

Fossil fuel free region 2030 – Region Kalmar county´s position on “fit for 55”

Region Kalmar County welcomes the fit for 55 packages, as our county has a target to be completely fossil fuel free by 2030.

Our regional development strategy builds on the following principles: Our work should contribute to less fossil CO2 emissions, more efficient use of energy and a growing business sector contributing to a sustainable development. The public sector should be a frontrunner for this development.

To reach our targets for 2030, investments have been made for a green transition of our society. Many of those investments and actions are connected to sustainable transport where the development of a biogas system has been a success. The actions taken have not only decreased the use of fossil resources, they have also created new markets and incomes for the bioeconomy sector. We see that many of our solutions can be deployed by others and contribute to reaching the EU CO2-emmission targets for 2030 to 2050.

However, we are worried that some aspects of the fit-for-55 proposals are formulated in a way that they risk hindering rather than supporting the green transition and the possibility to reach EU’s climate targets.

Our general positions

- All technologies are needed in the green transition, and it is important not to promote one solution over another. This may hinder innovation and the development of solutions we do not yet know of. We see a great potential for electricity and hydrogen, but we need more alternatives to be able to reach climate neutrality 2050.
- Lifecycle analysis combined with a holistic system approach must be the basis for assessing climate impact. Otherwise, we risk investing in solutions that have limited or short-term benefits, but that might have negative effects in other parts of the system or in a long-term perspective. Biogas for instance, has various societal, economic and ecological benefits in addition to its climate benefits while substituting fossil fuels. Producing biogas from residues is also a good possibility

to close nutrient loops of e.g. phosphorus and nitrogen. Manure produced as a biproduct creates additional income to farmers and can substitute artificial manure.

- Applying lifecycle perspective to transport sector, means that emissions must always be calculated based on *well to wheel*, and not *tank to wheel*. A vehicle using gas and fuels produced from biological residues is a better option than electrical vehicles using electricity from fossil resources.
- There must be a clear separation between renewable and fossil resources. As an example, we see too often that no difference is made between renewable biogas and fossil nature gas. Gas, just as electricity, is green if based on residues.
- We need to close the loop and create a circular energy system. Therefore, we cannot let resources go to waste. Residues from sustainable forestry and wood industry can be used as bioenergy and replace fossil energy. Fossil energy is setting free CO₂ that securely had been captured over thousands of years, while bioenergy is produced of material which is part of the natural carbon cycle. Regardless the use of biomass, we always have to carefully balance substitution of fossil energy, raising carbon sinks, and preserving biodiversity. Reliable lifecycle analysis and knowledge of the vulnerability of the affected ecosystems should always be the starting point.
- Europe is diverse and there are no “one size fits all” solutions. We have dense urban areas and sparsely populated and peripheral regions. It is important that we do not widen the gap between urban and rural areas further. It is therefore important to make infrastructure investments in all regions, as well as allowing for solutions better adapted to the geographical conditions. During the past decades, regions have worked hard to develop and invest in sustainable systems. Region Kalmar County has through political courage and commitment invested in developing a biogas market and other energy production from biomass residuals and serves as a good example to many other regions. If regional solutions are not recognised and promoted, we risk turning back to fossil alternatives again. On EU level, the focus should be on common targets, while regions and Member States should find the most appropriate ways for their territory to reach those targets.

Specific positions regarding Deployment of Alternative Fuels Infrastructure Regulation (AFIR) COM(2021)0559

- Europe is diverse and there is a need to build out alternative infrastructure in the whole society. We are therefore concerned that AFIR focuses on the TEN-T core network. This risks widening the gap between urban and rural areas. Furthermore, the preconditions for commercial investments in infrastructure for alternative fuels is better in densely populated areas than in more sparsely populated areas.
- We recognize and agree with that electricity and hydrogen are important parts of the green transition of the transport sector. However,

we see that the proposed directive put too much emphasis in those two alternative fuels. From a lifecycle perspective, biogas and sustainably produced biofuels must be recognised as part of the sustainable fuels.

- We are concerned about the definition of zero-emission vehicles, as such do not exist if calculated by well to wheel.
- In order for biogas to become commercially profitable, the whole market is needed. The regulation also risks creating uncertainty for investors that have already made major investments into biogas facilities and vehicles. Some of those are farmers where biogas is a possibility for business diversification and generate additional income. We see that the current proposal also misses including other biobased fuels that from a lifecycle perspective has a good climate performance.

Specific positions regarding CO2 emission standards for cars and vans regulation COM(2021)0556

- The definition of zero-emission vehicles is not correct as it is based on tailpipe calculation. To give a correct account of CO2 emission, a well to wheel approach must be applied.
- Gas, just as electricity, is part of the solution under the precondition that it is produced from residuals and renewable sources. It is crucial to differentiate between renewable and fossil resources in energy production.
- Even if the directive is not targeted towards heavy transport, it will have an effect also for this segment and for public transportation. In order for biogas to become commercially profitable, the whole market is needed. The regulation also risks creating uncertainty for investors that have already made major investments into biogas facilities and vehicles. Some of those are farmers where biogas is a possibility for business diversification and generate additional income. We see that the current proposal also misses including other biobased fuels that from a lifecycle perspective has a good climate performance.

Specific positions regarding Renewable energy directive COM(2021)0557

- Bioenergy is a good use of residues from sustainable forestry, wood industry, agriculture and food production.
- We see no need to further strengthen the sustainability criteria for energy from forest-based biomass. Furthermore, they have just been implemented in the member states and not been able to be evaluated yet.
- Regulation of cascade use can hinder investments, innovation, and resource efficiency by generating suboptimal value cycles. Cascading should only be used as a guiding principle. Cascading principle is naturally applied in practice without need for detailed regulation, as it is the most effective and economically viable way of use.
- The following three principles should be applied:
 - Main focus must be on not using fossil resources
 - Calculation of emissions must be based on life cycle analysis

- Energy efficient solutions are to be preferred

Based on these principles, some technologies might perform better than others and markets might favour those in the long term. To be able to find viable pathways to reach a climate neutral EU by 2050, we urge that the regulation do not favour one technology more than others. Main focus must be on not using fossil resources and the calculation of emissions has to be based on lifecycle analysis.

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