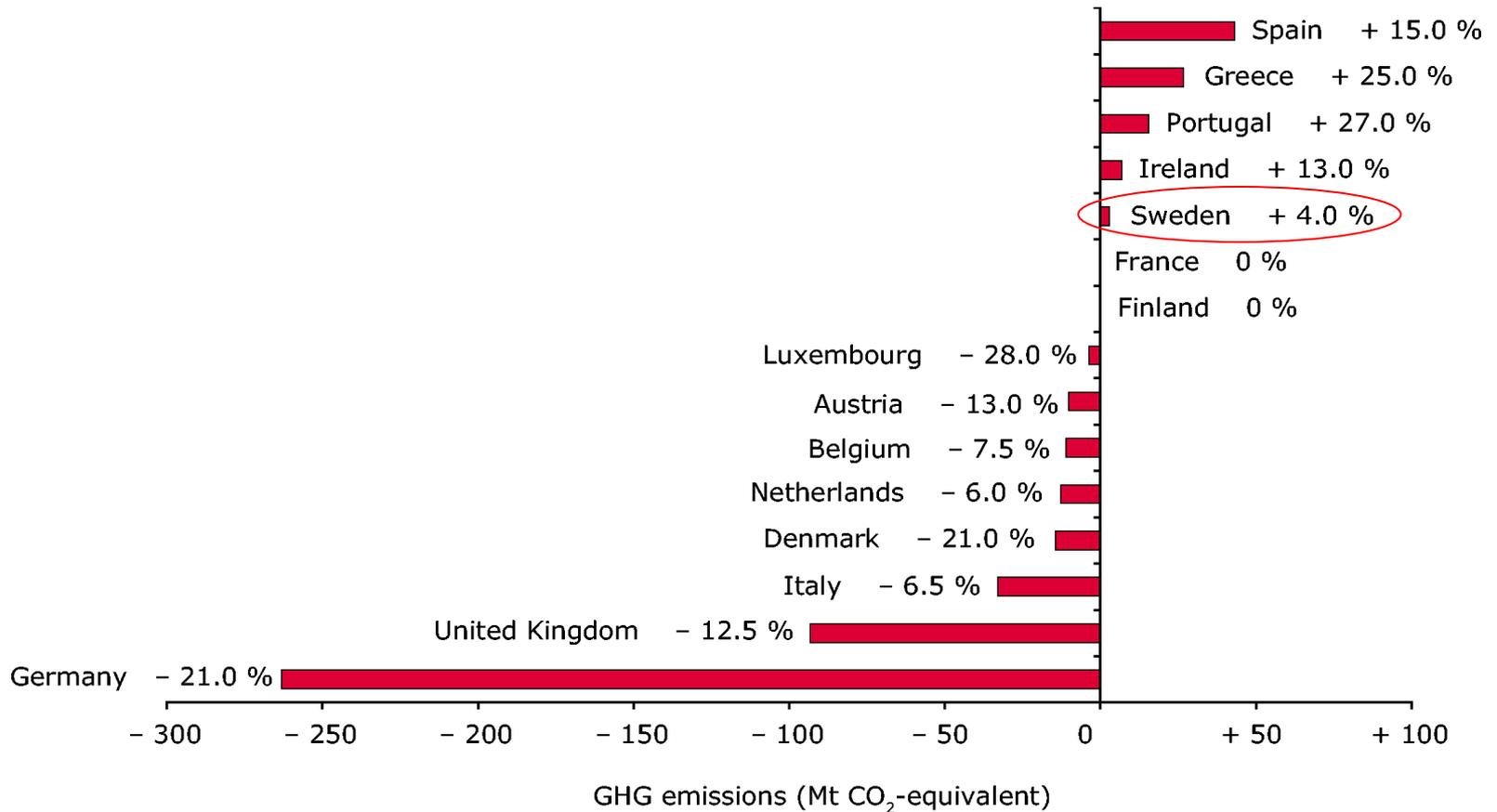




The impact of audit on Sweden's emission rights is a success – how and why ?

EUROSAI WGEA October 6, 2010 in Texel, Netherlands

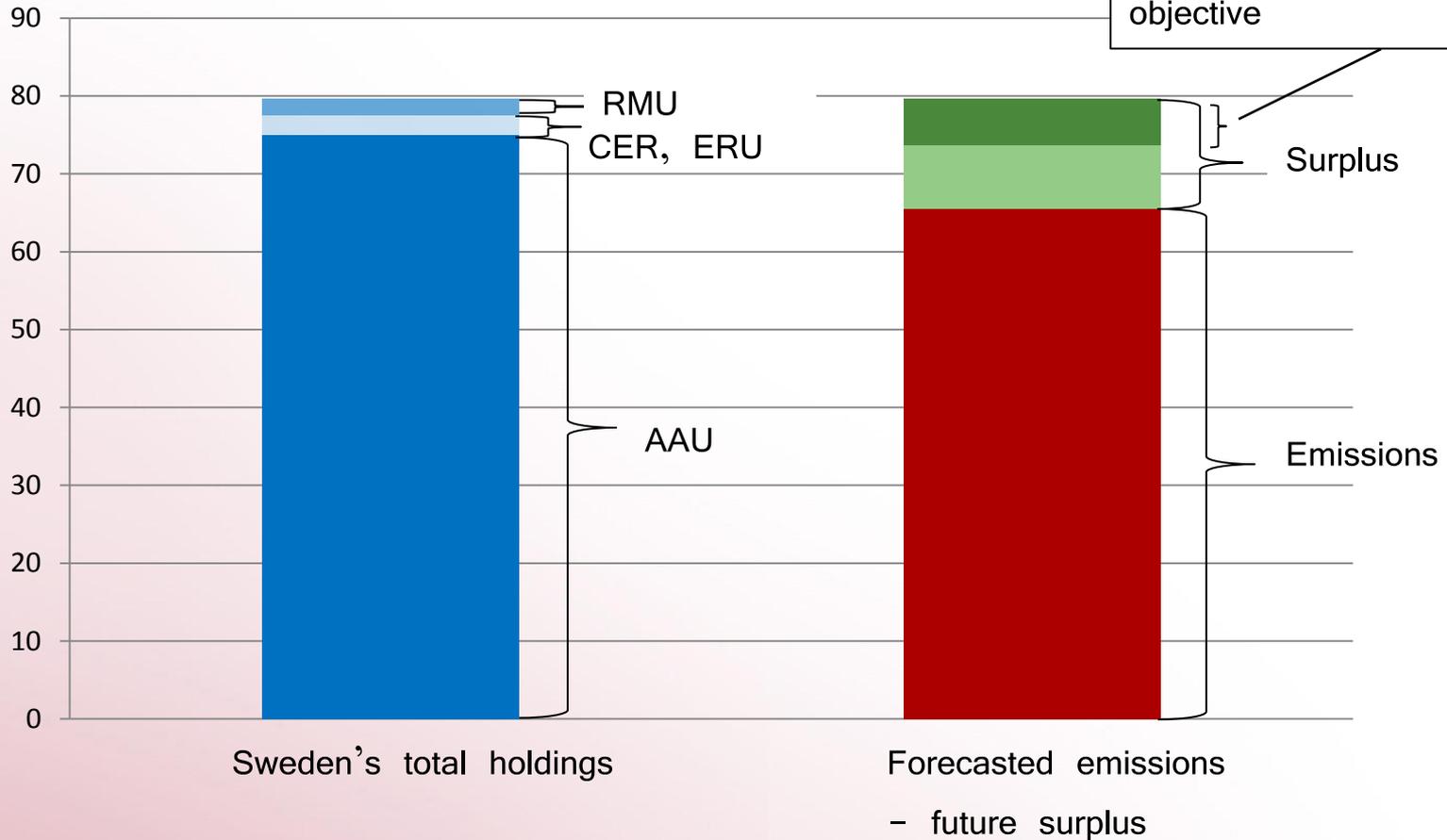
EU-15 Kyoto Protocol commitment



Source: European Environmental Agency

Surplus of emission rights

Million tonnes carbon dioxide equivalents per year



Sources: Data from the Swedish Environmental Protection Agency and the Swedish Energy Agency, processed by the SNAO.

Consequences

- The lack of decision makes it uncertain whether the national emissions' target for the period of 2008–2012 will be attained, despite reduced emissions
- If the future surplus of emission rights were to be sold, the national climate objective will not be attained. Sweden's efforts will not achieve the climate objective nor global reductions of emissions: The effects of further efforts will be unclear
- A sale would strengthen the government budget. The Riksdag have not been given an opportunity to decide on how to handle about SEK 7 – 9 billion (approximately EUR 600–700 million)

Government

Recommendations

- Report to the Riksdag on Sweden's total national holdings of emission rights and on their estimated value
- Present to the Riksdag a proposal for a decision on the handling of the future surplus of emission rights
- Account for overall information to the general public

Impact

- Information about the future surplus in the Central Government Report 2009
- Announcement in the Riksdag (parliament)
- The Swedish Society for Nature Conservation – article before the Swedish election

Government

Recommendations

- Regulate – Who is the holder of the central-government sector's accounts?
- Ensure that the Energy Agency promotes the national climate objective by reporting to the Government and the Environmental Objectives Council

Impact

- Committee report calls for this to be decided by the government
- Experience from the ongoing audit on Clean Development Mechanism, indicates a change of attitude

The Environment Protection Agency

Recommendations

Impact

The EPA should inform the general public about:

- | | |
|--|-----------|
| ■ Sweden's total national holdings | ■ Not yet |
| ■ Future surplus relative to Sweden's official emission forecasts | ■ Not yet |
| ■ How different courses of action as regards the handling of that surplus will affect compliance with the national objective of Reduced Climate Impact and with its emission target for 2012 | ■ Not yet |

Recommendations

Impact

The Energy Agency should :

- Develop reporting so that it covers Sweden's total national holdings of the entire range of emission rights
- Not yet

Success factors

- Brought new information on the table
- Timing of the audit – close to the climate meeting in Copenhagen
- Close contacts with former colleagues at the Committee on Environment and Agriculture
- Involved both the Committee on Finance and the Committee on Environment and Agriculture