

CO₂ tax in agriculture and negative emissions

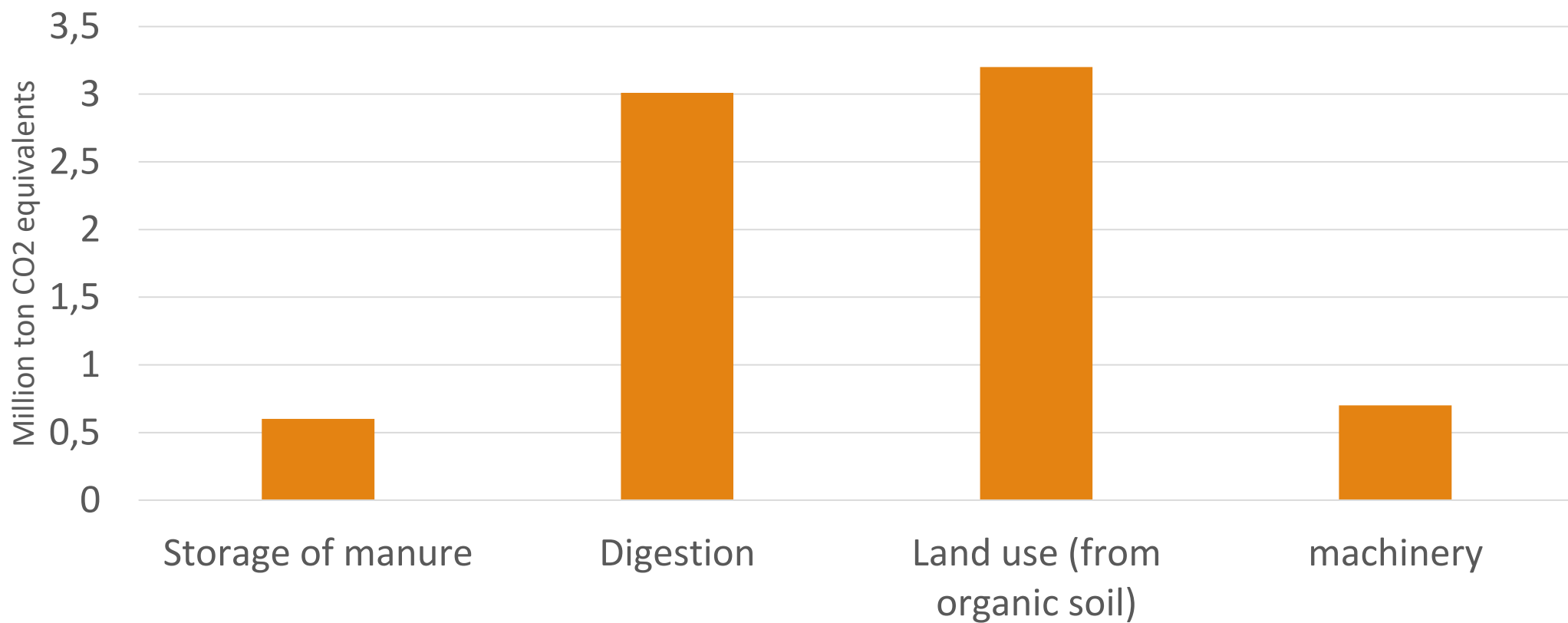
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Agriculture and the CO₂ tax, some basic facts

- Approximately 3 million ha agricultural land in Sweden and 65 000 farmers
- Value added 1.45 billion Euro in 2018 (0.3 % of GDP)
- Total emissions of CO₂eq. 6.79 million ton in 2018 (13 % of total emission in Sweden)

Allocation of CO₂ equivalent emission from agriculture in 2018



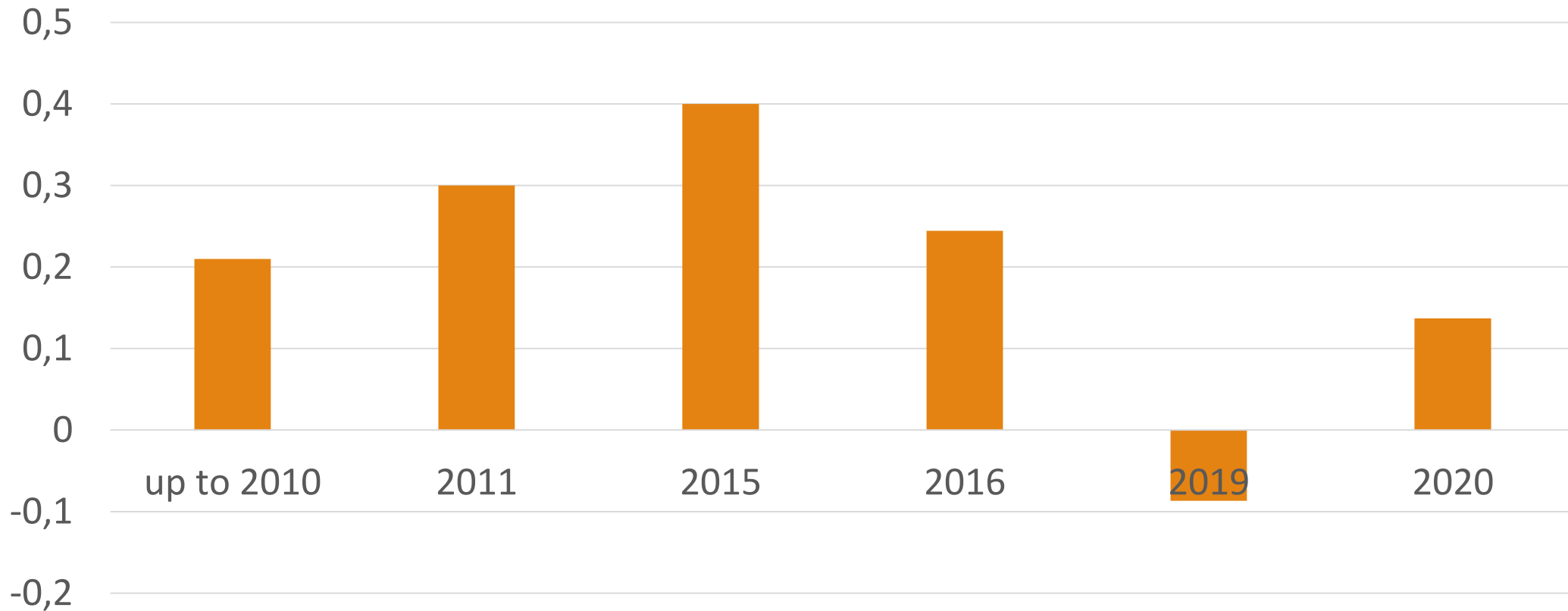


Costs of fuel with and without CO2 tax in 2018

	No tax	Full tax payment	Current payment, 24 % of the tax
% of total variable cost	4-12	6-17	5-14



Share of payment of the CO2 tax in agriculture in different years



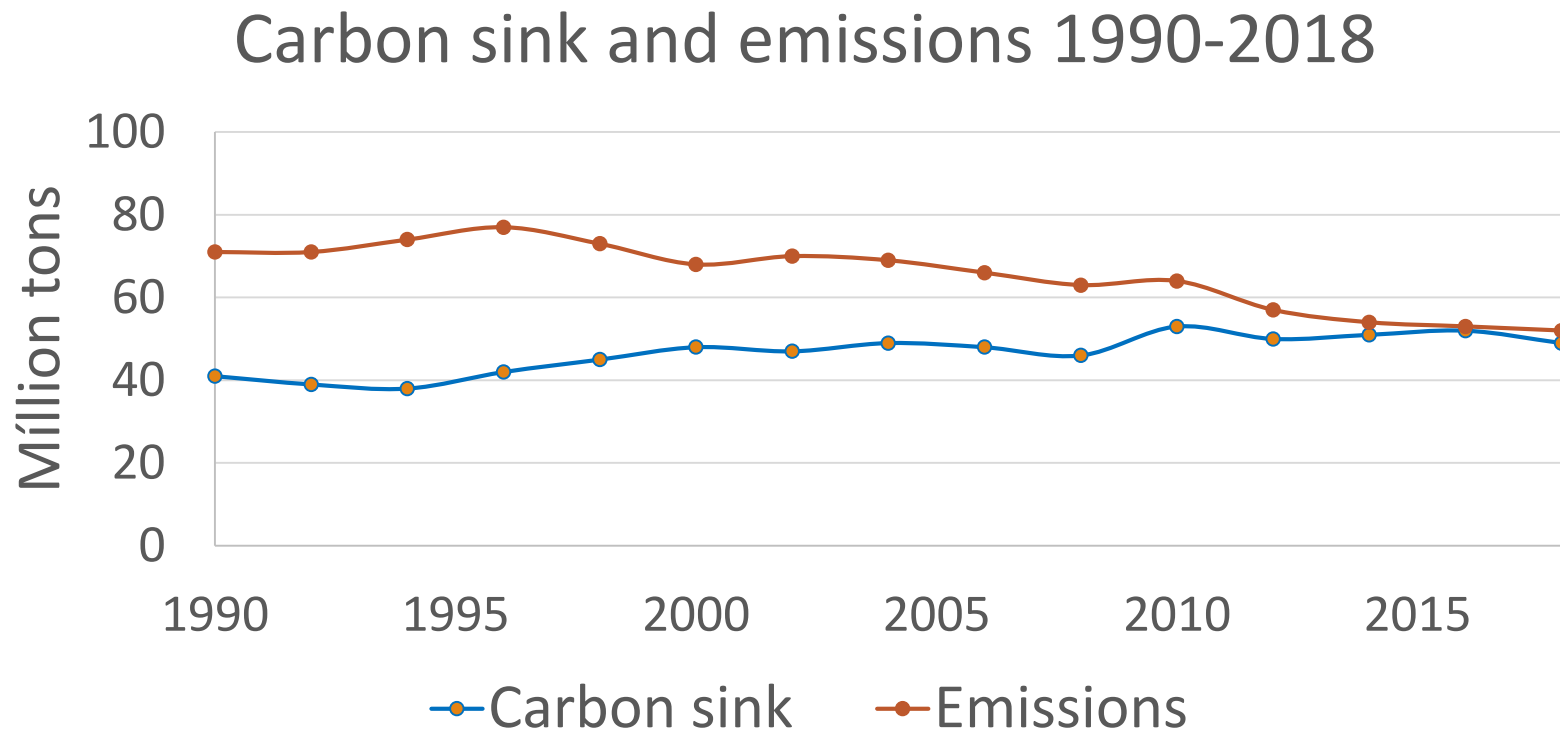


Other climate related economic incentives in agriculture

Area unit payment for :

- grassland and pasture
- wetland construction
- cultivation of catch crops
- subsidies for switch from fossil fuels to bioenergy in stationary machinery

Negative emissions





Suggested increases in negative emissions from a Swedish state public report in 2020 (at http://data.riksdagen.se/dokument/H8B34#page_69)

	2030, mill ton CO ₂ eq.	2045, mill ton CO ₂ eq.
Forest and agriculture	1.2.	2.7
Bio-CCS (carbon capture for bioenergy plants)	1.8	3-10
Total	3.0	5.7-10



Suggested measures and policy instruments for negative emissions

Forest and agriculture: restoration of drained peatland,

cultivation of catch crops, energy forest, and agroforestry

. Cost based payments from current programs

Bio-CCS: Cost based payments with reversed auctions

(Payment per unit carbon capture)