

# **EED** implementation in Sweden

## Introduction

In Sweden the implementation of the EED is the responsibility of the Ministry of the Environment and Energy. The Ministry of Enterprise and Innovation is also involved in the implementation. The Swedish Energy Agency implements the majority of instruments and programmes for the directive and is also responsible for the follow-up and reporting under the directive. The National Board of Housing, Building and Planning, the Swedish Environmental Protection Agency, the Swedish Energy Market Inspectorate and the National Agency for Public Procurement are also implementing parts of the directive.

#### 1. Legal context

In Sweden, the EED has been fully transposed in national legislation. The Parliament approved the Governments proposals in April 2014 and the Government decided on publication of acts and ordinances in June and July 2014.

The following new acts have been adopted:

- Act (2014:266) on Energy Audits in Large Enterprises (Art. 8)
- Act (2014:267) on Energy Metering in Buildings (Art. 9)
- Act (2014:268) on Certain Cost-Benefit Analyses in the Energy Sector (Art. 14)

There have also been several new secondary and teritiary legal acts such as ordinance 2014:480 on central governments' purchasing of energy efficient goods, services and buildings.

Amendments to existing legislation have been made in the following areas:

- Act (2012:838) on Certification of Certain Installers
- Electricity Act (1997:857)
- Natural Gas Act (2005:403)
- District Heating Act (2008:263)
- Tenant-Ownership Act (1991:614)
- Co-operative Tenancy Act (2002:93)
- Land Code
- Environmental Code

## 2. Status of the implementation

#### 2.1. Legislative provisions

This table contains information on how the EED has been implemented by article, including any relevant web links. The table also includes non-legislative provisions for some articles of the directive.

EED Article	Implementation status
Article 3	Sweden has notified the national target for art.3 to the Commission as part of the National Reform Program. The Swedish energy efficiency target for 2020 is set as a relative target, reducing primary energy use per GDP unit. The EED requires the Member States to indicate what would the level of primary and final energy use be if the target is met. For Sweden, this depends on the development of energy use and development of GDP.





Article 4	Sweden notified the long term strategy for energy efficient renovations in April 2014. The plan was based on preparatory work from the Swedish Energy Agency and the Swedish National Board of Housing, Building and Planning. These two organizations have a new assignment from the government to prepare the updated plan which is due April 2017. In 2015, the Swedish Parliament approved financial support for energy efficient renovation of multi-family housing in areas with socio-economic challenges.
Article 5	Sweden has opted for the alternative approach according to Article 5.6 and the Government has assigned the National Property Board of Sweden and the Swedish Fortifications Agency the responsibility to fulfil the requirement through energy efficiency improvements in their building stock. In order to encourage public bodies at regional and local level the Government has in 2015 allocated funds for capacity building for the energy transition among regional and local actors. There are also investment funds for local actions providing long term carbon emissions reductions, including energy efficiency investments.
Article 6	A new ordinance, act 2014:480 on central governments purchasing of energy efficient goods, services and buildings has been adopted.
Article 7	Sweden has notified the implementation of art. 7 to the Commission in December 2013. Sweden has opted for the alternative approach. The cumulative target is 106 TWh and will be achieved through energy and CO2 taxes with complementing measures as a package. To avoid double- counting, the effect of taxes only has been calculated.
Article 8	A new act, (2014:266) on Energy Audits in Large Enterprises has been adopted. The Swedish Energy Agency is responsible for the implementation and follow-up of the new legislation. An intensive work with information and engagement activities has been carried out in 2015. See also <u>http://www.energimyndigheten.se/energieffektivisering/foretag-och- organisationer/</u> For the promotion of energy efficiency in SMEs, a new program financed
	through the ERDF was launched in 2015. The program supports energy audits, network activities and capacity building and will be developed further the coming years.
Articles 9-11	A new act, (2014:267) on Energy Metering in Buildings has been adopted. The Swedish National Board of Housing, Building and Planning has been assigned by the Government to analyse in which cases individual metering of heating and hot water would be cost-effective.
	The provisions are also implemented through amendments to the Electricity Act (1997:857), the Natural Gas Act (2005:403) and the District Heating Act (2008:263).
	Information and estimates for energy costs are provided to consumers through the website <u>www.elpriskollen.se</u> which also enables consumers to compare deals.
	The Swedish Energy Markets inspectorate has presented a proposal for new functionalities of smart meters for gas and electricity.



Articles 12 and 17	It has been decided to prolong the state support to the municipal energy- and climate advisors in 290 municipalities until 2017. A new ordinance (2016:385) to further strengthen the municipal energy- and climate advisors was adopted in April 2016.
Article 13	Rules on penalties have been implemented through Act (2014:266) on Energy Audits in Large Enterprises and Act (2014:267) on Energy Metering in Buildings as well as the Electricity Act (1997:857), the Natural Gas Act (2005:403) and the District Heating Act (2008:263).
Article 14	A new law (2014:268) on Certain Cost-Benefit Analyses in the Energy Sector has been adopted. According to this law, a cost-benefit analysis is required for new plants or changes to existing plants fulfilling the following criteria: - Plants for thermal power production >20 MW - Industrial power plants >20 MW generating waste heat - Grids for district heating/cooling - Energy production plants >20 MW attached to existing grids for district heating/cooling The result of the cost-benefit analysis shall be attached to the application for permits according to the Environmental Code.
Article 15	The Swedish Energy Market Inspectorate is responsible for most parts of the implementation of Article 15 and there have been amendments to the ordinance regulating the tasks of the inspectorate. Amendments have also been made to the Electricity Act (1997:857).
Article 16	The assessment is that the national level of technical competence, objectivity and reliability is sufficient, thus a certification or accreditation scheme has not been introduced.
Article 18	The Swedish Energy Agency is responsible for the promotion of the energy services market and the access for SMEs to this market. The Agency's website provides information on energy services with a special focus on SMEs.
Article 19	An analysis of split incentives between owners and tenants has been carried out by the Swedish Energy Agency and the National Board of Housing, Building and Planning. Because charges for heating for most apartments in Sweden are included in the rent or in the monthly charges the prevalence of split incentives is low.
	An analysis of barriers for energy efficiency in the public sector including public purchasing has been carried out by the Swedish Energy Agency and the conclusion is that barriers mostly are in the form of lack of strategy and lack of knowledge among the actors. To reduce these barriers, state support for capacity building and strategic energy efficiency work among local and regional actors has been introduced.
Article 20	Sweden has prioritized energy efficiency in SMEs within the framework of the Regional fund and the state provides co-funding for energy efficiency projects. Proposals for financial mechanisms have been presented within the framework of the national long-term strategy for energy efficient renovations related to Art. 4





Article 24	The third national Energy Efficiency Plan was notified to the Commission in April 2014. The preparations for the fourth plan which is due in April 2017 are on-going.

#### 2.2. Non-legislative provisions

The Swedish energy efficiency policy is based on general measures (such as CO2- and energy taxes and ETS), combined with regulatory measures (such as building codes and energy performance requirements) and supporting measures aimed at removing information and knowledge related market failures. Examples of the latter are energy- and climate advisors, networks, regional energy- and climate strategies, support for energy audits in SME's and market introduction measures.

Here is a selection of the additional measures that are currently in place:

- Energy and Climate advisors in 290 municipalities and 14 Regional energy offices
- State support for capacity building and strategic energy efficiency work at local and regional level including regional energy- and climate strategies.
- ERUF programmes for energy efficiency improvements in SMEs.
- Networks in building, industry, SME capacity building and market introduction of new technologies
- Information activities, websites and other
- Capacity building for the enforcement of energy efficiency requirements in environmental legislation

## 3. Future activities

Future activities include an update and implementation of the national strategy for energy efficient renovations. Financial support for the renovation of multi-family buildings in certain areas is planned for in the coming years. The investment support for local projects with a long term CO2-emissions reduction, including energy efficiency investments, will be prolonged to 2020. In addition, the Swedish Energy Commission will present proposals for the frames of long-term energy policy in the end of 2016.

Continued work with the use of EU Regional fund for energy efficiency projects, both at regional and national level. SME's is a targeted group for this action.

Within the framework of the Global Lighting Challenge, launched at COP 21, with the aim to deploy 10 billion high-efficiency bulbs, Sweden is intensifying the efforts to promote energy-efficient lighting through active collaboration and dialogue with actors in the field, coordinated by the Swedish Energy Agency. See also www.globallightingchallenge.org

## 4. Relevant information

Ministry of the Environment and Energy: <u>www.government.se/government-of-sweden/ministry-of-the-environment</u> Swedish Energy Agency: <u>www.swedishenergyagency.se</u> Swedish Energy Market Inspectorate: <u>www.ei.se</u> National Board of Housing, Building and Planning: <u>www.boverket.se</u> Swedish Environmental Protection Agency: <u>www.swedishepa.se</u> National Agency for Public Procurement: <u>www.upphandlingsmyndigheten.se</u>

