



**INTERNATIONAL ROAD FEDERATION**  
FEDERATION ROUTIERE INTERNATIONALE


Better roads, better world.

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**Strategies and policy options for  
greening the road sector:  
what, when and how effective?**

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**Outline**

- **The need for action**
- **Strategies for reducing emissions**
- **Options for implementing the strategies**
- **Conclusions**

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## Cutting emissions is no longer a choice but a necessity

No additional climate policies



Emissions will grow  
dramatically



Increase in temperature

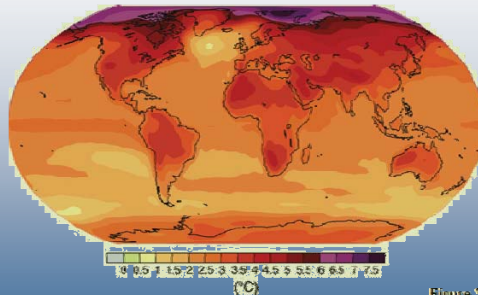


Figure 3

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### Sea level rise & airports: Honk Kong (China)



UNEP GRID Europe Pascal Peduzzi, 2010

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**Sea level rise & coastal erosion: roads**



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**Coastal flooding: impacts on roads**



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**Buckling**

**Fissuring**

**Rutting ...**



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## The current model does not scale

- Emissions from the transport sector are growing
- We don't have enough oil to meet demand
  - World GDP is growing
  - Population is increasing
  - Motorisation rate is increasing
- Congestion costs Europe about 1% of GDP per year

**Curbin mobility is not an option. Nor is business as usual**

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## Strategies for reducing emissions

- .....> Introduce low-carbon fuels
- .....> Increase vehicle fuel economy
- .....> Improve transportation system efficiency
- .....> Reduce carbon-intensive travel activity
- .....> Align transportation planning and investments
- .....> Economy wide pricing of carbon

Data from: "Transportation's Role in Reducing US Greenhouse Gas Emissions", Volume 1 and 2 – US DOT (April 2010)

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	Reduction by 2030 (%)	
	Vehicle	Transport sector
<b>1. UPTAKE OF LOW CARBON FUELS</b> (Ethanol, biodiesel, natural gas, liquefied petroleum gas, synthetic fuels, hydrogen, and electricity)		
Biofuels from cellulosic sources offer potentially large reductions, more R&D is needed. Current fleet can operate on low blends, higher blends require vehicle modification		
Fuel cells, and low-carbon H2 production, distribution and storage become reality	80	18-22 (2050)
Advances in battery technology		25-30 (2050)
<b>2. INCREASED FUEL EFFICIENCY</b> (engine and transmission design, light weight materials, improved aerodynamics, less rolling resistance)		
Technology is well developed, potential for offsetting higher vehicle costs by fuel savings, technology penetration limited by time for fleet replacement		
Advanced fuel vehicles	8-30	
Diesels	16 & more	
Hybrid electrics	25-55	
Plug/in hybrid electrics	45-75	



	Reduction by 2030 (%)	
	Vehicle	Transport sector
<b>3. IMPROVED EFFICIENCY OF TRANSPORT SYSTEM</b> (Design, construction and operation of networks) Significant co-benefits, but new "induced" demand		3-6
Speedlimits		2-3
Traffic management, travel and trip information, incident management		1-3
<b>4. REDUCING CARBON INTENSIVE TRAVEL</b> (Telecommuting, increasing load factors, modal shift)		5-17
Pricing		~ 3
Public transport		3-10
Non-motorised transport		
Land use changes		
Public information campaigns		



	Reduction by 2030 (%)	
	Vehicle	Transport sector
<b>5. Transport planning and investment</b>		
Technical assistance		
Regulations (for consideration of GHG issues and land use planning)		
Financial incentives (for planning and implementing GHG reduction strategies, meeting targets)		
<b>6. Pricing carbon</b>		2 - 23
Motor fuel tax		2-3
Carbon tax		
Carbon credits and trading		~17



# Policy options for implementing the strategies

Data from: "Transportation's Role in Reducing US Greenhouse Gas Emissions", Volume 1 and 2, US DOT (April 2010)



	Stimulate uptake of Low carbon fuels	Increase vehicle fuel efficiency	Increase transport system efficiency	Reduce travel
Efficiency standards	X	X		
Planning and funding			X	X
Market incentives	X	X	X	X
R&D	X	X	X	X
Carbon pricing	X	X	X	X





## 1. Efficiency standards

- Fuel efficiency standards for vehicles and manufacturer fleets
- Emission standards
- Low carbon fuel standards

**Modest to moderate impact in short-term,  
potentially very large impact in mid to long-term**



## 2. Planning and funding

- Providing technical assistance to planning agencies and organisations
- Transport planning regulations
- Incentives (performance-based criteria)

**Modest impact in short-term,  
moderate impact in medium-term**





### **3. Market based mechanisms**

- Tax credits and /or subsidies linked to distance travelled

**Moderate in medium term,  
large effect in long-term (depends on pricing level)**



### **4. Research and development**

- Financing research on vehicle and fuel technology
- Development of data, tools, and decision-support to improve transportation policy making and choices
- Policy research on interaction among strategies, economic impacts, institutional issues

**Large impact in the long term**



## 5. Economy-wide price signal

- Cap and trade
- Carbon tax

**Moderate in the medium-term,  
large in the long-term**



## Conclusions

- There is no magic bullet
- Technological options are promising in the long-term, but offer little in the short to medium-terms
- Non-technical options are promising and cost-effective



## BUT...

- The methods used to evaluate effectiveness of measures are largely financial-technical and NOT based on welfare economics.
- Second order effects (induced demand) are uncertain and typically ignored.
- Options to bring about behavioural change are not well researched or properly understood.
- The interaction among policy options are poorly understood



## Road Infrastructure Sector

- Tools to assess GHG emissions
- Green rating systems
- Green public procurement





**Thank you**

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