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Sweden scraps solar tax

EU ProSun: Strong signal for more solar power in Europe

The Swedish government has announced that it will abolish taxes on solar electricity. The Swedish about-face on the solar energy tax, which was introduced in 2015, demonstrates that the country is back on track to become one of the world's first fossil-free countries.

In a move applauded by EU ProSun, the Swedish government announced that the solar tax rate would be reduced by ninety-eight percent in the first instance, with a complete abolishment of the 'solar tax' to be introduced in accordance with technical protocols.

EU ProSun welcomed the Swedish government announcement saying it set an important precedent for the switch to renewable energies. "This is a good step towards stimulating the solar market," said Milan Nitzschke, President of EU ProSun.

"The Swedish government has taken a logical approach to achieving its objective to switch power supplies to renewable energies by 2040. Fiscal hurdles or additional levies create barriers for investments in renewable energies. Other European member states should take close note and follow the Swedish example," Nitzschke added.

The Swedish government announcement comes at a time when several European member states have initiated plans for greater fiscal and legal barriers to solar energy. Countries such as Germany, Italy and France are lagging badly behind in meeting installation targets, a trend that has been evident for the last few years. This threatens to undermine the viability of EU renewable energy targets as well as climate change goals defined in the Paris Agreement.

In view of the upcoming submission of the so called, "winter-package," by the European Commission, Nitzschke stated, "Instead of cutting the existing Renewable Energy Directive or even debating its abolition, the European Commission must present an ambitious guideline on 30 November, for both installation targets and instruments."

"The priority dispatch for renewable energies should not be infringed. If the European Commission takes the transition of energy supply seriously and the idea of an energy union, the draft directives for renewable energies, energy efficiency and market design have to be reshaped drastically," Mr Nitzschke concluded.