

Sustainable transport OVERVIEW

2020

Good transport solutions bring people closer together and make everyday life easier. They allow us to get home quicker after work, take the kids to school, visit family and friends, explore what is around us and even receive last-minute ordered gifts on time. Transport is a critical economic factor that enables companies to trade and boosts competitiveness and prosperity by providing the goods and services that are the foundation of economic life.

However, transport also generates vast amounts of carbon dioxide (CO₂) and exhaust gases, contributing to climate change and air pollution. Transport is the second-largest source of global greenhouse gas (GHG) emissions and accounted for 24% of CO₂ emissions from fuel combustion in 2018^[1]. In Europe, the transport sector is performing particularly poorly in terms of GHG emission reduction: between 1990 and 2017, the EU's greenhouse gas emissions decreased by almost 25% overall – however, transport showed a 20% increase^[2]. Thus, transport is becoming a key obstacle to decarbonisation in Europe.

Sustainable transport is not only vital to the continued success of mobility, trade and development but is also at the centre stage of any response to the climate crisis. The European Union is expected to be one of the leaders in the fight against climate change and in achieving the Paris Agreement targets. Timely finance for the implementation of climate action is both key to, and a challenge for reaching these goals. However, transport lags behind other sectors in climate investments, as less than 2% of the world's climate finance projects are associated with low-carbon transport^[3].



[1] <https://bit.ly/32PfVpc>

[2] <https://bit.ly/2phwM6n>

[3] <https://bit.ly/2xBTwC6>, p. 115

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Private investors are hesitant to invest in green mobility solutions. Most urban transport systems do not cover their operating and maintenance costs, let alone capital expenses. Upgrading to more environmentally-friendly vehicles or building a mass transit system – metro, light rail, Bus Rapid Transit, etc. – requires large investments. Engaging the private sector and optimising the use of scarce public resources to implement sustainable transport projects is crucial to maximising finance for green transport.

To assist this vital transformation process, the EIB Group, as the EU's climate bank, is contributing to the necessary acceleration towards sustainable, green transport.

FACTS AND FIGURES

Since the beginning of its operations in 1958, the EIB has provided long-term finance to support the development of many of the transport networks that have helped the European economy and our societies to thrive and grow closer together.

Today, the EIB Group is playing a significant role in the transformation of mobility and transport for a low-carbon future in Europe and beyond. To support a green and competitive economy, we aim to accelerate the take-up of sustainable transport solutions by scaling up and attracting private investment and ensuring balanced regional development. In addition to our financing, we also provide technical assistance and advisory support.

New mobility business models and technologies play a crucial role in enabling the transformation of transport towards zero-emission standards. That is why the Bank's focus has broadened in recent years beyond larger infrastructure projects to support for smaller innovative ones. The EIB Group promotes research and development in the area of cutting-edge technologies such as alternative fuels, e-mobility including batteries, fuel cells and charging stations, autonomous driving and artificial intelligence. At the same time, we help Europe's entrepreneurs bring their ideas to market and compete on the global stage.

There are plans to update the EIB's transport lending policy. The new policy is due to be aligned with the future update of the European Commission's White Paper on Transport, which is expected to cover the policy for the transport sector after 2020.

In 2019, the EIB signed new deals totalling €10.5 billion for 81 new transport projects within the European Union. Alongside investments in more traditional transport infrastructure – such as railways, roads, airports and ports – to develop the Trans-European Transport Network (TEN-T) and investments in traditional sustainable transport projects such as metro and tram lines, notable projects signed in 2018 included fleets of buses using electric and/or alternative fuels. The share of sustainable transport projects has been steadily increasing over the past few years and now represents, at over **€5.5 billion** within the EU in 2019, more than half of our lending in the transport sector.

Concretely, **our 2019 financing means that more than 630 million additional passenger trips can be made annually.**

When looking at the global picture, the Bank invested considerably in sustainable transport both within and outside the EU. **Between 2013 and 2018, EIB backing contributed to:**

- more than **25 750 km of roads** built or upgraded;
- more than **1 380 km of bus lanes and tram/metro lines** constructed or upgraded;
- more than **4 120 vehicles or rolling stock units** purchased or rehabilitated.



PROJECT HIGHLIGHTS AND INITIATIVES

Below you can find some of the projects and initiatives that we developed in support of the transition towards green and sustainable mobility. Discover more of our transport projects through our **stories** and read more about our **approach** and **priorities** as well as our wide range of **products** to finance transport projects.

The Cleaner Transport Facility (CTF)

This was launched by the EIB and the European Commission (EC) in December 2016. The CTF is neither a fund nor a specific financing facility but an initiative to support the deployment of new cleaner technology in the transport sector by making use of the tools that the EIB and the EC can offer. The objective of the CTF is to accelerate the deployment of cleaner transport vehicles and help meet their associated infrastructure needs, such as charging and refuelling facilities, with a view to fostering socio-economic benefits including reduced health costs due to cleaner air and lower noise levels. It builds upon the Commission's strategy for low-emission mobility.

[More information online](#)

Electric shuttles and taxis, France

Navya is developing and deploying autonomous electric shuttles and taxis. An EIB investment of €30 million under the European Fund for Strategic Investments (EFSI) will support Navya's spending on R&D, technology development and the scaling-up of production. The EIB investments in this French company will contribute to the creation of a more efficient, safer and sustainable transport system.

[More information online](#)

Ultra-fast charging stations

The EIB supported Greenway EV's charging network with a €17 million loan, which was needed to increase the number of charging stations in Central and Eastern Europe in order to provide more charging opportunities for the growing number of electric vehicle drivers.

[More information online](#)

Almotive, Hungary

According to the US Department of Energy, automated vehicles could reduce energy consumption in the transport sector by as much as 90%. With that in mind, the EIB and the Hungarian car technology company Almotive have signed a €20 million loan for investment in research and development in the area of artificial intelligence (AI) software for self-driving vehicles.

[More information online](#)

Bus fleet, Warsaw, Poland

A €95 million EIB loan supported the purchase of approximately 130 low-floor, electric, zero-emission articulated buses and up to 270 low-emission compressed natural gas (CNG) buses, and the construction of a centrally located bus depot with 280 bus parking spaces, facilities for electric buses and rapid charging stations.

[More information online](#)

Maritime transport

The EIB has invested hundreds of millions of euros to promote green shipping by supporting companies and technologies that make ships more energy-efficient and environmentally-friendly. With a €100 million loan from the EIB, the ferry operator Finnlines installed scrubbers on existing ships (retro-fit) to filter out sulphur and other harmful particles from exhaust emissions.

[More information online](#)

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RESOURCES

BLOGS

- [The road goes digital](#)
- [Energy efficiency: Trams gain traction in Denmark](#)
- [Green ships on the blue](#)
- [Riga Transport Company trams, Latvia](#)
- [Croatia builds world's fastest electric car](#)
- [Las Palmas saves the climate one MetroGuagua at a time](#)
- [Closer than you think: The future of transport](#)
- [The path to road safety in Ukraine and its neighbours](#)
- [Tuk-tuks and metros](#)
- [Take the Quito Metro to Sustainable Urban Development](#)

VIDEOS

- [The EIB invests in mobility](#)
- [Around the world on a metro with the EIB \(including Quito, Athens, Rabat, Lucknow and Rotterdam\)](#)
- [Metz: priority to public transport](#)
- [Reshaping Lisbon](#)
- [Girl Power on the Bangalore Metro](#)
- [Bangalore metro: ♀ The way ahead for women](#)
- [Lucknow Metro: the future is now](#)

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to stories, brochures
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<https://www.eib.org/sustainable-transport-overview>

