

Analysavdelningen  
Enheten för miljöanalys

## Production plant decision

### Background

The current excise duty legislation in Sweden allows enterprises to be granted tax exception for biofuels that fulfil the European sustainability criteria<sup>1</sup>. This support system is considered a state aid by the European commission and Sweden has received approval for state aid from the European commission until 2018. The new guidelines for state aid for environmental protection and energy<sup>2</sup> need to be fulfilled according to the approval. Specifically the guideline (113) states that food based biofuel plants may only be granted operating aid if the plant was in operation before 31 December 2013 and that the plant is not fully depreciated.

To ensure that this guideline is fulfilled the Swedish law on sustainability has been amended to also accommodate the criteria for production plants. In practice, this means that enterprises need to apply for a “Production plant decision” to be granted tax exception for biofuels.

### Production plant decision

To be eligible for a Production plant decision, an enterprise needs to have a control system in place that ensures all tax excepted volumes of biofuel:

- Are not food based, or
- Are food-based, but have been produced in plants that were in operation before 31 December 2013 and are not fully depreciated

In the latter case a certificate from an independent auditor stating that the criteria are fulfilled is necessary. If biofuels are sourced from more than one production plant a separate certificate is necessary for each plant. The certificate should reflect the conditions for the previous calendar year; hence a new certificate needs to be provided on an annual basis.

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<sup>1</sup> [Directive 2009/28/EC, Article 17](#)

<sup>2</sup> [Communication 2014/C](#)