aviation fuels etc.	9,5	10,1	9,3	11,1
Natural gas, including LPG-		0,1	0,1	0,3
Ethanol	-	-	0,5	2,1
Total	93,1	99,1	106,7	130,2

Source:

www.energimyndigheten.se

Final energy use of renewable motor fuels, 2002-2007, TWh

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Ethanol	0,45	0,88	1,54	1,68	1,89	2,12
Biogas		0,09	0,11	0,13	0,16	0,23
	0,28					
<u>FAME</u>	<u>0,04</u>	<u>0,05</u>	<u>0,09</u>	<u>0,10</u>	<u>0,60</u>	<u>1,22</u>
Total	0,58	1,04	1,75	1,94	2,72	3,61

Source:

www.energimyndigheten.se

Eco Efficient Economy

- Deep economic crisis
- Long term challenge – Global climate change
- Eco Efficient Economy
 - Efficient use of raw materials
 - Use the potential for jobs and growth

Bioenergy for growth and employment

- Each new produced TWh bio energy is estimated to create 300 jobs
- More than 20 000 new jobs may be created the following decades
- Spin-off effects may create another 8 000 jobs

Source: www.svebio.se

Biogas

- Big potential given the right requirements
- Different from other renewable energy sources as its competitiveness is dependent on many policy areas
- Creates a lot of added value

Measures for support of biogas

- 200 million SEK (2009-2013) to promote in particular manure based biogas production
- 50 million SEK/year (2009–2011) to promote investments in an efficient and increased production, distribution and consumption of renewable gases
- 150 million SEK (2007-2010) for investments in refuel stations for other renewable motor fuels than ethanol
- Release from energy- and carbon taxes for renewable motor fuels
- Release from vehicle tax (2010-2015) for new biofuel cars

A new biogas strategy

- Create a joint platform for production, distribution and consumption of biogas
- Harmonise priorities regarding consumption, systems etc.
- Identify barriers and present solutions how to overcome them
- Evaluate policy instruments, research and other public measures

- Thank You for listening