Contradictory funding: Traffic, urban sprawl and climate targets

Vivi Niemenmaa/NAOF 11.10.2011
This presentation

- Based on two audits:
  - Urban sprawl (2010)
  - Preparation and implementation of climate and energy strategy (2011, forthcoming)

- Audit questions related to transport and urban sprawl:
  - Is the state is aware of the economic and climate impacts of urban physical structure?
  - Does the state operate in a co-ordinated manner in different sectors when it comes to sound urban structure and reduction of traffic?
Target

- Compact urban structure
- Reduce the ghg-gases in the traffic sector
  - 15 % reduction by 2020
Population density at NUTS3 level in 2009*  
Average value per region as January 1st  

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<thead>
<tr>
<th>Density Range</th>
<th>Legend</th>
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</thead>
<tbody>
<tr>
<td>≥ 1,000</td>
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<tr>
<td>500−1,000</td>
<td>Red</td>
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<tr>
<td>250−500</td>
<td>Light red</td>
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<tr>
<td>100−250</td>
<td>Orange</td>
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<tr>
<td>50−100</td>
<td>Yellow</td>
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<td>25−25</td>
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<td>12.5−25</td>
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<td>8−12.5</td>
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<td>&lt; 8</td>
<td>Light yellow</td>
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* AL, BE, DE, FR & UK 2008; Kosovo and Serbia 2007  
Bosnia and Herzegovina, Moldova, Montenegro NUTS60  
The average population density for EU27 is 113 persons/km²  
and for the Nordic countries 24 persons/km² (without Greenland)
Reality 1/3

- Urban sprawl especially in the finges of the fastest growing cities
- Increase of costs related to infrastructure building and maintenance, and production of welfare services
- Increase in traffic by private cars

1980-2005
Possible tools to reduce ghg emission in transport sector

- Alter the choice of traffic mode (e.g. support of public transportation)
- Increase of fuel efficiency (renewing the car fleet)
- Decrease of fuel emissions (increasing the share of biofuels)
- Reduce the volume of traffic
GHG reductions created by biofuels have been annulled as the traffic volume has continued to grow.
Reality 3/3

- Contradictory support mechanisms
  - funds for infrastructure building > more compact structure
    - in 2010 € 9,6 million
  - funds for water and sewage systems > sprawls
    - 2005-2009 € 50 million
Comparison of funding 1/2

- Climate funding altogether appr. € 270 in 2008
Comparison of funding 2/2

- Tax subsidy for commuting € 300 in 2008 in lost state taxes
Conclusions

1. State has funding systems that both sprawl the structure and work against it: coherence problem that increases the costs of climate actions

2. Different support mechanisms not transparent enough: no tools for public discussion about different targets and preferences

3. It is not enough to analyse climate funding: also funding acting in an opposing way needs to be scrutinized – and not only expenses but also lost revenue