Decarbonising the Transport Sector
What does Germany do?

Madrid, June 14, 2019
Transport, CO2, German Policy

I. How is the current situation?
II. What are the obligations
III. What is the ministry planning?
IV. What is missing?
How is the situation?

- CO2 emission from the transport sector in 2018 are on the same level as in 1990
- Number of vehicles and transport rates both are rising both for passenger cars and heavy duty
- The gap between manufacturer data and real world fuel consumption is 39% in average, for company cars even 42% (ICCT)
- In 2011, the government announced the goal of 1 million e-cars on the road. The total number today is about 83,000
- Renewables in the transport sector today: Mainly 1st generation biofuels (will not change before 2030)
What are the obligations for transport?

- The Paris agreement requires full decarbonisation of the sector by 2050.
- In order to stay well below 2 degree, this must even happen earlier: NGOs call for carbon free transport by 2035.
- Effort Sharing Decision requires 38% CO2 reduction by 2030 (to 2005), sanctioned if failed up to 60 billion Euros accumulated (Agora Verkehrswende 2017).
- This means 40% in 11 years. In the past 28 years, we did achieve ZERO reduction.
What is the ministry planning? (digest)

- Interim report by National Committee relies in intensive use of biofuels an e-fuels – criticized by Federal Environmental Agency:
  - Too optimistic in numbers
  - Not considering demands from other sectors
  - Ptx not available for land transport before 2030

- Announced:
  - Change of road traffic regulations to improve cycling (recently published and partly obtaining approval from cyclists)
  - Reduction of VAT for long distance rail trip (only few raise in passenger number expected, mostly relevant for today’s train user)
  - Extension of buyer’s premium for e-cars – not too successful in the past, benefits wealthy customers to buy second or third car
  - Digitilazation, autonomous driving: Effect unclear

- Even with optimistic accounting gap of 16-26 million tons CO2eq
What is missing? (digest)

- Targeted CO2 pricing (and a system to avoid social challenges)
- End of climate harming subsidies (diesel fuels, kerosine...)
- Road charging for passenger cars depending on travel distance
- General speed limit on German highways
- Strategy to reduce energy consumption in the sector (targets for all fuels including renewables)
- Change of company car regulation that today gives incentives to purchase high emitting cars
- Concrete quote and time frame for zero emission vehicles
Pressure is rising

- Pressure is rising – ESD will result in high fines if failed
- Pressure is also rising in the public debate: Fridays for Future, result in EU election
- Great Coalition in Germany wobbling, reelection seem feasible – could lead to further delay of action
- Policy must no more delude us that the transition would work without
Changes – quite normal!

- Policy must no more delude us that the transition would work without affecting peoples daily life and old habits
- Policy should rather stand behind the need of transition and show the feasibility (instead of repeating not wanting to forbid something)
- Broad mix of measures, most of them available, leading to a positive result in the end
- Communication needed to make the change „a normal thing“
Thank you!

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