

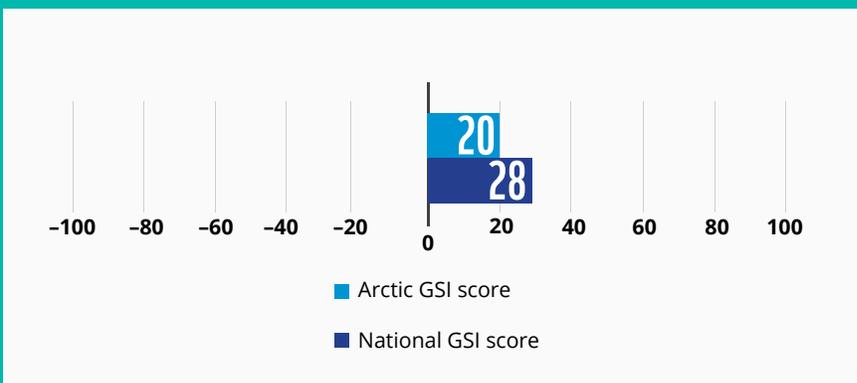


LEFT OUT IN THE COLD: SWEDEN

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Sweden's fiscal COVID-19 stimulus packages prioritize a green transition, with many of the policies directly impacting the Arctic region. The national measures that will have the highest impact in the Arctic are funds to support tourism, restore wetlands and revitalize nature in areas like sustainable forestry.ⁱ

SWEDEN NATIONAL AND ARCTIC GSI SCORESⁱⁱⁱ



Greenness of Stimulus (GSI) scores^{iv} indicate countries' net impacts on climate and the environment due to COVID-19 stimulus measures.^v



**SEK587B
(US\$ 64.6B)**

TOTAL VALUE OF
NATIONAL STIMULUSⁱⁱ



12%
NATIONAL STIMULUS
VALUE AS % OF GDP



7%
QUANTIFIED NATIONAL GREEN
STIMULUS AS % OF TOTAL

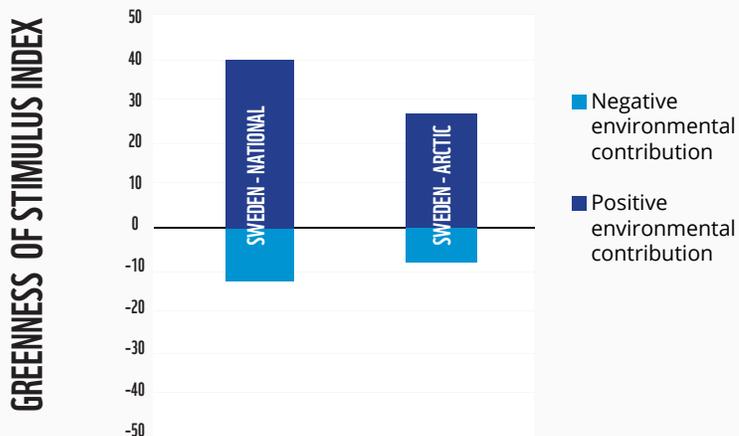


0.15%
QUANTIFIED ARCTIC GREEN
STIMULUS AS % OF TOTAL

GREEN STIMULUS IN SWEDEN:

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Figure 1: Positive and negative impacts of stimulus packages



Sweden’s Greenness of Stimulus Index (GSI) scores are driven by an airline sector bailout with green strings attached,^{vi} green infrastructure investments, sector transition initiatives and a relatively high baseline score.^{vii} Because not all of its environmentally positive policies apply to the Arctic, its Arctic GSI score is slightly lower.

- Sweden’s fiscal stimulus packages^{viii} emphasize that “a green transition forms the basis of the recovery after the crisis.”^{ix} Its recovery measures invest in “climate neutral and non-toxic circular solution throughout the country [to] lay the foundation for new jobs and strengthen competitiveness.”^x
- The government’s Bill 2020/21^{xi} reinforces Sweden’s commitment to a green transition by providing just over US\$1.95 billion to support green investments and renovations, nature conservation and protection, and a sustainable recovery.^{xii}
- Sweden will restore drained wetlands from 2021 to 2023 to decrease the release of greenhouse gas emissions at a cost of US\$80 million, much of which will likely be spent in the North. This will increase biodiversity and create green jobs.
- Sweden provided support for its Saami communities and reindeer herders by easing border and quarantine restrictions.^{xiii}

- In partnership with the Swedish government, Luleå University, SSAB (a steel producer), LKAB (a mining company in Arctic Sweden) and Vattenfall (an energy company) are working toward decarbonizing the steel industry. Sweden’s financial support for the development of hydrogen breakthrough ironmaking technology (HYBRIT) aims to replace coal with fossil-free electricity and hydrogen and create the world’s first fossil-free steel-making technology.^{xiv}
- The new Swedish Arctic Strategy outlines the country’s commitment to conserving biodiversity in the Arctic and includes long-term plans for a network of protected areas connected by green infrastructure. It commits to striving for sustainable commerce, development and investment, building on Sweden’s export-investment and circular economy strategies.

Figure 2 shows the stimulus measures announced in Sweden (both environmentally positive and negative) and the sectors into which the money will flow.

Figure 2: Policy measures announced in Sweden, split by environmentally relevant sectors

	POLICY MEASURE	AGRICULTURE & LAND USE	ENERGY	INDUSTRY	TRANSPORT	WASTE
POSITIVE	Bailouts with green strings attached	-	-	-	✓❄️	-
	Green infrastructure investments	✓	✓❄️	✓❄️	✓	-
	Green R&D subsidies	-	✓❄️	-	✓	-
	Subsidies or tax reductions for green products	N/A	✓❄️	-	✓❄️	-
	Nature-based solutions	✓❄️	N/A	N/A	N/A	N/A
	Conservation and wildlife protection programmes	✓❄️	N/A	N/A	N/A	N/A
NEGATIVE	Subsidies for environmentally harmful activities	-	-	-	-	-
	Environmentally harmful infrastructure investments	-	-	-	-	-
	Deregulation of environmental standards	-	-	-	-	-
	Environmentally related bailouts without green strings	✗❄️	-	-	✗❄️	-
	Subsidies or tax reductions for environmentally harmful products	-	-	✗❄️	-	-

Note: The ❄️ indicates policies that are expected to have an impact on the Arctic.



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GREEN JOBS IN SWEDEN

Sweden’s stimulus measures prioritize green job creation by relaunching the green jobs initiative and making investments to match unemployed people to green industries. The number of jobs set out in this profile includes those created by quantified stimulus measures.

- Funding to conserve and restore nature offers the greatest potential to create jobs over both the short and long terms. Investments to match unemployed people with green industries in agriculture and land use—as well as measures to encourage energy efficiency, promote a circular economy and renovate multi-dwelling buildings and outdoor environments—are also expected to create green jobs in the Arctic.
- We did not include support for wetland restoration (expected to have the greatest short-term impact on green job creation in northern Sweden^{xv}), resources for green close-to-nature jobs, or measures to halt species extinction and protect valuable natural habitats in our calculation of the total number of potential green jobs in the Arctic because Sweden had not yet allocated funds to these.
- The policy measures that have the greatest potential to create more green jobs in the Arctic are green transportation infrastructure investments and industry bailouts with green strings attached.

 **1,093 TO 1,184**
NUMBER OF GREEN JOBS
IN THE ARCTIC THAT
CURRENT STIMULUS
MEASURES MAY CREATE

Figure 3 shows the applicable green policy measures per sector in Sweden and sets out their job creation potential as well as the country’s performance on three other criteria: the extent to which funding is shovel-ready (i.e., its timeliness); the potential for long-term economic transformation; and the extent to which the measure is likely to remain viable if stimulus funding is curtailed (i.e., transitionality)

Figure 3: Applicable policy measures per sector in Sweden and the extent to which they fulfil the criteria

	Applicable green policy measures	Job creation potential – in number of jobs per US\$1million	Timeliness – the extent to which funding is shovel-ready	Potential for long-term economic transformation	Transitionality – the extent to which the measure remains viable if stimulus funding is curtailed
AGRICULTURE AND LAND USE	Green infrastructure investments	5 to 20	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>
	Nature-based solutions*	7 to 40	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Conservation and wildlife protection programmes	0 to 10	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
ENERGY	Green infrastructure investments	5 to 10	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>
	Subsidies or tax reductions for green products	6 to 14	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
INDUSTRY	Green infrastructure investments	10 to 15	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
TRANSPORT	Bailouts with green strings attached	20+	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Green R&D subsidies	5 to 20	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Note: Only the policy measures that apply to Sweden are displayed here.

*Sweden’s relaunch of its green jobs initiative is expected to create 608 jobs (36.8 jobs per US\$1 million).^{xvi}

A full overview of the report’s findings, methodology and additional country profiles can be viewed online [here](#).

Endnotes:

- i Stakeholder interviews.
- ii This report uses an exchange rate of 1 SEK to 0.11 US\$.
- iii For more information on the definition of “Arctic” and the underlying methodology for this work, please see the Methodology.
- iv The Greenness of Stimulus Index (GSI) is constructed by combining the flow of stimulus into five key sectors (agriculture and land use, energy, industry, waste and transport) with an indicator of each sector’s environmental impact; this impact captures both historical trends and specific measures taken under the country’s stimulus.
- v Greenness of Stimulus Index (2020). https://www.vivideconomics.com/wp-content/uploads/2020/09/GSI_924.pdf
- vi Government of Sweden (2020). <https://www.government.se/press-releases/2020/06/authorisation-to-take-part-in-the-recapitalisation-of-sas-ab/>
- vii Key indicators used for the construction of baseline performance are the [Climate Action Tracker](#), the [Environmental Performance Index](#) and the [Germanwatch Climate Change Performance Index](#).
- viii IMF Policy Tracker (2020). <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#S>
- ix Government of Sweden (2020). <https://www.government.se/press-releases/2020/09/green-recovery-will-lift-sweden-out-of-dual-crisis/>
- x Government of Sweden (2020). <https://www.government.se/press-releases/2020/09/green-recovery-will-lift-sweden-out-of-dual-crisis/>
- xi Government of Sweden (2020). <https://www.regeringskansliet.se/4a6ec6/contentassets/bcof4b1a4ce844f2aa59949d09c93f29/hela-bp21-som-pdf.pdf>
- xii Government of Sweden (2020). <https://www.government.se/4a72a5/globalassets/government/dokument/finansdepartementet/pdf/bp-2021/reforms-in-the-budget-bill-for-2021.pdf>
- xiii Arctic Council (2020). <https://arctic-council.org/en/news/the-impact-of-covid-19-on-saami-communities/>
- xiv SSAB (2020). <https://www.ssab.com/company/sustainability/sustainable-operations/hybrit>; The Barents Observer (2020). <https://thebarentsobserver.com/en/climate-crisis/2020/09/worlds-first-fossil-free-steel-plant-starts-operation-northern-sweden>
- xv Stakeholder interview.
- xvi Government of Sweden (2020). <https://www.government.se/press-releases/2020/07/green-jobs-for-nature-across-the-country/>



Working to sustain the natural world for the benefit of people and wildlife.

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