

**MEETING OF THE NORDIC AND BALTIC MINISTERS
OF TRANSPORT
Joensuu, Finland
4-5 September 2007**

«Climate Change and National Transport Strategies»

Jack Short
Secretary General
International Transport Forum

www.internationaltransportforum.org
www.cemt.org



ECMT → International Transport Forum

- Transport Ministers set up a Global Forum for Transport with
 - Ministers
 - Industry
 - Civil Actors
- All modes, all OECD/ECMT Countries and invitations to China/Brazil & India
- One theme per year
 - 2008: Climate Change
 - 2009: Globalisation
- One place: **LEIPZIG**

Transport and Global Warming

STRUCTURE

- Political context
- Transport; implications and role/Nordic, Baltics
- What is being done
- Actions under discussion; Policy and political challenges

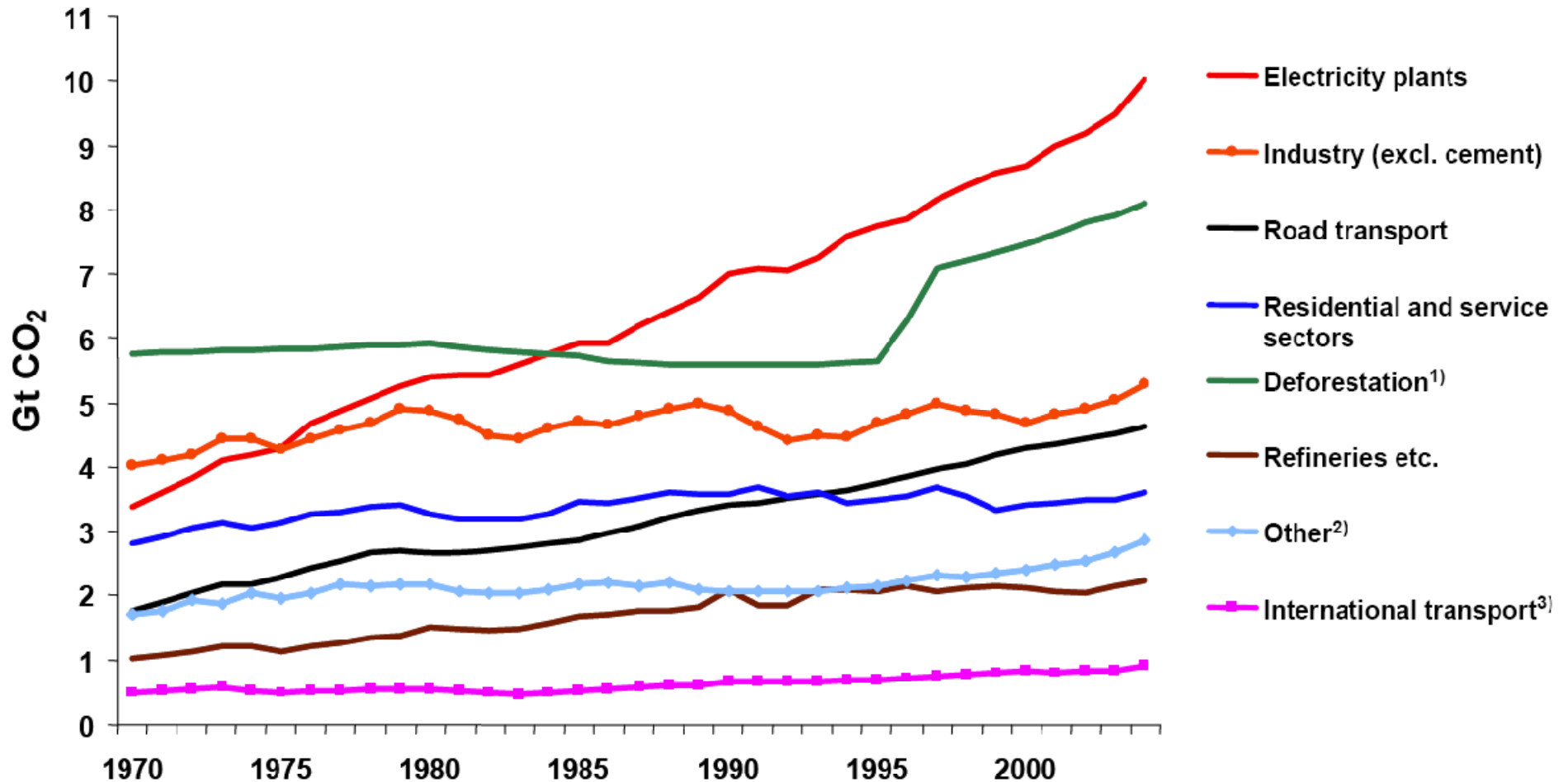
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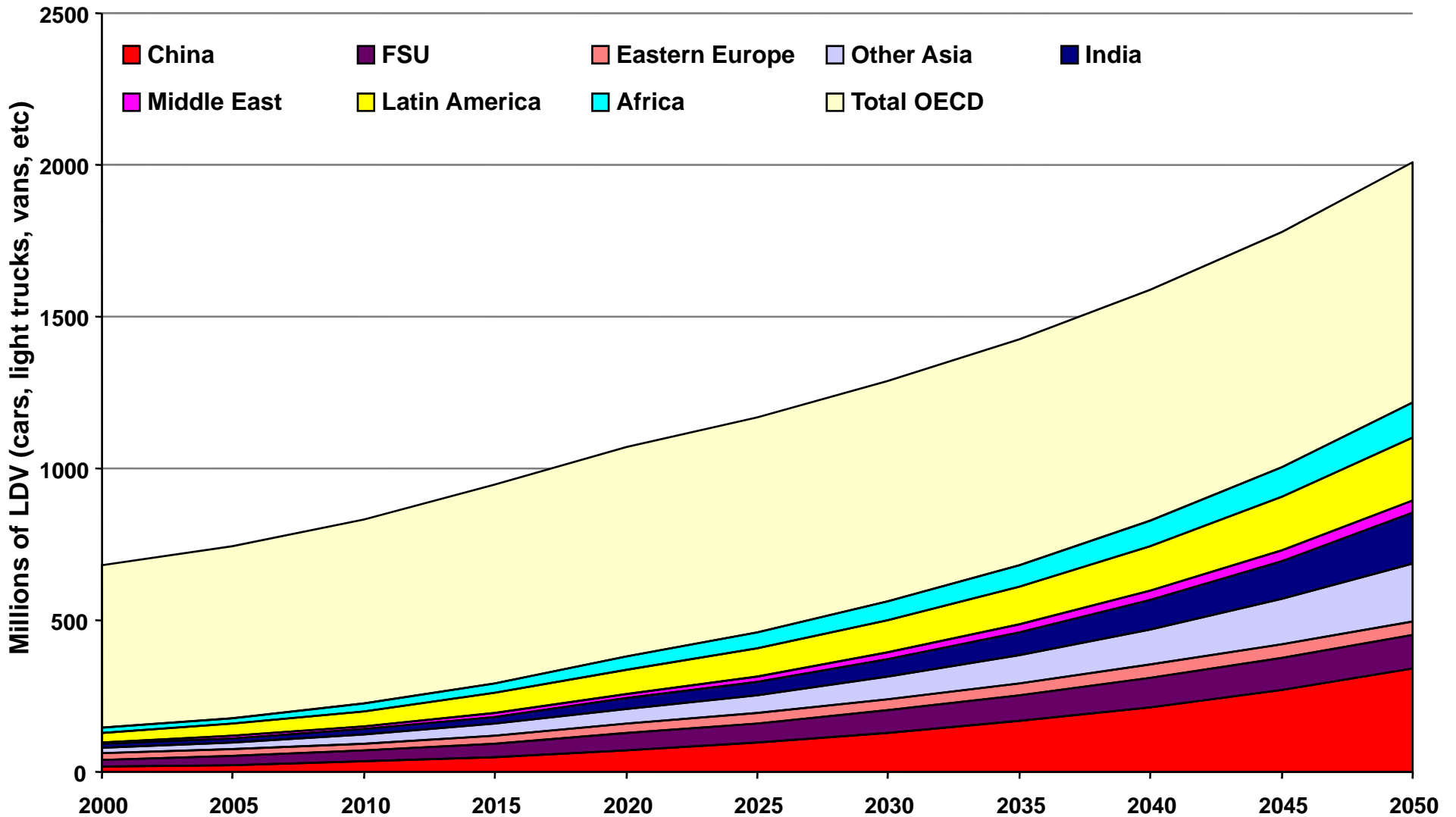
- Near consensus on science
- Global warming top of political agenda (G8, EU, UN, nationally,...)
- Post Kyoto framework now being discussed: many new targets and commitments
- No specific transport discussion in formulation of targets

Global CO₂ Emissions 1970-2004





World Motorization: WBCSD Projections

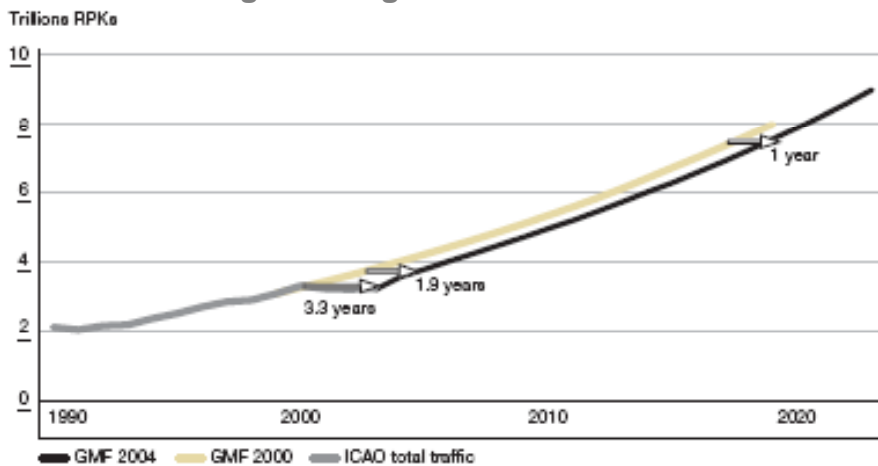


Increased congestion in hub airports

Air Passenger Traffic expected to double over the next 20 years

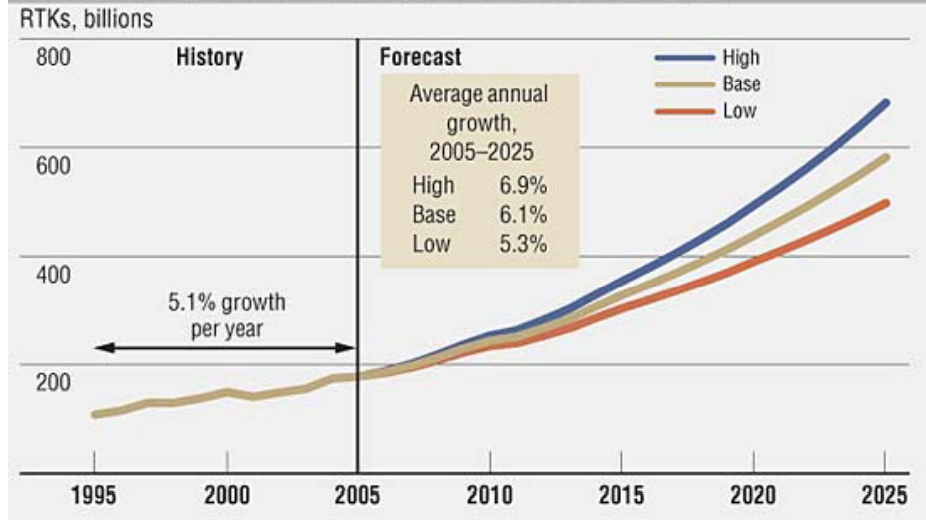
World Air Traffic Outlook

Revenue Earning Passenger Kilometres



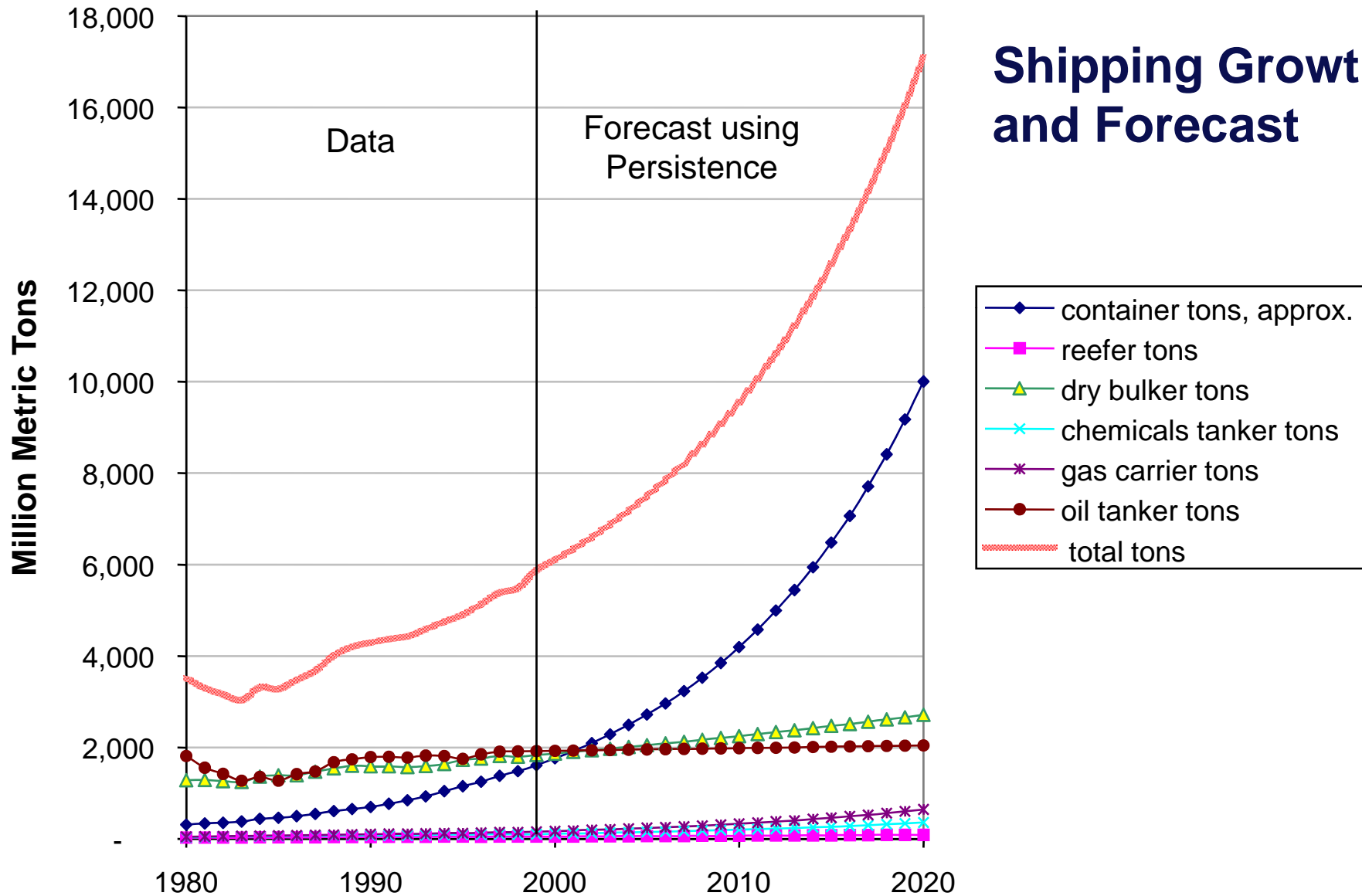
Sources: Airbus for passengers, Boeing for freight

World Air Cargo Traffic Will Triple Over the Next 20 Years

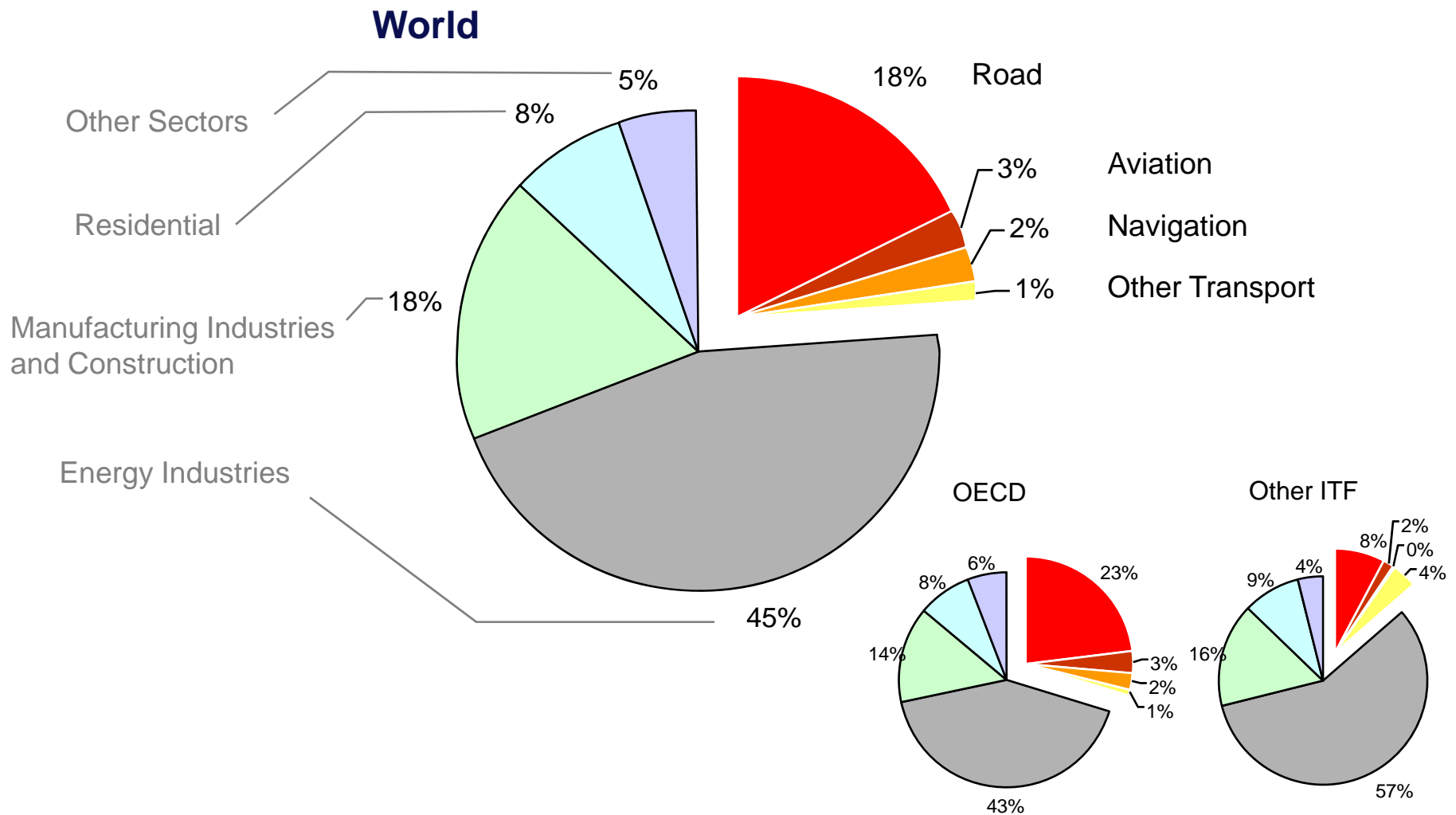


Sources: Airbus for passengers, Boeing for freight

Air Freight Traffic expected to triple over the next 20 years



Transport's Percentage Share of CO₂ emissions from fuel combustion



Transport and GHG Emissions

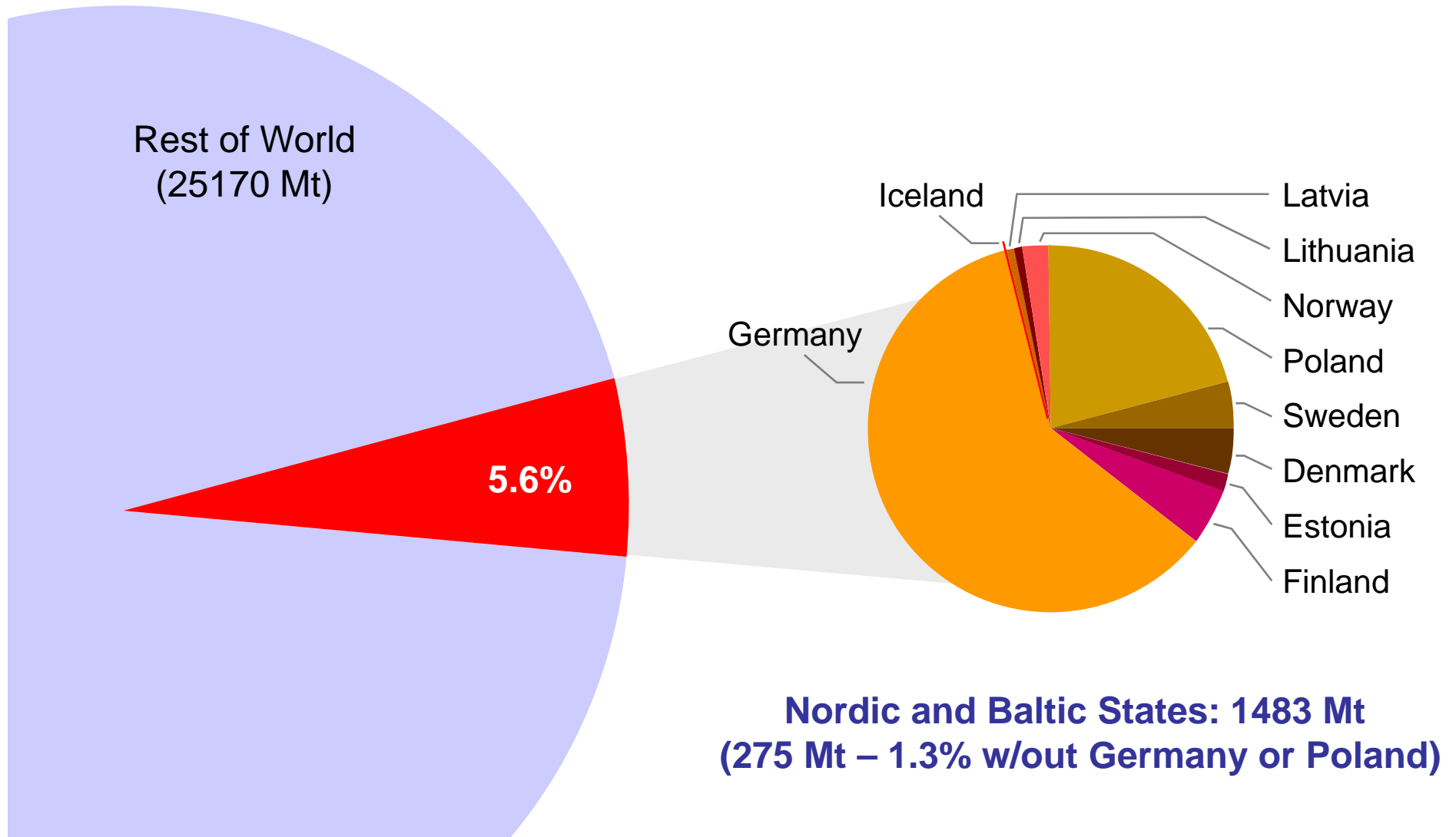
- Transport sector responsible for about a quarter of CO₂ emissions globally
- Road transport main contributor; aviation growing fastest, maritime next
- Growth in transport sector CO₂ emissions shows little sign of slowing or reversing

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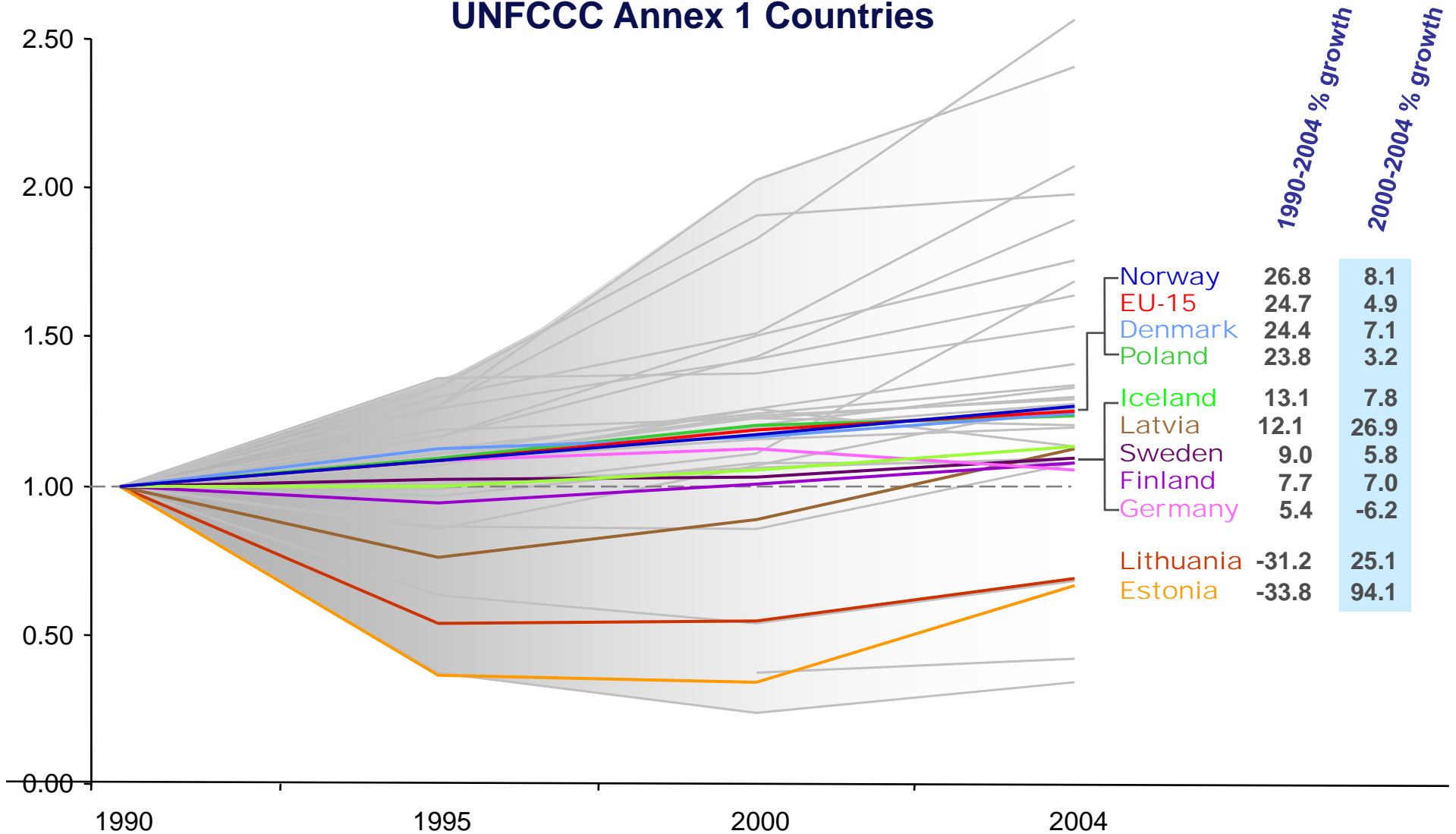
Total CO2 Emissions in 2003





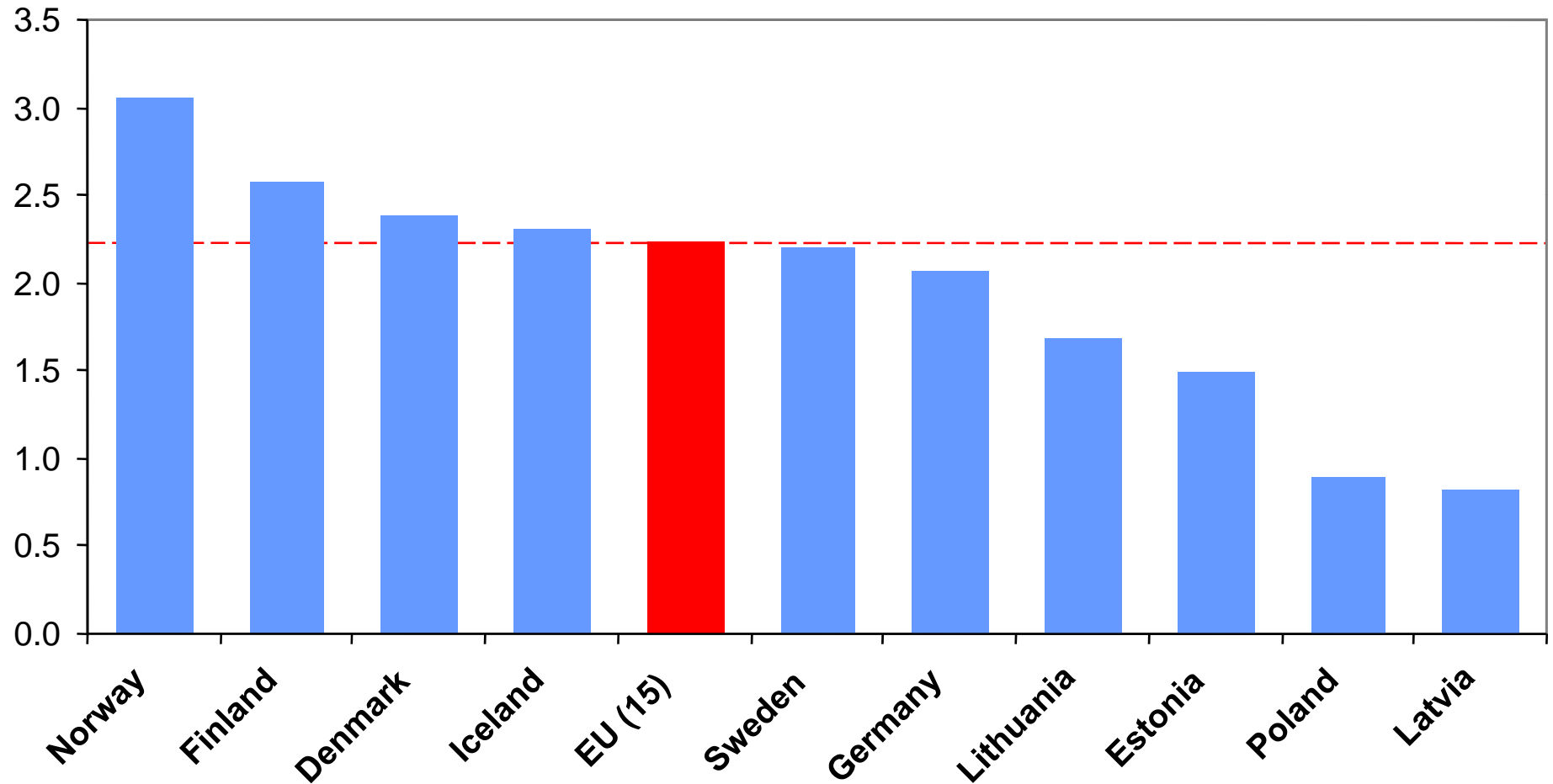
Transport Sector CO2 Emission Growth 1990-2004

UNFCCC Annex 1 Countries

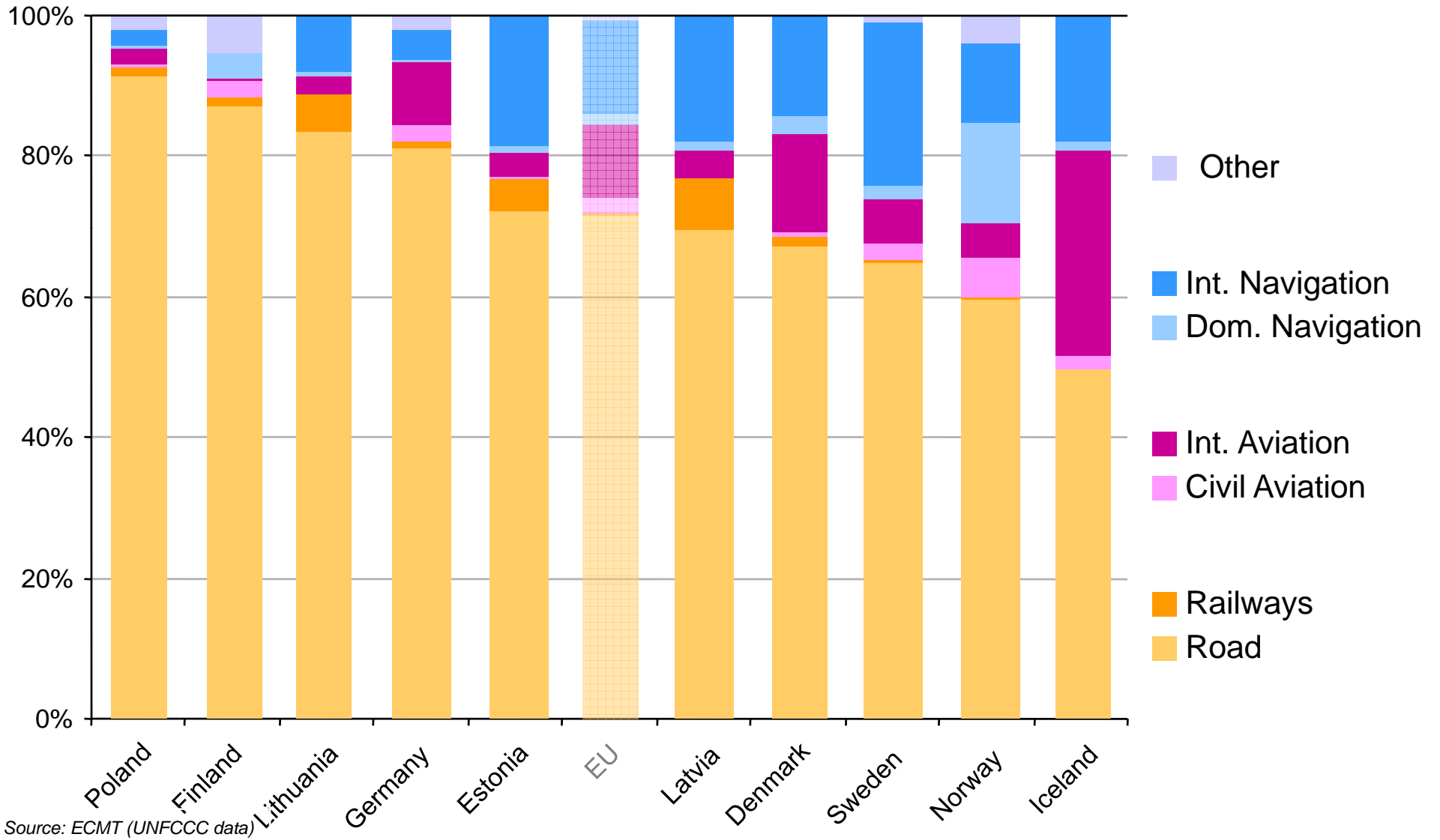


Source: UNFCCC data

Baltic/Nordic States Transport CO2 Emissions per Capita (Tonne CO2/Capita, 2004)



Baltic/Nordic Share of Transport CO2 Emission by Mode (2004)



Source: ECMT (UNFCCC data)

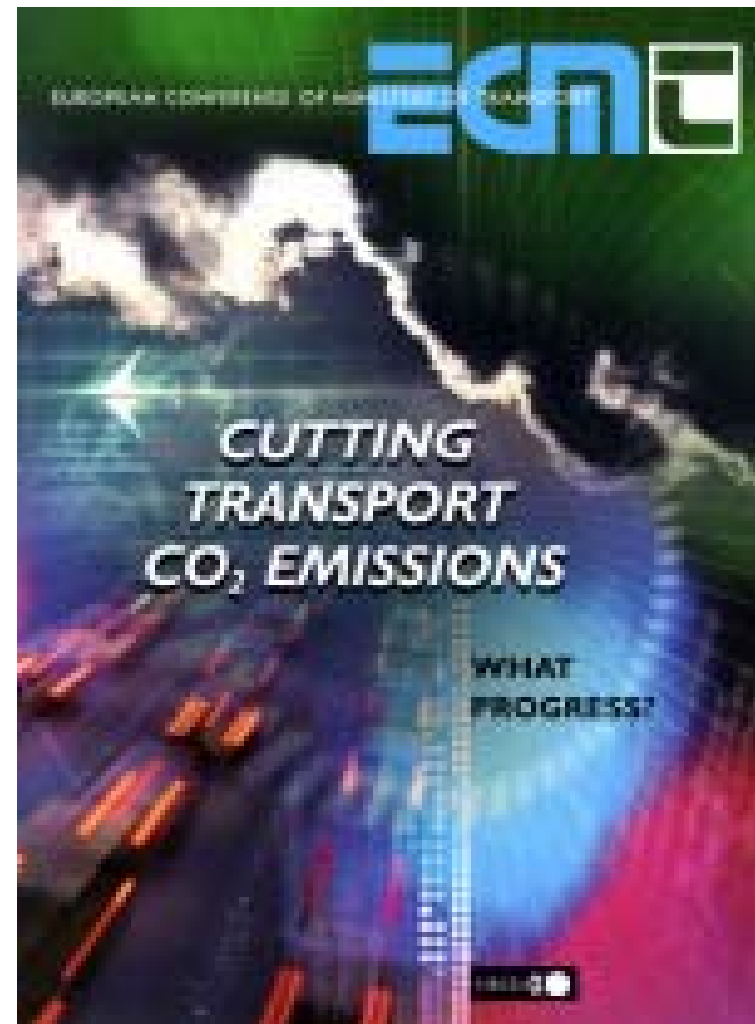
Transport and Global Warming

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Transport and GHG Emissions

- ECMT survey of existing transport-sector GHG reduction policies in OECD/ECMT countries

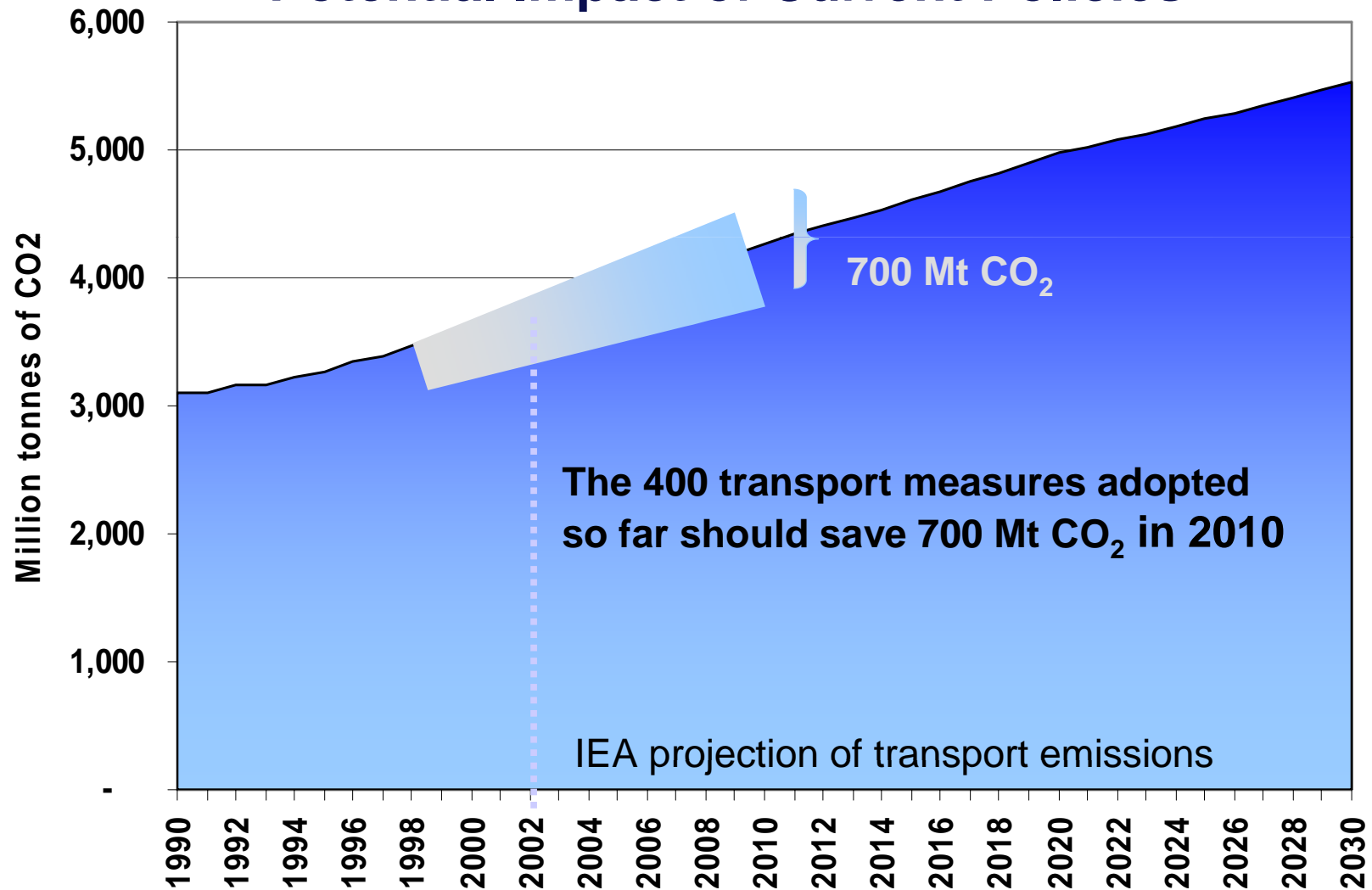


Analysis of policies identified

No. of
policies

Demand	Urban planning to discourage sprawl; Road pricing; Logistics optimisation.	4%
Fuel efficiency	Tax differentiation to promote EFVs;	31%
- Technical	Vehicle efficiency regulations/agreements;	
- On-road	Driver training; Car pooling;	16%
	Logistics management, route planning / guidance.	
Carbon intensity	Biofuel targets and tax incentives;	24%
	Hydrogen fuel cell R&D;	
	Incentives for CNG buses.	
Modal split	Targeted subsidies for public transport.	28%

ITF Transport Sector Emissions: Potential Impact of Current Policies



Baltic-Nordic States Transport GHG Mitigation Measures

- CO₂-related Fuel Tax:
e.g. Norway, Denmark, Sweden, Finland
- Vehicle Fuel Consumption/CO₂ Based Taxes:
e.g. Norway Denmark, Sweden,
- Incentives for Alternative Fuel Vehicles *e.g. Iceland*
- Urban Transport Initiatives
 - *Stockholm Congestion Charge (Sweden)*
 - *Promotion of Public Transport,*
 - *Transport Planning, Parking Policy*
- Biofuels Promotion
(EU Directive – All Baltic/Nordic States)

Transport and Global Warming

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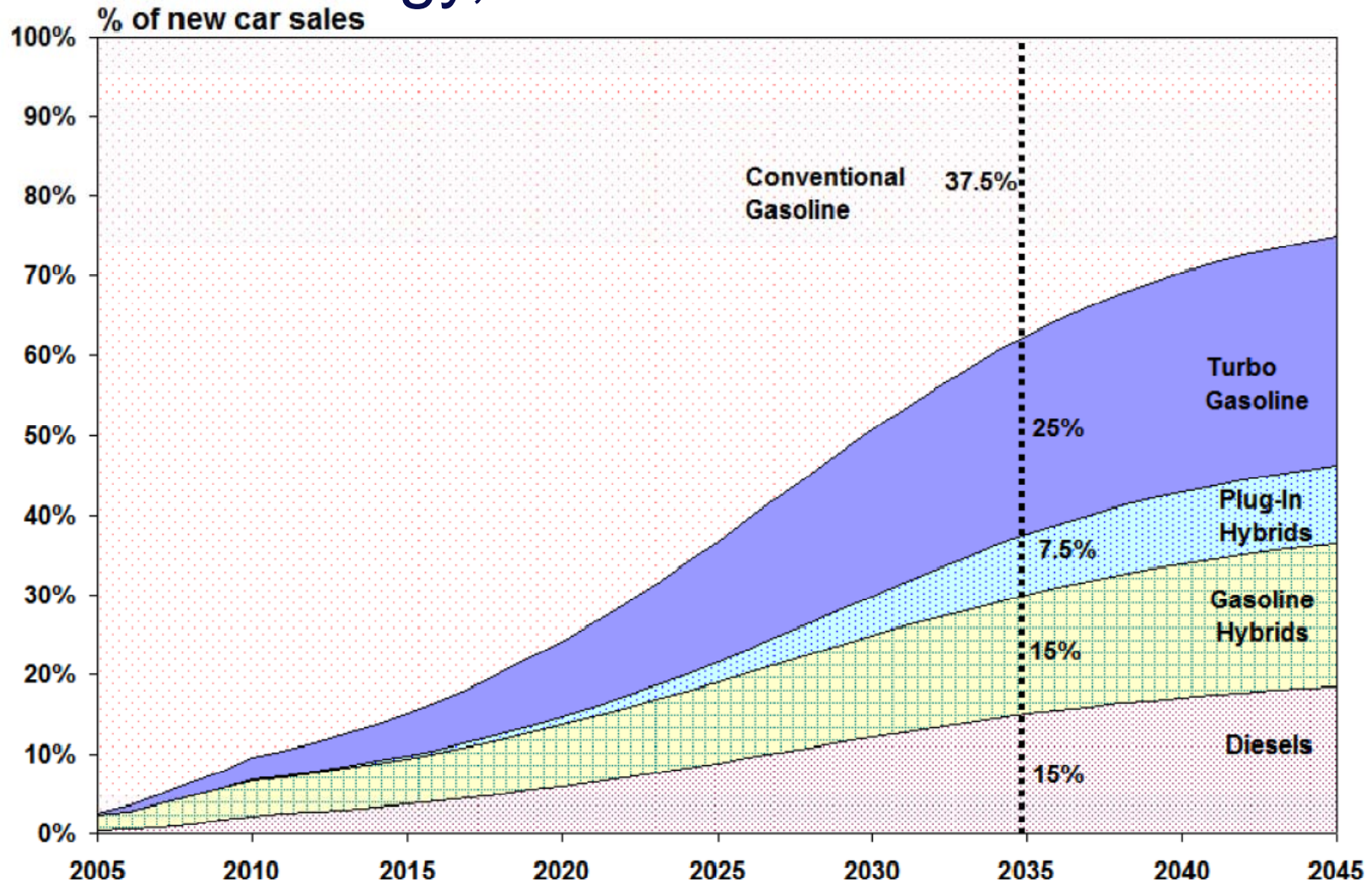
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No simple solution

- Both technology and behaviour changes needed
- Existing technology can be improved (maybe 30%)
- Fuel cells and hydrogen a long way from commercial success (after 2030)

Car technology, no clear winner – Market Mix



Source: Haywood (US Market)

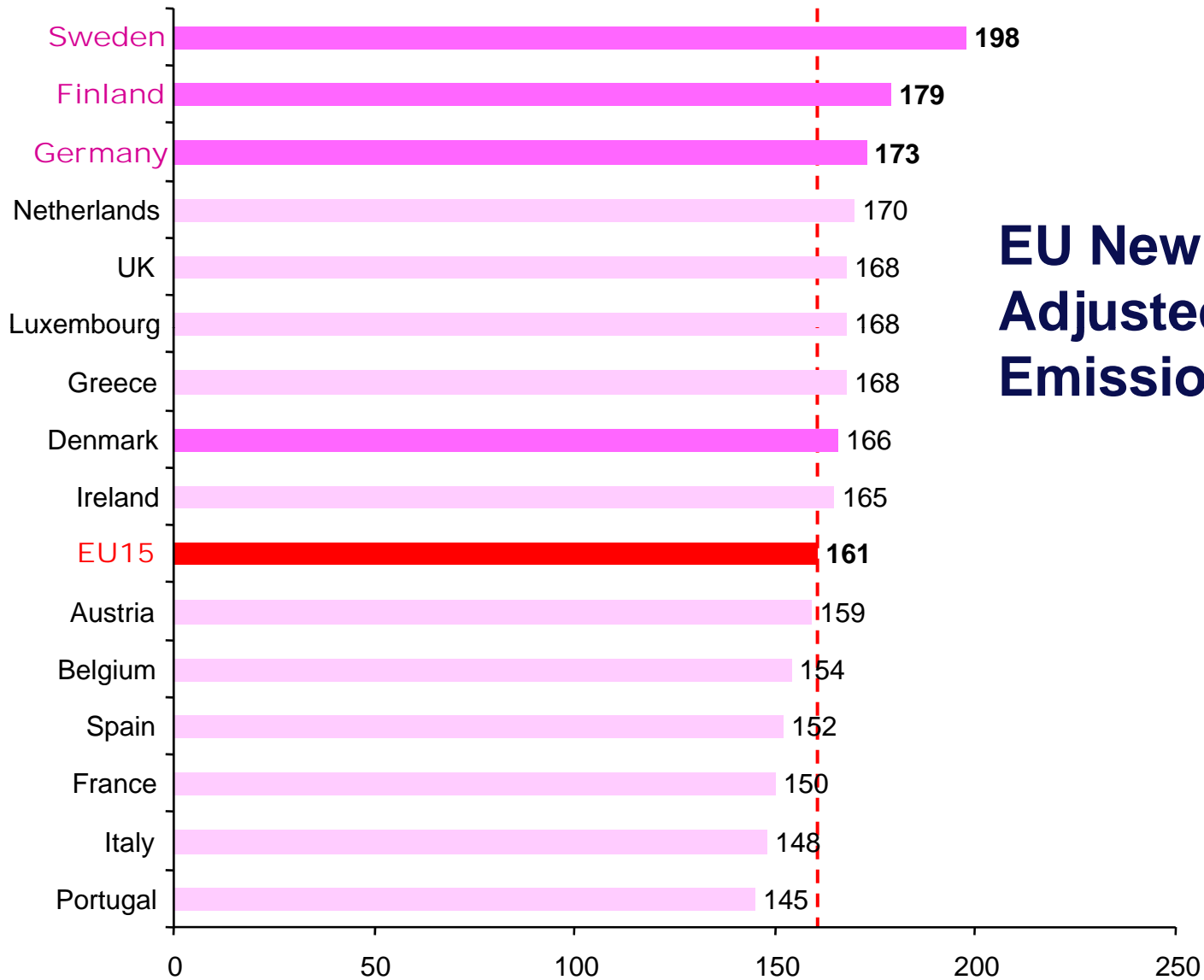


No simple solution

- Both technology and behaviour changes needed
- Existing technology can be improved (maybe 30%)
- Fuel cells and hydrogen a long way from commercial success (after 2030)
- **Consumers behaviour slow to change**

Transport and Global Warming *(Specific Actions)*

- **CARS**
 - Vehicle emissions standards proposed 120-130 gm/km to replace voluntary agreement (2012)



EU New Car Sales-Adjusted CO2 Emissions by Country

Transport and Global Warming

- **AVIATION**

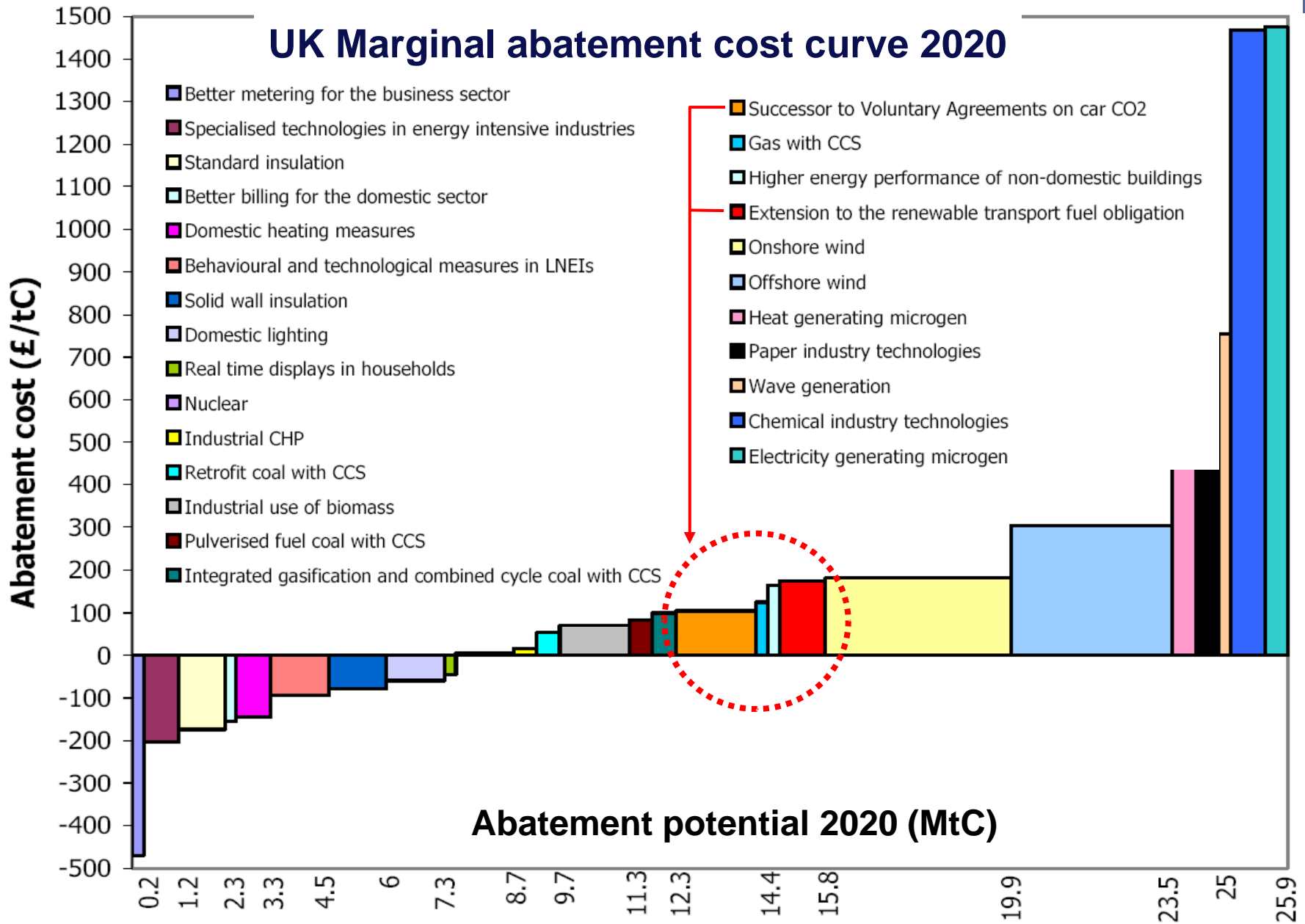
- Decision to bring aviation into ETS; but how?
- ICAO to discuss also

- **SHIPPING**

- No proposals yet
- IMO to make proposals

Policy Challenges

- Find cost-effective measures between sectors
 - Studies show abatement costs higher in transport
 - Many of best measures not in transport





Policy Challenges for Transport (cont.)

- **Introduce Cost-Effective Measures in Transport**

(component regulations i.e. low rolling resistance tyres, low resistance lubricants, fuel efficient lighting, air conditioning, information feedback and driver training)

- **Continue Traditional Policy Measures (co-benefits)**

- Modal shift policies
- Traffic management
- Safety measures (speeds)

Policy Challenges for Transport (cont.)

- **Think again about biofuels**

- Costly, uncertain GHG savings, environmental side effects
- Niche market

We should:

- Use certification
- Avoid volumetric targets
- Link support to performance

Leipzig, May 2008

- Ministers, Industry leaders and others to discuss Transport and Climate Change
- Inputs and preparation
 - Online debates
 - Biofuels
 - Tradeable permits
 - Instruments generally
 - Country measures to be updated
 - Specific events:
 - Ecodriving Seminar
 - Round Table on Oil for Transport: Supply & Prices
 - Round Table on Instruments