

## PRESS RELEASE

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### Flexible emission fees give hope for carbon-free future.

New Nordic Council of Ministers' report studying the Foundation's flexible fee mechanism concludes that market forces could be harnessed to drive sustainability.

Flexible emission fees, one of the instruments promoted by the Foundation as a practical route to the emission-free society, have been the focus of a recent investigation by the Nordic Council of Ministers.

The report, "Flexible emission fees: an incentive for driving pollution reduction and sustainable production and consumption", released recently, investigates the possibilities of increasing emissions fees until market forces respond with non-polluting alternatives.

The report concludes that the Foundation's concept of increasing fees until the market responds, and of redistributing some or all of the fees levied back to consumers, may well stimulate market forces to respond by seizing the opportunity to supply relatively cheaper, non-polluting goods and services whilst older, more polluting services retain financial stability in the phase-out period.

The report states:

*On reviewing the workshop and literature material, the project group concludes that there is sufficient interest to move forward with Flexible Emissions Fees, deepening academic knowledge and gaining more understanding from further discussions and prototyping.*

The investigation was commissioned by the Nordic Council's Working Group on Sustainable Consumption and Production (HKP) and carried out by the Royal Institute of Technology (KTH) together with the Swedish Sustainable Economy Foundation.

Speaking last year at a workshop arranged within the frame of the project, Karl-Henrik Robért, founder of the Natural Step, said:  
*- flexible fees offers an elegant pragmatic means for policy-making to support strategic sustainable development.*

Flexible fees are one of the mechanisms proposed by inventor Anders Höglund that applies the control engineering approach, widely used in advanced engineering, to the economy.

#### For more information:

- WEB: website <http://tssef.se> Project information page: <http://tssef.se/?p=270>
- Article with link to the report <http://tssef.se/?p=367>
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*The Swedish Sustainable Economy Foundation, established in 1995, develops and promotes systemic approaches and solutions to the challenge of developing society in a sustainable way. The Mission of the Foundation is to promote the development of the preconditions of sustainability - clean air and water - through the application of financial instruments at national level and the spread of macroeconomic systemic solutions. The Foundation takes a non-political, holistic approach to promoting these solutions through research and development, education, spread of information and various cooperation projects, including humanitarian initiatives.*