Decarbonization of the transport sector under Energy Community

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29 November 2022


Energy Community
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Bulgaria
Georgia
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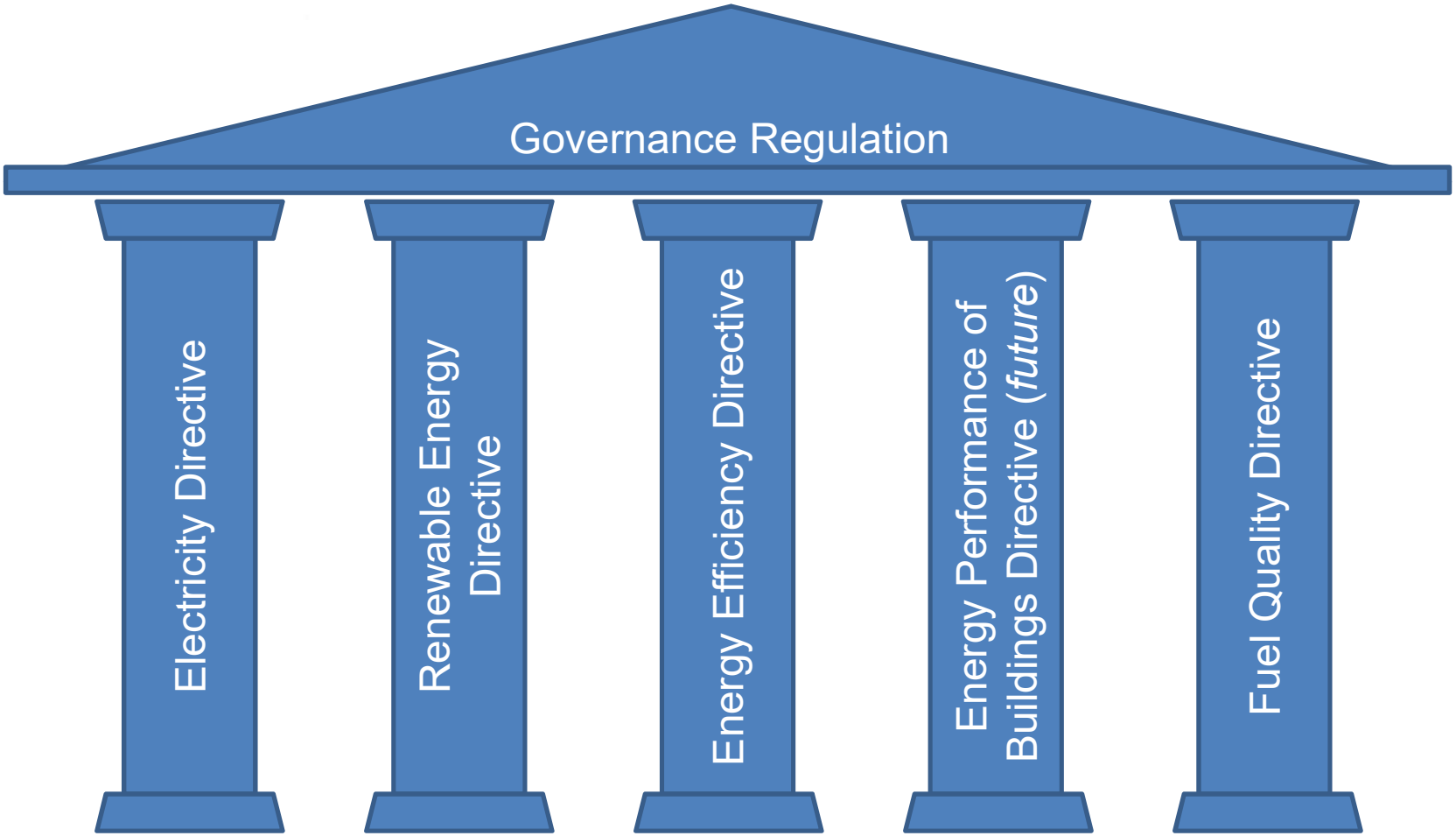
Spain
Albania
Armenia
Greece
Turkey
Malta
Cyprus

The context


Governance Regulation
Electricity Directive
Renewable Energy Directive
Energy Efficiency Directive
Energy Performance of Buildings Directive (*future*)
Fuel Quality Directive

The context – Governance Regulation (Reg. (EU) 2018/1999)

- **In force in the Energy Community since Dec 2021;**
- **Focuses on climate and energy planning and reporting but goes beyond those two policy areas:** industry, ***transport***, the heating and cooling and buildings sector (residential and tertiary), agriculture, waste and land use, land-use change and forestry (LULUCF)**.**
- **Main elements:**
  1. National Energy and Climate Plans (NECPs) and integrated progress reports;
  2. Long-term Strategies;
  3. 2030 targets on GHG emission reduction, renewable energy and energy efficiency – reports and monitoring of progress;
  4. GHG inventories and reporting.

The context – Governance Regulation (Reg. (EU) 2018/1999)

Links to the transport sector / policy area:

- Planned emission reductions in transport to be described in the Long-term Strategy;
- Objectives, targets, related policies and measures and estimated trajectories for RES and energy efficiency in the transport sector "*to achieve low emission mobility (including electrification of transport)*" – NECP;
- Reporting on:
  - ✓ the estimated trajectories for the share of RES in the transport sector and bioenergy demand;
  - ✓ measures and financial support for promoting RES in transport;
  - ✓ final energy consumption and energy intensity by fuel in transport (including split between passenger and freight transport, when available)) [ktoe];

The context – Governance Regulation (Reg. (EU) 2018/1999)

Links to the transport sector / policy area:

- Reporting on:
  - ✓ *freight transport tonnes-kilometres: all modes excluding international maritime, i.e. split between road, rail, aviation, domestic navigation (inland waterways and national maritime) [million tkm];*
  - ✓ *number of passenger-kilometres: all modes, i.e. split between road (cars and buses separated if possible), rail, aviation and domestic navigation (when relevant) [million pkm];*
  - ✓ *technology cost assumptions used in modelling for main relevant technologies;*
  - ✓ calculations of energy savings;
  - ✓ additional reporting related to the Renewables Directive.

National Energy and Climate Plans

Function:

Central vehicle to design, implement and govern the strategies and measures in energy and climate to reach 2030 targets and beyond.

Pool various national strategies, reduce administrative burden, provide predictability and stability for the policy decisions for 10 years.

Features:

Biennial progress reports.

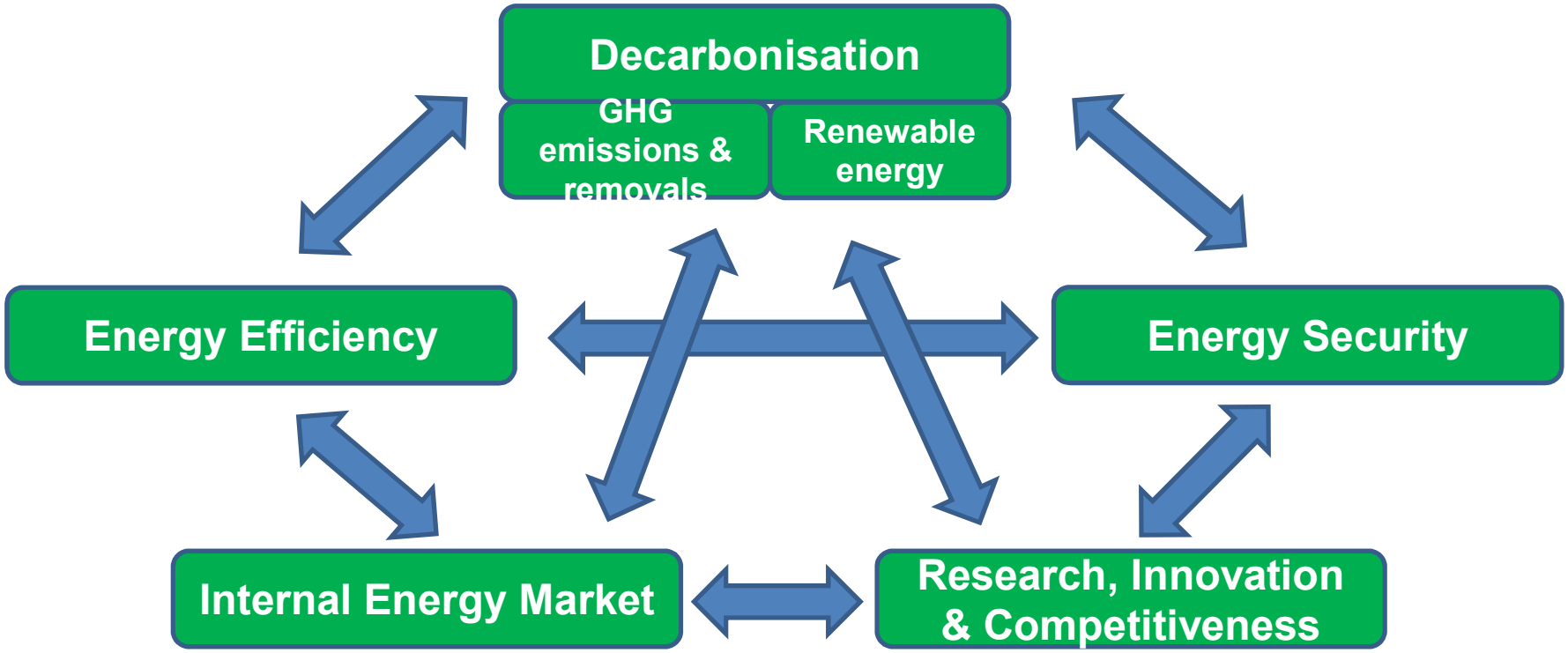
Span of 10 years, first iteration 2025-2030.

Status:

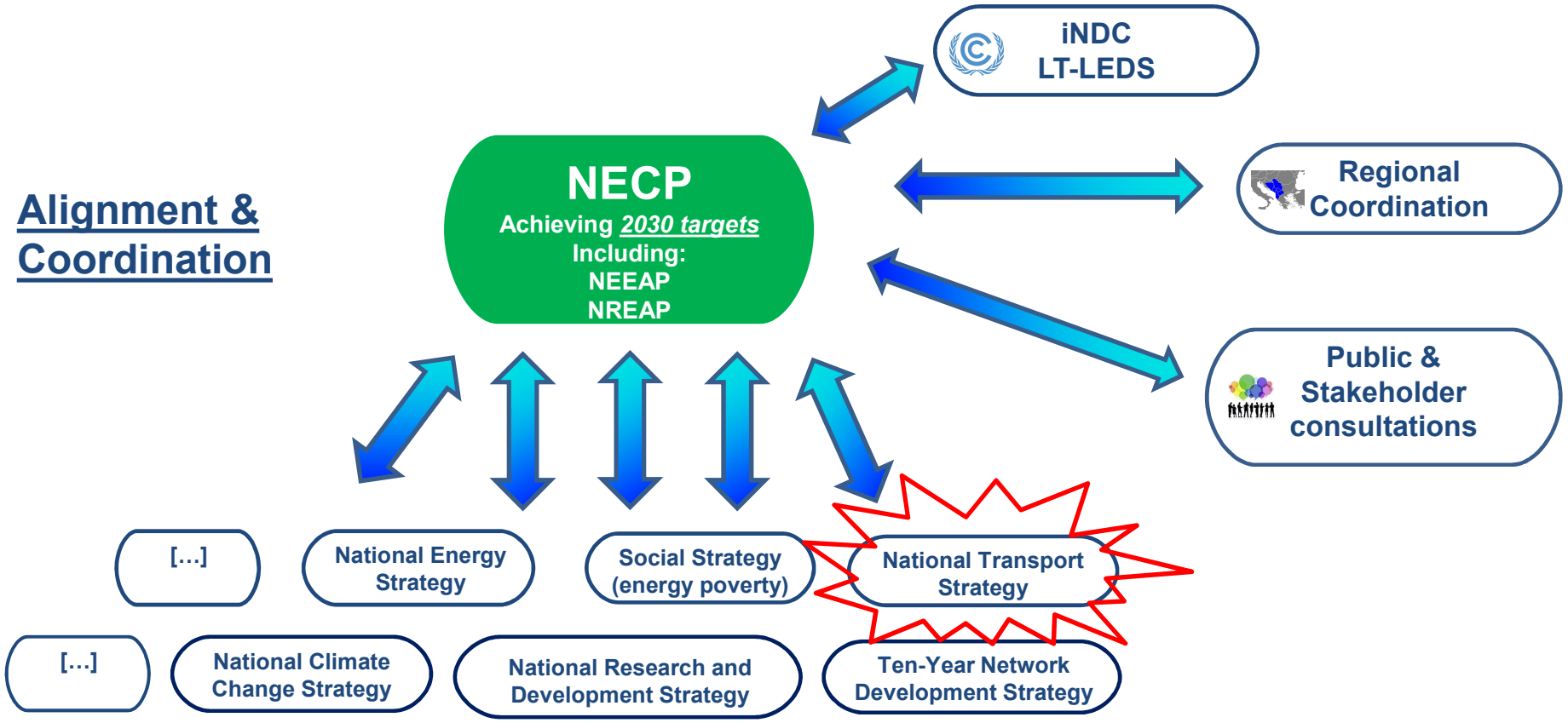
In the EU – 1st integrated progress report in 2023 and first draft update of the NECP.

In the EnC – 1st draft NECP in 2023.

Dimensions of the NECP



NECPs in the (inter)national strategy setting



PaMs in transport in the draft NECPs

- **Increasing share of RES:**
  - Increasing the share of biofuels (production and blending obligation);
  - Supporting the development of biomethane and renewable hydrogen;
  - Carbon tax;
  - Developing guarantees of origin.
- **E-mobility:**
  - Regulations to facilitate the uptake of EVs and the development of charging infrastructure;
  - Incentives for EVs (subsidies, reduced registration costs and taxes, reduced insurance, road tolls, free parking etc.).

PaMs in transport in the draft NECPs

- **Miscellaneous:**

  Public policy

  - Incentives to renew vehicle fleets (in particular in freight and public transport) and “penalties” for polluting vehicles (import standards, incentives for purchasing new vehicles instead of used etc.);
  - Increased share of energy efficient vehicles in the public sector;
  - Compliance with EU emission standards for new vehicles;
  - Harmonized municipal mobility and spatial plans (incl. e.g. bicycle lanes, passenger terminals, parking regime);
  - Promotion of energy efficient tyres and lubricants.

  Actions

  - Development of infrastructure (railways, roads) including cross-border connections;

PaMs in transport in the draft NECPs

- **Miscellaneous:**

  Conceptual PaMs

  - "Mobility as a service";
  - Optimization of routes and schedules in public transport;
  - Integrated freight management (road, rail, sea and air) to reduce congestions, transit time;
  - Digitalization of road traffic management.

Conclusions 1/2

- **Energy and climate planning cannot be done without coordination with transport planning;**
- **Input from the transport area in the NECP is essential for a complete list of policies and measures and for checking the reality of the modelling outcomes in the NECP;**
- **Transport – is it an opportunity or a risk in reducing GHG emissions?**

  + use of EV batteries for electricity system balancing

  – economic growth coupled with increasing demand for transport services

Conclusions 2/2

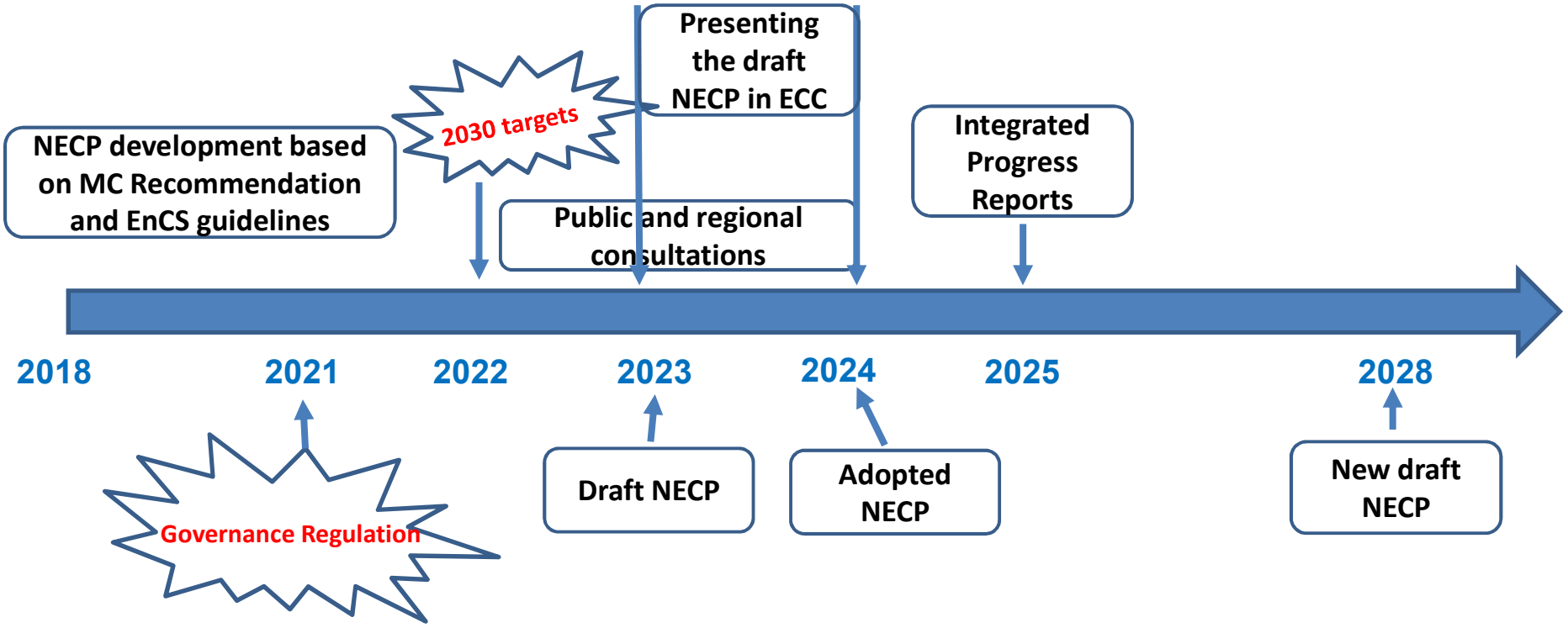
- **Plans vs. reality → purchase power of citizens, global supply chains availability, solutions for urban vs. rural areas;**
- **Decarbonized electricity generation is a pre-requisite for decarbonized (e-) transport;**
- **Citizen mindset change has a lot of potential.**

THANK YOU
FOR YOUR ATTENTION

GET IN TOUCH

- www.energy-community.org
- Ener_Community
- /company/energy-community
- /Ener.Community
- /EnergyCommunityTV

NECP development timeline



NECP structure

Descriptive part

- Overview of current policy situation;
- Consultations and regional cooperation;
- National objectives & targets (*in all 5 dimensions*);
- Policies and measures (*in all 5 dimensions*).

Analytical part

- Current situation and projections with existing policies and measures (*in all 5 dimensions*);
- Impact assessment of planned policies and measures (*in all 5 dimensions*).

NECP development process