



Prospects for a common green certificate market in Norway and Sweden

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Workshop on 'National or international systems for White Certificates – What can we learn from Tradeable Green Certificates?'

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Outline

- Why international certificate market?
- Political challenges
- Has to make international trade work
- The Swedish-Norwegian case



Gains from international trade

- Cost-efficiency (lower system-cost)
- Market efficiency (liquidity, competition, etc.)
- Reduced risk (political, market, weather etc.)



Challenges when expanding the market

- National production goals vs. consumption goals
- Environmental value / political credit
- Burden sharing – how to set “fair” quotas
- Stable and predictable investment conditions (certificate prices)



Minimum design criteria

- Ambitious targets or quota
- Long term targets
- Sufficiently high penalties
- Policy stability - commitment
- Remove non-economic barriers
- Ensure sufficient market size
- Simple system
- Promote broad RE portfolio

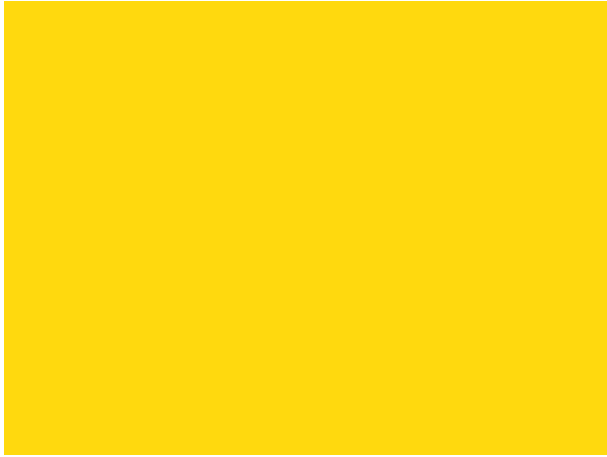


Prospects for a common green certificate market in Norway and Sweden

- Planned to start 1. Jan 2007
- Commitment from both governments

- Outline of the joint market - summer 2005
- Government bill – end of 2005
- Decision in parliament – spring 2006

- Norway?



Thanks !

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