

Innovation programs for industry in Sweden

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Program for Energy Efficiency (PFE)

- Objective: Increase energy efficiency in energy intensive industries.
- Energy intensive:
 - Costs for energy products and electricity total at least 3% of company's total revenue and/or;
 - Energy, carbon and sulfur taxes on energy products and electricity used total 0.5% of value added

Note: Future of PFE is uncertain after 2014

No more applications accepted for the program.

PFE – Program Offerings

- Tax exemption on electricity consumption for energy-intensive companies in manufacturing industry
- Resources, technical assistance and training from Swedish Energy Agency and associated experts
- Networking and workshops with other program participants

PFE - Requirements

- Certification for a standardized energy management system
- Energy efficiency screening procedures for purchasing of high-consumption electrical equipment
- Energy audit listing energy efficiency opportunities
- Implementation of potential measures identified
- 5 years participation and reporting (2 years, 5 years)

PFE - Results

- Over 100 participating companies from sectors including:
 - Paper and pulp production
 - Glass production
 - Chemicals
 - Iron and steel production
- Over 1.45 TWh of energy saved (2012)
- Increased interest for energy efficiency measures in investment decisions

Strategic Innovation Areas

- Newly launched program
- Areas defined by the Swedish Government after consultation with business, academia and public service:
- Areas include:
 - Mining and metals extraction
 - Industrial processes and automation
 - Biomass-based materials, products and services

Strategic Innovation Areas

- Approximately 500 miljon SEK per year in funding (54.5 million Euro)
- Applications for funding can be made by the private sector, research institutes
- Coordinated by public agencies, business groups and research institutes

Experiences and reflections with innovation programs

- Industry-driven decision making supported by public agencies
 - Identifying opportunities and potential measures
 - Reporting and follow up
 - Long-term investment decisions
- Interaction with state aid rules, Energy Tax Directive, NER300
- Innovation as a part of broader debate on competitiveness