Follow-up of transport policy objectives 2024

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TRANSPORT ANALYSIS

Transportananlysis
Adress: Rosenlundsgatan 54,
SE-118 63 Stockholm
Phone: +46 10 414 42 00
E-mail: trafikanalys@trafa.se
Webadress: www.trafa.se
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Summary

The Overall Transport Policy Objective

The transport policy objective is to ensure a socio-economically efficient and long-term sustainable transport solution for the citizenry and business community of all of Sweden.

Overall, and considered from all relevant perspectives, Transport Analysis finds that our society has not moved nearer to a long-term sustainable transport supply. This is because there are both key and supplemental indicators that have trended negatively, and their different aspects cannot be considered to compensate for one another.

Russia's war in Ukraine has continued with unabated force since the full-scale invasion in February 2022. The closed air space over these countries has continued to impact air travel between Europe and Asia, leading to reduced traffic and longer flight routes. Israel's war in Gaza is also being waged in response to the Hamas terrorist attack in October 2023, and this has also led to heightened tensions throughout the Middle East, with attacks in multiple countries and against shipping in the Red Sea. At the end of 2023 a number of major shipping lines opted to use the two-weeks-longer route around the Cape of Good Hope, which naturally entails higher fuel costs and longer delivery times. The year was otherwise characterized by continued inflation and falling prices for raw materials.

The EU climate package *Fit for 55* was finalized in 2023. It will entail a number of changes for the transport sector. Greenhouse gas emissions from maritime activity will be incorporated into the current trading system, while a new trading system for emissions rights will also cover road traffic as of 2027. Sweden is also subject to a heavier obligation under the Effort Sharing Regulation (ESR), with the result that emissions within the non-traded sector are to be halved relative to the 2005 levels by 2030.

Neither under- nor over-internalization of the transport sector's marginal costs favours socio-economic efficiency. The skew that is currently apparent indicates that too many shipments are being made by lorry, and that vehicle traffic in urban areas should be decreased compared to current levels. The degree of under-internalization is notably lower outside our urban areas, which means that the traffic there is better able to bear its own costs than urban traffic is. Traffic involving electric vehicles in rural areas is found even to be over-internalized by a few öre per person-kilometre.

The development of the transport system is contributing to Sweden's journey towards some of the global sustainability goals described in Agenda 2030. For example, our greenhouse gas emissions have decreased, while the number of traffic fatalities is also decreasing over time. However, there are also challenges, in that the affordability of transport is decreasing for individuals with low incomes, and in that transport reliability and standards are not trending in the desired direction.

Compared to last year, Transport Analysis' assessments still stand for all indicators on which the follow-up is based. A minor adjustment has been made in just one instance, i.e. *Fatalities or serious injuries.* Our assessment remains that the trend has been in the right direction, but we see that the rate of change will not suffice to enable all of the set intermediate traffic safety objectives to be achieved in time (Figure A).

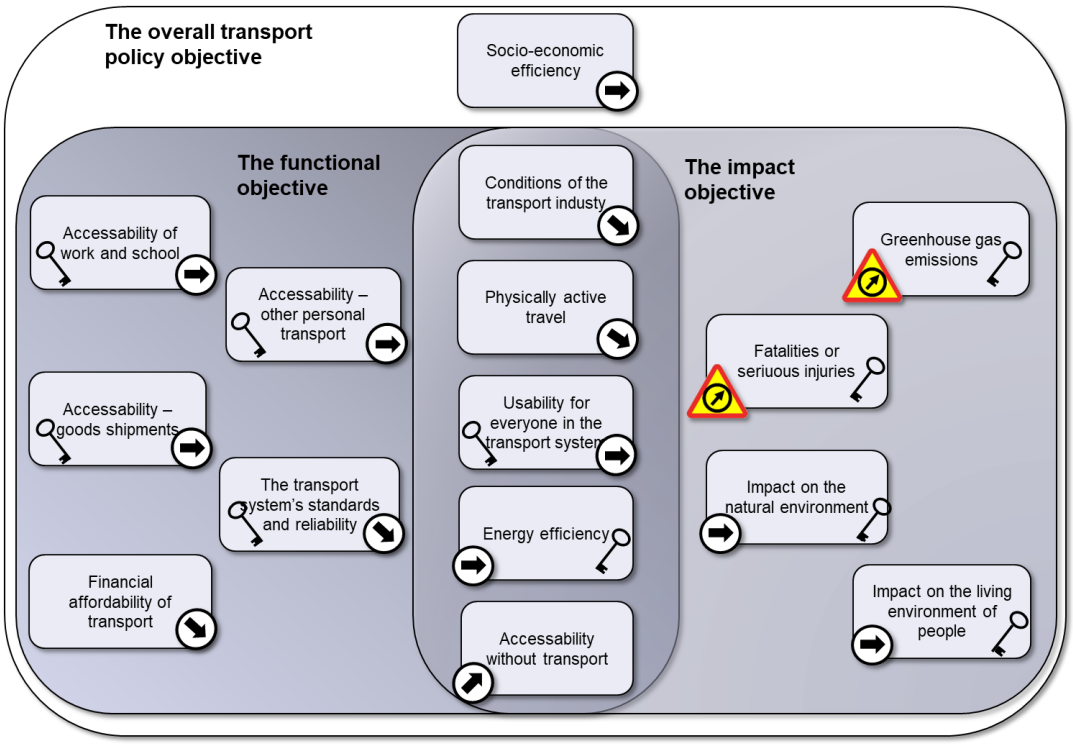

Figure A. Trends of the 15 indicators used to assess the state of the transport system. An upward arrow means that the indicator is trending in the direction specified by the objectives, while a downward arrow means that the indicator has trended in an undesirable direction. A horizontal arrow means that the state of the system overall is considered to be at a level equivalent to when the objectives were adopted in 2009. The warning sign is used to indicate that we believe that an intermediate objective will not be achieved in time.

The Functional Objective

The design, function and use of the transport system shall contribute to supplying everyone with basic access to transport of high quality and usability, and to driving development throughout Sweden. The transport system must be gender-equal, meeting the transport needs of men and women.

The status of the functional objective is considered to have trended negatively since the objectives were adopted. Most disturbing is the evolution of *The Transport System's Standards and Reliability* indicator. A long-standing negative trend in terms of deficient reliability continued during 2023, a year with normal rail traffic. A negative tendency is also present with respect to road traffic. This is troubling, as it may be seen as being symptomatic of a transport system that is failing to meet the basic requirements to which it is subject.

Overall, *Accessibility of work and school* has, like the accessibility of *Other personal transport*, evolved in a stable manner over time. Interregional accessibility has trended negatively in recent years, although it is now considered to be at a level equivalent to when the objectives were adopted, thanks to a recovery during 2023. *The Financial affordability of transport* is considered to have diminished over time. Perceived *Usability for everyone in the transport system* has also declined, even as efforts to improve public transport continue. Given also that the number of C- and D-card holders has continued to fall – even as the median age of the card holders has continued to rise – and that the travel industry was severely negatively impacted by the Covid pandemic, our conclusion is that the *Conditions of the transport industry* indicator has moved in a negative direction. The underlying data used to assess the evolution of the accessibility of freight transport this year were limited because of the

pandemic. Despite the shortage of data, *Accessibility of freight transport* is considered to be at the same level as when the transport policy objectives were adopted.

However, there are also bright spots and signs of positive movement. Digitalization continues to advance positively, thereby improving the chances of achieving *Accessibility without transport*. Unfortunately, the tendencies towards increased sedentariness and fewer *Physically active trips* also pose a health risk. The transport sector is showing a number of positive signs, particularly with regard to road traffic in terms of increased *Energy efficiency*, although the results are still modest in terms of the energy efficiency of other modes of transport, and in terms of the transition to more energy-efficient ways of travelling. Distinct geographic differences are evident with regard to accessibility across all metrics and indicators, differences which are also tending to become entrenched as well as growing over time. Regions with relatively good accessibility are tending to progress positively, while those with less favourable conditions and assumptions are trending negatively, or else positively but at a slower pace.

The Impact Objective

> The design, function and use of the transport system shall be adapted so that there are no fatalities or serious injuries and so it contributes to the overall generational goal for the environment and environmental quality goals, and to improved health.

Two key indicators for the impact objective, i.e. *Greenhouse gas emissions* and *Fatalities or serious injuries*, have been trending positively since 2009. In both cases, however, the current rate of progress makes it unlikely that the intermediate objectives set for 2030 will be achieved on time.

Our assessment in the case of *Greenhouse gas emissions*, based on preliminary figures, is that such emissions from domestic transport have decreased marginally compared to last year, thanks to the continuing electrification of the vehicle fleet. On the other hand, emissions from domestic and foreign aviation have increased, with the post-pandemic recovery continuing during 2023. Our assessment is that emissions from foreign maritime activities have decreased marginally compared to 2022, as the number of port calls decreased. There are signs of a slowdown in the pace of electrification with respect to road traffic. The share of new vehicle sales accounted for by rechargeable vehicles was either somewhat or significantly lower than in 2022 in eight counties. Because the decision has been made to lower the greenhouse gas reduction mandate over the coming years, there is an urgent need to further accelerate the pace of electrification. The likelihood that the intermediate objective for 2030 will be achieved in time has decreased.

According to preliminary data, 383 people died throughout the entire transport system in 2023, an increase of 23 fatalities (+ 6%) compared to the year before. Of those fatalities, 280 people died in accidents, and 103 by suicide. The total number of fatalities across all modes of transport has fallen by 38% since 2007. This positive trend is almost entirely attributable to the positive trend with respect to road traffic, where the majority of fatalities occur. If we consider the shares of all fatalities in 2023, road traffic (including suicides) accounted for 68%, while travel by rail (including suicides) accounted for 26%, i.e. a total of 94%. For it to be likely that the new intermediate objectives for 2030 will be achieved, the number of fatalities occurring in traffic accidents and resulting from suicides among rail passengers should start to decrease again.

Energy efficiency is increasing primarily with respect to road traffic. Lower utilization rates due to the Covid pandemic resulted in increases in energy use per person-kilometre with regard to both domestic aviation and rail traffic in 2020 and 2021, albeit with some degree of recovery

for domestic aviation in 2021. The recovery in terms of utilization rates for both aviation and rail traffic continued in 2022, while the share of road traffic accounted for by public transport also increased anew. The share of freight transport accounted for by road traffic grew as well, and no clear transition to more energy-efficient modes of transport is evident in the transport mileage statistics.

As of this year, several of the Swedish Transport Administration's secondary metrics for *Landscape-adapted infrastructure* are being included in our assessment of the *Impact on the natural environment* indicator. Our assessment is being further supplemented with a number of metrics which collectively attempt to capture key aspects of the ways in which the impact of the transport system on the natural environment is changing over time. These metrics paint a slightly fragmented picture, with some trending in a desirable manner, while others are not. Our assessment from last year, i.e. that the impact has not changed decisively since the objectives were adopted, consequently still stands.

The *Impact on human living environment* indicator includes a few key metrics that are trending positively. This pertains to links to air pollutants in urban areas, where concentrations of both particulate matter and nitrogen oxide are trending in the desired direction. However, problems with noise appear to persist, and are considered to be at roughly the same level as when the objectives were adopted. There are significant differences throughout Sweden.

Of the supplemental indictors included in the assessment of the impact objective, only *Accessibility without transport* has trended in a favourable direction. None of the key indicators for the impact objective have trended negatively. Our overall assessment is thus that the status of the transport system with respect to the impact objective is on a level that is comparable to when the objectives were adopted.

Transport Analysis is a Swedish agency for transportpolicy analysis. We analyse and evaluate proposed and implemented measures within the sphere of transportpolicy. We are also responsible for official statistics in the transport and communication sectors. Transport Analysis was established in 2010 with its head office in Stockholm and a branch office in Östersund.

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Rosenlundsgatan 54
SE-118 63 Stockholm

Phone +46 10 414 42 00
trafikanalys@trafa.se
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