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The Swedish 2030-secretariat review of the regulation on the deployment of alternative fuels infrastructure

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Please note that the general comments of the Swedish 2030-secretariat's comments on the Fit for 55 Package are to be seen as an introduction to the detailed comments on this regulation. We need to see the full picture to comment on individual proposals.

The first four pages will be a general comment on the total Fit for 55 Package.

Nedan följer 2030-sekretariatets kommentarer på enskilda förslag till ändringar i direktiv, förordningar med mera som är del av EUs Fit for 55 paket.

2030-sekretariatet fokuserar på de förslag som har en direkt påverkan på transportsektorn. Här utgår vi från de svenska 2030 målet, och eftersom de beslut som tas i EU skall införas i svensk rätt är de av avgörande betydelse.

Vi kommer att frånga gängse remiss struktur, och inleda alla enskilda remisskommentarer med en gemensam del, dessutom allt på engelska. Skälet till den gemensamma övergripande strukturen att EUs Fit for 55 paket måste ses som en helhet, och där olika förslag delvis motverkar varandra. Det är även viktigt att se till helheten när de olika delarna kommenteras, inte minst i skuggan av Sveriges betydligt mer ambitiösa klimatkrav för transportsektorn. Vi skriver på engelska för att EU kommissionen har samtliga förslag på konsultation, och att samma kommentarer kan användas.

The Fit for 55 package is the most comprehensive environmental review in the history of the European Union. The Climate law increased the ambitions, and now more than 13 directives and regulations are amended, revised, or presented as new directives.

We comment on each of the transport connected proposals below, but first some general points for the overall package.

1. The ambitions for the transport sector are far too low and not ambitious enough to contribute to the targets of the Paris agreement or to put the EU on track for reaching the 2050 net zero target. The ambition to decrease greenhouse gas emissions (GHG) by 13% by 2030 is the same as allowing 87% of fossil carbon dioxide emissions to continue to pollute the atmosphere. In a decade where the climate

target of many industries often is more ambitious, and countries like Finland, Sweden and the UK go far beyond, it is not acceptable that the commission takes this passive position. The recent IPCC [Working Group I contribution to Sixth Assessment Report](#) and the IEA [Net Zero by 2050](#) clearly outlines the need to start now, and use all available low carbon technologies.

2. It is good that GHG reduction targets are introduced as a rule, as this is a fundament for a technologically neutral approach. However, the commission is not applying the same way to determined emissions across the board. In some directives, like the FuelEU Maritime directive, the concept of Well-to-Wake is introduced. It is a life cycle approach that incorporates all aspects of fuel/ energy production and combines it with the efficiency of the vessel/vehicle. The Commission must, to allow for prioritization of the most cost-effective way to transition to a net Zero society, allow for life cycle reviews of all forms of energy for transport.
3. The CO2 targets for vehicles and trucks have been instrumental in incentivizing the vehicle industry to decrease emissions. However, the CO2 measurements are done with a tailpipe approach, not considering the life cycle of the fuels, nor the vehicle power train. Electric vehicles are given a zero-emission status, when the fossil fuel content of producing the electricity determines climate impact. Likewise, biofuels are not given any advantages, despite GHG reduction of up to 90%. Indeed, with biogas made from manure, the GHG savings are higher than 100% due to the avoided methane leaking from the manure.
4. It is good that there are up to date requirements of electricity provided for electric vehicles, and to produce renewable fuels of non-biological origin (RFNBO). We need similar requirements for all types of energy, i.e., a threshold for when the type of energy is deemed sustainable, and a GHG reduction factor to be used when calculating the benefit of the type of energy. By doing that for all fuels, we have a level playing field, and society can prioritize.
5. We are strongly in favour of basing the taxation of energy for transport on the energy content rather than volume. We are also supportive of phasing in taxation for maritime and aviation fuels. Again, it creates a level playing field. The reduction quotas suggested for these latter fuels are interesting and will give industry a long-term direction. We do however note that the ambitious targets are set post 2030 – why not directly?
6. Cohesion is key. The many suggested revisions and amendments span over a huge area of transport related initiatives. It is crucial that the initiatives are connected through similar determinations of GHG reductions, and through similar approaches to types of energy. This is not the case. The “newer” directives, for instance maritime and Aviation, contain some novel approaches, but they are often negated through antiquated approaches from older directives.
7. The Aviation and Maritime directives represent new thinking in challenging sectors. We note that the Commission still is determined to censor the largest supply of biofuels on the market, despite sometimes 80-90% GHG reduction potential. We are however encouraged by the introduction of a Well-to-Wake approach for emissions from energy supplied to shipping. We also note the quota for biofuels in the aviation sector. We do however recommend a GHG reductions quota rather than a volume based on a sustainable aviation fuel (SAF) quota.

The Fit for 55 package consists of:

Proposal	Pro's	Con's
Revision of the renewable energy directive	Good with GHG target focus Demands on renewable electricity Union database	Too low ambition. Biased evaluation of energy sources. Different demands on different fuels based on terminology, not GHG reduction.
Revision of the energy tax directive	Much needed revision of the 2003 directive. Will be hard to pass as it needs consensus. Good suggestions on taxation based on energy content.	Still not a fully technological approach – should build on GHG reduction (life cycle). Fails to incentivize faster GHG reduction that set out in RED.
Revision of the directive on the deployment of alternative fuels infrastructure	Very important directive. Important requirements of transparency. Good structure on progress reports.	Misses focus on biofuels, the most prominent source of fossil carbon reduction in place today. By 2030, 90% of vehicles on the roads will be combustion engine – will need biofuels.
Amendment of the regulation setting CO2 emission standards for cars and vans	Has been important and has proven effective. We strongly support continued sharpened requirements, but from a well-to-wheels basis.	Zero emission vehicles do not scientifically exist. The measurement of CO2 needs to be revised to allow a technologically neutral approach.
ReFuelEU Aviation for sustainable aviation fuels	Very interesting proposal, good with a Europe wide reduction quota.	Again, arbitrary method used to censor some energy sources with high GHG reduction. Quota should be set by GHG reduction level. Need to be more ambitious. Strange to disqualify crop based fuels.
FuelEU Maritime for a green European maritime space	Interesting proposal that introduces a Well-to-Wake approach, a life cycle assessment of fuels and vessels. Good GHG related target.	Strange limitations of most biofuels on the market. Late and low introduction of GHG reduction targets. Strange to disqualify crop based fuels.
A carbon border adjustment mechanism	Important, but of less direct importance to transport. Important to counter the high emission of CO2 by using polluting technologies in other countries.	
Revision of the EU emissions trading system (EU ETS), including its extension to shipping, revision of the rules for aviation emissions and establishing a separate Emission Trading System for road transport and buildings	Good to keep transport in the burden sharing.	
Recast of the energy efficiency directive	Important, of less direct importance to transport.	
A social climate fund	Naturally important as there is a risk of negative reactions as the	

	cheaper fossil fuels are replaced. However, the fossil fuels come with a great negative impact on society through climate impact.	
Revision of the effort sharing regulation on member states' reduction targets in sectors outside the EU ETS	Important that transport remains, as it will force the member states to set national requirements higher than RED.	
Revision of the regulation on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry (LULUCF)	Important, of less direct importance to transport. However, the proposal risk to limit raw material to be used for energy for the transport sector.	
EU forest strategy	Important, of less direct importance to transport. However, the proposal risk to limit raw material to be used for energy for the transport sector.	

Review of the regulation on the deployment of alternative fuels infrastructure

The alternative fuels infrastructure directive (AFID) was approved in 2014 and has been surpassed by technological development. The proposal is a much-needed revision, and we support that it takes the form of a regulation. There is a need of a uniform infrastructure development over all member states.

It starts off well. In point 5 it is stated: *Therefore, all modes of transport should be addressed in one instrument which should take into account a variety of alternative fuels.... The use of fossil gaseous or liquid fuels is only possible if it is clearly embedded into a clear decarbonisation pathway that is in line with the long-term objective of climate neutrality in the Union, requiring increasing blending with or replacement by renewable fuels such as bio-methane, advanced biofuels or renewable and low-carbon synthetic gaseous and liquid fuels.*

So far so good, but the Regulation continues by stating that liquid biofuels could be supplied through the same station networks, and thus need no focus in the regulation.

We maintain that the regulation should focus on facilitating the role out of fuels and energy sources with low GHG emissions, rather than specific technologies. Alcohols (E85, ED95 or methanol) need adapted distribution and should be specified in the regulation. RME100 and HVO 100 could use similar but separate infrastructure and should be specified in the regulation. New fuels like RFNBO would need a similar specification.

The regulation is well written in many parts, with this notable exception. It mirrors the Commission arbitrary bias to electrification for road transport, when GHG reduction should be the target. This does not mean that electrification is not a good technology. If the electricity is renewable with low GHG impact, it could well be a winner for light vehicles. But it will take until 2035-2040 before electrification dominates the vehicle fleet. Until then we need technologically neutral requirements with stringent GHG thresholds.

As the regulation has become focused on electrification, hydrogen and biogas, we comment on the suggestions for these potentially strong candidates for decarbonization. But we need to be reminded that the reality on the roads is different wishful thinking, or future scenarios. By 2030, 90 percent of the vehicles on the European roads will be combustion engine vehicles. The regulation needs to focus on most of the current vehicle fleet, not fifteen years from now.

Article 2 defines the terms. We do not support the term zero emission vehicle, as they do not exist from a scientific point of view. All vehicles have emissions based on the carbon contents of manufacturing or depending on the source of energy. The cleanest fuel is probably biogas made from manure, as it decreases methane emissions. This example shows that we can not deal lightly with definitions, and we need a system that incentivises the fuels with the highest GHG reduction.

Article 3 outlines the targets for electric recharging infrastructure for light vehicles. While we support national targets, it is probably better to set them as energy supply (as in article 3.1.a) of the transport sector and allow the market and the technological development determine the suitable power output. The detailed demands could be specified for financial incentives that could be more readily adapted to developments than a regulation that will become legislation by 2023.

The same goes for heavy vehicles in article 4. Setting in a regulation that: *by 31 December 2030, in each safe and secure parking area at least one recharging station dedicated to heavy-duty vehicles with a power output of at least 100 kW is installed.* If electrification rolls out fast for heavy vehicles, the market demand will be much higher than one recharging station. This is bound to lead to conflicts. AFID of 2014 made the mistake to define fast charging as charging at more than 22KW. Today we are talking about 300-600 kW charging.

Article 5 details demands on providers. This is a crucial part of the regulation. Providers need long term direction and transparency, and while the AFID of 2014 demanded roaming, it never happened. We strongly support the demands for transparency and see the need for common demands for member states. Naturally, non-EU members should be included in this dialogue. We note that the calls for a common database does not require IT security at the highest level. We assume that this will be a natural requirement as competitors' data will mix.

Hydrogen could play an important role for primarily heavy vehicles.

The demands for hydrogen fuelling stations should be similar as those for electric charging to allow for smooth transition between fuels for, for instance, a transport provider with differently fuelled vehicles. Many companies with transport vehicle fleets choose a combination of technologies when procuring transport and transport vehicles, and they will need a strategic combination determined of availability of technology, where transports are based geographically and what is suitable for the company in question.

We also note that 700 bar gaseous hydrogen is mandated. It would make sense to also specify 300 bar nozzles.

In article 8 LNG is discussed. Again, set the same demands on infrastructure as for electricity and hydrogen when it comes to accessibility and transparency. Most importantly, set requirements on the carbon content on the LNG/LBG. The target is to increase the share of bio-methane in the

mix, to incentivize bio methane production and use. We also firmly believe that there should be directions for a roll out of CBG and LBG infrastructure. The Regulation is all about creating a European network of charging/fuelling stations, history has shown that this is a question for the European level. The European Commission should not arbitrarily focus on just a few of the fuels.

In general, whenever alternative fuels are discussed, there should be a demand on GHG reduction of the fuels provided. It is not enough to secure shore side electricity if the electricity is produced from coal. It is not enough to demand hydrogen fuelling stations if the hydrogen is produced from natural gas. The same goes for all liquid biofuels, though GHG thresholds should be the entry point to be incentivized.

The national reports specified in article 13 should start with an assessment of the GHG reduction achieved through the network of alternative fuels and energy. We need GHG reduction in the short term as well as long term. The same should be the focus of the *Review of national policy frameworks and progress reports* specified in article 15. What are the actual GHG reduction achieved? We are aware that the GHG reporting is demanded in other directives, but it needs to be the focus of every progress report. To have achieved the roll out of infrastructure if no-one uses it, or if the alternative fuels is made from fossil fuels, does not help the climate.

Article 17 and 18 comments on user information. With the introduction of digital labelling, we strongly recommend that the article should be amended to include information on the carbon content of the energy provided, the raw materials used on average in the country in question (if real date cannot be found) and the country of origin of the raw material. The same should be included for fossil fuels, and for the many mixed fuels on the market.

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