

# Roadmap for fossil-free transport

Draft for a Government Resolution

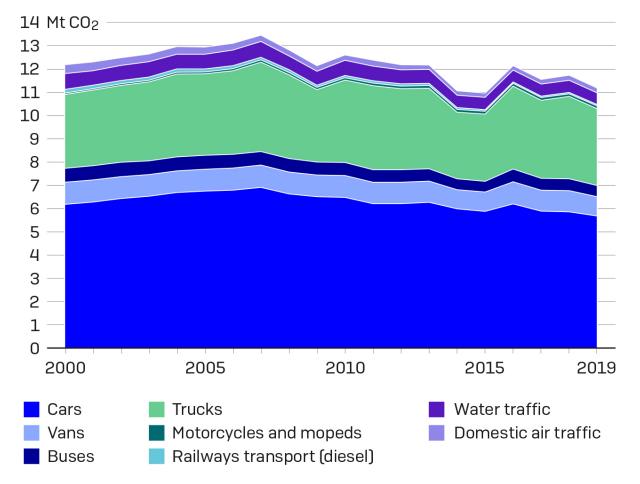
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## **Greenhouse gas emissions from transport**

- Emissions from traffic account for about one-fifth of all greenhouse gas emissions in Finland.
- In 2019, greenhouse gas emissions from Finland's domestic transport totalled about 11.1 million tonnes. Road transport accounts for about 94% of emissions from transport.
- Of emissions from road transport, passenger cars account for 54%, vans and trucks for 41% and buses for less than 5%
- On the whole, greenhouse gas emissions from transport have decreased since 2008, but not at a sufficient pace to meet the targets.

## CO<sub>2</sub> emissions from domestic transport, million tonnes

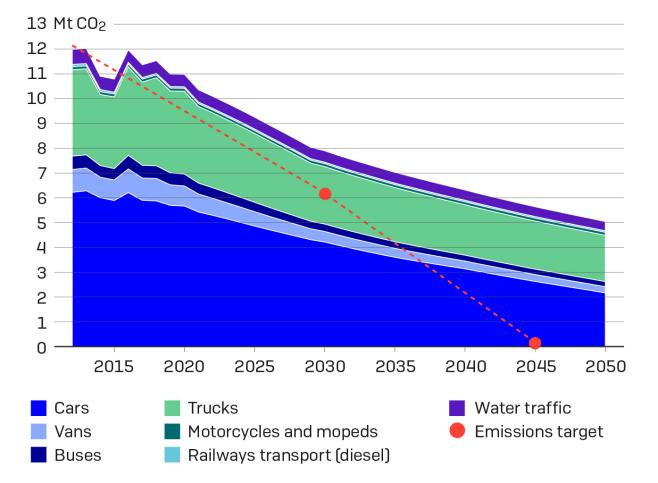




## Baseline projection of greenhouse gas emissions from transport

- With the current measures, CO2
   emissions from road transport are expected
   to decrease by about 37%
   by 2030 compared to 2005.
- The impact assessment of the roadmap has been prepared on the basis of the baseline projection which means that halving emissions from road transport requires a further emissions reduction of 13 percentage points, or about 1.65 million tonnes by 2030.
- The baseline projection, completed in April 2020, does not take into account changes in transport performance or car sales caused by the COVID-19 pandemic. The calculations for the early 2020s may therefore have some inaccuracies.

## CO<sub>2</sub> emissions from domestic transport, million tonnes, baseline projection



## Preparations for the Roadmap for fossil-free transport

- In accordance with the Government programme,
   Finland will be carbon neutral in 2035.
   Transport must also meet this objective.
  - In accordance with the Government programme, Finland will halve the greenhouse gas emissions of domestic transport by 2030 from the level in 2005.
  - Based on the scenario reviews carried out in 2018 and 2019, greenhouse gas emissions from transport should be eliminated completely by 2045.
- The key principles in all of the preparatory work have been social and regional fairness and knowledge-based decision-making.

- Impact assessments of individual measures, commissioned by the Ministry of Transport and Communications from the Finnish Transport and Communications Agency Traficom, VTT Technical Research Centre of Finland and Aalto University, were published on 6 October 2020.
- The term of the Working group for fossil-free transport extended from 1 November 2019 to 30 October 2020. The Working group's final report encompassing all transport modes and including recommendations was issued on 27 October 2020.
- The preparation of the Roadmap, which mainly affects road transport, was continued on the basis of the final report and impact assessments.
- Separate draft Resolutions have been prepared for air traffic and water traffic.

# Measures to reduce transport emissions

#### Other possible measures

EU-level measures, transport emissions trading, transport tax model based on vehicle kilometres and road categories

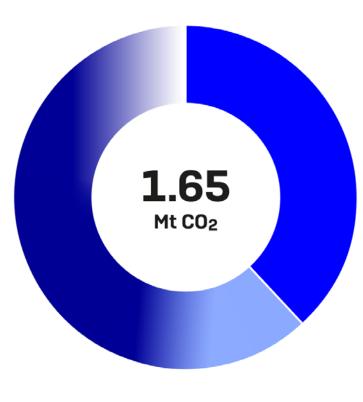
Potential means and the realisation of measures to be decided in other connections affect whether additional measures are needed.

#### Various emission reduction potentials

- Teleworking
- Logistics digitalisation
- New transport services
- Distribution obligation
  - Electric fuels

#### Measures to be decided in other connections

- Solutions of cities
- Transport system plans
- Transport taxation reform
- Transport network maintenance and development



Source: Road map for fossil-free transport

### ■ Supports and incentives at least 0.62 Mt CO<sub>2</sub>

#### Replacement of fossil fuels at least 0.39 Mt

- Expanding the scope of the distribution obligation legislation and raising the target level
- Distribution infrastructure support for public charging and refuelling stations
- Charging infrastructure support for housing companies and workplaces
- Service station charging points
- Joint use of charging services and roaming
- Electric road pilots

#### Renewal of the car fleet at least 0.16 Mt

- Updating manufacturer-specific binding CO<sub>2</sub>-limit
- Purchase support for electric cars
- · Purchase support for vans
- Purchase support for heavy-duty vehicles
- Scrapping premium campaigns
- Conversion subsidies for ethanol and gas cars
- · Procurement of clean vehicles in the public sector
- · Research on clean vehicles

## Improving the efficiency of the transport system at least 0.07 Mt

- Investment programme on walking and cycling
- Support for public transport
- Support for mobility management
- Promotion of combined transport
- Heavy vehicles in road transport

## The Roadmap for fossil-free transport will be implemented in three different phases

## Phase 1: **Measures to** support a fair transition

Promote zero-emission transport through various supports and incentives.

Decisions on these will be made in early 2021.

These measures would reduce carbon dioxide emissions by an estimated 0.6 megatonnes.

## Phase 2: Additional means to achieve transport emissions reduction targets

Assessment of the ways in which more data on the effects of emissions are needed before decision-making.

Consideration of the potential of logistics digitalisation and route maintenance

Impact assessments to be completed, at the latest, by autumn 2021:

- Increasing the distribution obligation 34% higher
- Conditions for increasing telework and impact assessment
- Specification of transport digital solutions and their impact assessment
- Other means that arise to be verified

## **Phase 3: Other emissions** reduction means

## The last phase is conditional.

In the autumn of 2021, the Government will assess whether the decisions made at EU level and the means of the Roadmap's phases 1 and 2 are sufficient to meet the objectives. If it seems that the target will not be achieved, the Government would take decisions on other necessary measures.

The preparation of various measures, such as national emissions trading for fossil fuels and a transport tax model based on vehicle kilometres and road categories will continue.

# Measures to be decided in other contexts



## **Next steps**

## **Spring 2021**

Finishing the
Roadmap on the
basis of comments;
Government Resolution

## Spring 2021

- Ministry of Finance's Working group on tax
- Ministry of Transport and Communication's Traffic 12 plan
- Ministry of Economic Affairs and Employment's Energy and climate policy strategy
- Ministry of the Environment's
   Medium-term climate change policy plan
- EU Sustainable Growth Programme

## **Autumn 2021**

The Government will assess and decide on the possible need for further national measures



Round for comments underway

## **Spring 2021**

Complementing impact assessments, assessment of potentials

## **Summer 2021**

European Commission emissions trading reviews and other EU measures



## Thank you!

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