Anna Wallentin
Anna.wallentin@energigas.se
Tel: 070-260 77 26

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Energigas Sverige (Swedish Gas Association) answer on the vision of approval requirement rules (the General Block Exemption Regulation)

Energigas Sverige (The Swedish Gas Association), the business organisation for energy gases in Sweden, has taken part in the above proposal. We thank you for the opportunity to contribute comments and hereby present our opinion in accordance with the consultation about the targeted review of the vision of approval requirement rules (the General Block Exemption Regulation), published the 14 July 2025.

The Swedish Gas Association underlines the importance of the amendments to the GBER already implemented in recent years with the aim of reducing the administrative burden, accelerating the climate transition and strengthening Europe's competitiveness. Against this background, The Swedish Gas Association wishes to put forward the following comments.

General comments

It is of utmost importance that mass balance is accepted

All renewable or fossil gases uses the same infrastructure and distribution network - on grid or off grid, in gaseous form or liquid form. The possibility for co-distribution of fossil and renewable gases and allocation based on purchase agreements and proof of sustainability via a mass balance system is crucial for an effective gas market and for the transition of the user sectors to fossil free energy.

Fast and cost-effective transition from fossil gases to biomethane, bio-LPG, bio-DME, gaseous RFBNO or RCF as well as low carbon gases are crucial for reaching the climate goals. For this to happen it is of utmost importance that effective marked-based mass balancing rules is applied in all relevant legislations, including the state aid legislation such as the GBER. The Swedish Gas association consider it of utmost importance that when assessing whether aid for the promotion of energy from renewable sources or renewable hydrogen ((investment aid, operating aid or tax exemption)) may be granted, it shall be accepted that the fuel or energy carrier is deemed renewable in accordance with the mass balance principle, even where the actual fuel consists of a mixture of fossil and renewable components.

Biogas/biomethane offers solutions to several human long-term challenges: climate, soil fertility, clean water, and good air quality. Biomethane turns a waste problem into a resource. Scientific findings show that biomethane contributes, directly or indirectly, to every one of the 17 UN Sustainable Development Goals. Most technologies tend to solve one problem at a time. But biomethane is the decathlon winner who may not win every single discipline but performs excellent in all of them. This makes biomethane a particularly cost-effective solution in the transition to a sustainable society.

Bio-LPG is a cost-effective solution that is immediately available to decarbonise and lower pollutant emissions from off-grid heating in homes, local businesses and industries, transport etc. It is a gaseous fuel that contributes to clean air in Europe's countryside and cities. Bio-LPG is a renewable solution that can provide up to 80% emissions reduction compared to conventional LPG. However, these GHG savings are expected to increase when production processes will move towards further use of waste or cellulosic materials as feedstocks. So far, bio-LPG is available on the European market in small, but growing, quantities. Ahead low carbon LPG substitutes such as bio-DME or RFNBO/RCF will be available to the market. For bio-LPG (bio-propane) this is very important, both to determine the biomass share of the LPG output at the refineries, but also in the following distribution chain. The same is true for LNG/LBG distribution, which often is handled as mixed fuels.

Detailed comments

Article 2 Definitions

Article 2

The Swedish Gas Association considers that the list of definitions should be complemented with a definition of low-carbon hydrogen, low-carbon gas and low-carbon fuels. All three definitions should refer to the definition in Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC.

Article 2 point 102 c

Renewable hydrogen is defined in Article 102 c. In previous versions of the GBER, in the wording that applied until 1 July 2023, was that "'renewable hydrogen' means hydrogen produced through the electrolysis of water (in an electrolyser, powered by electricity stemming from renewable sources), or through the reforming of biogas or biochemical conversion of biomass, if in compliance with sustainability criteria set out in Article 29 of Directive (EU) 2018/2001 of the European Parliament and of the Council". In the directive currently in force, the wording has been changed to "'renewable hydrogen' means hydrogen produced from renewable energy in accordance with the methodologies set out for renewable liquid and gaseous transport fuels of non-biological origin in Directive (EU) 2018/2001 of the European Parliament and of the Council". The previous definition was more comprehensive, as it included not only hydrogen from electrolysis using renewable electricity, but also so-called biogenic hydrogen. Biogenic hydrogen is hydrogen produced through reforming of biogas or gasification of biomass. The Swedish Gas Association considers that the definition of renewable hydrogen should be amended to also include biogenic hydrogen. This could, for instance, be achieved by complementing the current definition with "…or through the reforming of biogas or biochemical conversion of biomass, if in compliance with sustainability criteria set out in Article 29 of Directive (EU) 2018/2001 of the European Parliament and of the Council".

Article 2 point 102 f

The current GBER definition of "clean vehicle" excludes gas-fuelled vehicles capable of running on biomethane (bio-CNG/bio-LNG), despite their proven commercial deployment in heavy-duty fleets. Evidence shows that biomethane can deliver substantial – and in some pathways even negative – GHG emissions reductions. With production expanding across Europe and private investment accelerating, biomethane represents a pragmatic near-term abatement solution for HDVs. To reflect this potential, GBER's definitions should be updated so that "clean vehicles" explicitly include vehicles certified to operate on sustainable biomethane.

Article 2 point 102 g (c)
The current GBER definition of a zero-emission heavy duty road vehicle is problematic as it excludes hydrogen-powered vehicles equipped with internal combustion engines. This exclusion is not consistent with existing EU CO_2 legislation (regulation (EU) 2019/1242), which explicitly defines a zero-emission heavy-duty vehicle as including a heavy-duty motor vehicle with an internal combustion engine that emits not more than 3 g CO_2/(tkm). The inconsistency arises because the GBER definition refers to Article 4, point (5), of Directive 2009/33/EC, rather than to Article 3, point (11), of Regulation (EU) 2019/1242. This reference should be corrected to ensure coherence with the EU's CO_2 standards. Such alignment is crucial: both AFIR and the CO_2 standards clearly highlight the important role of hydrogen vehicles in decarbonising road transport. This includes both fuel cell vehicles and internal combustion engine vehicles, with the latter expected to reach the market first. To enable their effective deployment, it must be possible to grant state aid for these vehicles under the GBER framework. To achieve this, the GBER should amend the definition of zero-emission vehicle for heavy-duty road vehicles so that it no longer refers to Directive 2009/33/EC but instead to Article 3, point (11), of Regulation (EU) 2019/1242.

Article 2 point 130
In article 2, point 130 'energy infrastructure' is defined. The Swedish Gas Association considers it essential that energy infrastructure for gas (gas (natural gas, biogas- including biomethane – and/or renewable gas of non-biological origin) and hydrogen should not be confined exclusively to pipelines for the distribution and transmission of gas. In Sweden, as well as in other Member States lacking a fully developed gas grid throughout their territory, gas is to a significant extent distributed in liquefied form via infrastructure other than gas networks, such as trucks or ships. Such infrastructure should likewise be encompassed by the definition.

Article 4 Notification thresholds

Article 4 point 1 (v)
In article 4 point 1(v) it is stipulated that "*… for operating aid for the promotion of electricity from renewable sources, as referred to in Article 42, and operating aid for the promotion of energy from renewable sources and renewable hydrogen in small projects and renewable energy communities, as referred to in Article 43: EUR 30 million per undertaking per project…"* The Swedish Gas Association consider that the ceiling of "…*EUR 30 million per undertaking per project…"* should be deleted. Article 43 already establishes that aid granted under that provision may only apply to small projects (operating aid for the promotion of energy from renewable sources and renewable hydrogen in small projects). The notion of small projects is defined in Article 43. Moreover, there is an explicit requirement to avoid overcompensation. Consequently, there is no justification for maintaining a maximum aid amount per project in Article 4(1)(v).

Article 36 Investment aid for environmental protection, including decarbonisation

Article 36 point 1a
We are uncertain about the interpretation of Article 36 point 1a in the GBER – *"This Article shall also not apply to investments in equipment, machinery and industrial production facilities using fossil fuels, including those using natural gas"*. However, we see a risk that it could be interpreted in a way that excludes investment aid for agricultural machinery powered by renewable biomethane. This is because the same machinery that can operate on fossil natural gas can equally be fuelled with renewable biomethane, and without a clear distinction there is a risk that such machinery will be ineligible for support. We would therefore welcome a clarification that the exclusion applies only to fossil fuels and not to renewable gases such as biomethane.

Biomethane is a renewable and circular fuel, not a fossil one. On farms, biomethane tractors create a closed-loop system where manure and crop residues are converted into renewable gas that powers the machinery. For the agricultural sector, viable alternatives to biomethane are very limited: hydrogen solutions are not yet commercially available, and battery-electric tractors are often too heavy, which increases soil compaction, lowers yields and ultimately reduces sustainable land use. Supporting investment in biomethane-powered machinery would therefore not only accelerate the decarbonisation of farming but also enhance resource efficiency and sustainable food production. We therefore propose that the GBER be amended, or at least clarified, to ensure that investment aid is possible for agricultural machinery powered by renewable biomethane.

Artikel 36 point 1 b

Article 36(1)(b) provides that aid, under certain conditions, may be granted for investments in installations, equipment, machinery and infrastructure that produce, use or transport hydrogen generated from electricity but which does not qualify as renewable hydrogen. The Swedish Gas Association considers that the method described for determining whether the electricity meets the requirement of a 70 percent greenhouse gas emission reduction is problematic. It is specified that the "To determine the life-cycle greenhouse gas emissions savings under this subparagraph, the greenhouse gas emissions linked to the production of electricity used to produce hydrogen shall be determined by the marginal generation unit in the bidding zone where the electrolyser is located in the imbalance settlement periods when the electrolyser consumes electricity from the grid." Since this may vary over time and depends both on demand and electricity production in the bidding zone, as well as on the specific times when the electrolyser is in operation, this is not something the project developer can know in advance or fully influence. The Swedish Gas Association consider that a clearer and simpler method should be applied, based on information known at the time of the investment and foreseeable over time.

There is no definition of low-carbon hydrogen under Article 2. Instead, low-carbon hydrogen is described in Article 36 point 1(b), where it is stated that Article 36 also shall apply to aid for investments in installations, equipment and machinery producing or using, and dedicated infrastructure referred to in Article 2, point (130), last sentence, transporting hydrogen produced from electricity and which does not qualify as renewable hydrogen, to the extent that it can be demonstrated that the electricity-based hydrogen produced, used or transported achieves life-cycle greenhouse gas emissions savings of at least 70% relative to a fossil fuel comparator of 94 g CO_2 eq/MJ. In Article 36 point 1(b) a method is also described to determine the life-cycle greenhouse gas emissions savings under this subparagraph. The method described is problematic because it refers to the marginal power plant in the bidding zone where the electrolyser is located during the settlement periods for imbalances when the electrolyser consumes electricity from the grid, which may vary over time and depends both on demand and electricity production in the bidding zone and on the time when the electrolyser is in operation. The project developer has no possibility to know or fully influence this in advance. The Swedish Gas Association therefore considers that the definition of low-carbon hydrogen should be included under Article 2 Definitions, with reference to the definition that already exists for low-carbon hydrogen in Directive (EU) 2024/1788 on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC. That definition also includes a reference to the method for determining the life-cycle greenhouse gas emissions savings.

Article 36 a Investment aid for recharging or refuelling infrastructure

Article 36 a point 2

Article 36a currently limits support for refuelling infrastructure to electricity and hydrogen. This excludes bio-CNG and bio-LNG stations, despite their ability to deliver immediate and significant GHG reductions. By maintaining such a narrow scope, the GBER fails to reflect today's technological landscape and the market readiness of biomethane refuelling. To ensure consistency

with AFIR's broader "alternative fuels" approach, Article 36a should be made technology-neutral by explicitly including bio-CNG and bio-LNG refuelling infrastructure among the eligible categories.

Article 36 a point 3

The Swedish Gas Association considers it positive that the eligible costs cover investment costs for the production or storage of renewable hydrogen or renewable electricity on-site at a refuelling or recharging infrastructure. However, it is specified that the nominal production capacity of the on-site renewable electricity or renewable hydrogen production installation shall not exceed the maximum rated output or refuelling capacity of the recharging or refuelling infrastructure to which it is connected.

The Swedish Gas Association consider that article 36 a point 3 should be amended so that aid is made available to the production facility in proportion to the maximum refuelling/recharging capacity. This would mean, for example, that a 10 MW wind turbine directly connected to a 1 MW recharging or refuelling station should be eligible for support, but limited to 10 percent of the eligible costs of the production facility.

Article 36 b Investment aid for the acquisition of clean vehicles or zero-emission vehicles and for the retrofitting of vehicles

Article 36b, in its current form, prevents hydrogen-powered vehicles with internal combustion engines from receiving investment aid as zero-emission vehicles. This limitation stems from the problematic definition of zero-emission vehicle, which does not recognise such vehicles under that category, even though they can comply with the CO_2 performance thresholds established in EU legislation. As a result, these vehicles are disadvantaged compared to other zero-emission technologies, despite being acknowledged in the EU's CO_2 standards as part of the decarbonisation pathway for heavy-duty transport. To ensure consistency and technology neutrality, the definition of zero-emission vehicle must be revised so that Article 36b fully includes hydrogen-fuelled internal combustion engine vehicles alongside fuel cell vehicles. Please see above comments on Article 2, point 102 g (c).

Article 36b also excludes vehicles powered by bio-CNG and bio-LNG from eligibility for investment aid. This results directly from the restrictive definition of "clean vehicles", which fails to recognize gas-fuelled vehicles certified to operate on sustainable biomethane. Such exclusion is inconsistent with the demonstrated GHG reduction potential and market readiness of biomethane in heavy-duty transport. To align GBER with real-world decarbonisation pathways and ensure technology neutrality, the definition of "clean vehicles" must be revised so that Article 36b explicitly covers vehicles capable of running on bio-CNG and bio-LNG. Please see above comments on Article 2, point 102 f.

Article 43 Operating aid for the promotion of energy from renewable sources and of renewable hydrogen in small projects and renewable energy communities

Article 43 point 2(iv)

Small projects for the production of renewable hydrogen are defined as projects below or equal to 3 MW of installed capacity or equivalent. The Swedish Gas Association considers that the definition should also include low-carbon hydrogen. This is essential to allow operating aid to such installations. It is particularly important where the definition of renewable hydrogen in the GBER is not broadened, as highlighted above in this response. The Swedish Gas Association also consider that the Article should include low-carbon hydrogen, which should be defined under Article 2.

Article 43 point 2(v)

A very important change since the Commission regulation (EU) 2023/1315 of 23 June 2023, is the scope of the possibility to allow operating aid for the promotion of energy from renewable sources and of renewable hydrogen in small projects and renewable energy communities. Pursuant to the current meaning of small projects, operating aid are compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, for the production of biofuels, bioliquids, biogas (including biomethane) and biomass fuels – projects below or equal to an installed capacity of 50 000 tonnes/year. This means that operating aid for biomethane production is exempt from the notification requirement regardless of the intended use of the biomethane. This definition of small projects are very important for the possibility to maintain the Swedish production support scheme to biogas, which is crucial for ensuring a level playing field for biogas production in Sweden.

Article 43 point 2b

For the same reasons as the comment til Article 43 point 2(iv) above, the Swedish Gas Association considers that paragraph 2b should be amended to ensure that operating aid for low-carbon hydrogen is likewise exempted from the notification requirement, rather than being restricted solely to renewable hydrogen as currently provided.

Article 44 Aid in the form of reductions in taxes under Directive 2003/96/EC

Tax reductions granted on the basis of Article 16(1) of Directive 2003/96/EC (ETD) are exempted from the notification requirement of Article 108(3) of the Treaty as long as the aided fuels are compliant with the sustainability and greenhouse gases emissions saving criteria of Directive (EU) 2018/2001 and its implementing or delegated acts, and are made from the feedstock listed in Annex IX to that Directive. This possibility was introduced in the GBER through Commission regulation (EU) 2023/1315 of 23 June 2023[1].

The Swedish Gas Association notes that the possibility to fully exempt fuels listed in Article 16(1) of the ETD from taxation (irrespective of the minimum tax levels established in the same directive) is important to provide these fuels with the necessary support to ensure a level playing field with fossil fuels. Notifying aid under the GBER, rather than seeking approval under the State aid guidelines, allows for a more efficient process, reduces administrative burdens for both enterprises and authorities, and enhances predictability and long-term planning. In this context, this possibility is fully consistent with the objectives of the current GBER review and should be preserved in the revision.

[1] COMMISSION REGULATION (EU) 2023/1315 of 23 June 2023 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty