Report on the implementation of Estonian National Policy Framework concerning Directive 2014/94/EU

1. Legal measures

In 2021, a regulation will enter into force in Estonia, obliging new buildings (both apartment buildings and other buildings) to install electric chargers depending on the number of parking spaces.

Other legal measures to support the construction of different alternative fuels infrastructure in Estonia are not being implemented today, as both the national electricity charging infrastructure and the CNG charging infrastructure have already been established. Different ideas have been put forward on the hydrogen loading infrastructure, but as hydrogen vehicles are only beginning to enter the Estonian market, no concrete action has yet been taken.

2. Policy measures supporting the implementation of the national policy framework

At the end of 2019, an aid measure of 1.2 million euros was announced for the purchase of electric vehicles in Estonia. The maximum grant per electric vehicle is € 5,000 and is unlikely to be the last of its kind, as the previous electric vehicle purchase support measure announced in 2014 proved very popular and money was quickly spent. In Estonia, electric vehicles are allowed to use bus lanes, and different cities also have different discounts and sometimes free parking for electric vehicles.

The recently adopted EU clean vehicles directive contributes to meeting the climate targets in transport. It sets different benchmarks for the environmental performance of public sector vehicles (including public busses). The directive stipulates that 31% of the busses procured in Estonia by 2025 and 43% by 2030 must be clean vehicles (i.e. gas buses), while 50% of these must have zero emissions (electric busses). Even today, public transport in Estonia is largely based on gas buses.

By now, a nationwide CNG loading infrastructure has been established and by the end of 2019 the state had contributed € 2.78 million. The private sector made the same contribution to the infrastructure.

The Cabinet of Ministers has decided to electrify the entire country's railway by 2028. Design work will begin this year and construction work will begin in 2022. The total estimated cost is € 300 million. Railway electrification provides CO2 savings that are comparable to ten percent of all road transport CO2 at a given time. In addition, the government has approved the

acquisition of 6 new electric trains by the public transport company ELRON, which provides national passenger rail services. Estimated investment cost is around € 60 million.

The aviation sector is open to the introduction of machinery based on alternative fuels but today´s volumes are still too low for big investments. At the moment, biogas is mainly used for airports machinery.

3. Deployment and manufacturing support

Biomethane is exempt from excise duty in Estonia, no excise warehouse permit is required for its production and sale and no excise duty on fuel is required. In the near future, Estonia plans to introduce support for the conversion of agricultural machinery engines so that they can use biomethane in addition to diesel fuel.

Until the end of 2019, the state supported the maintenance of the electric charging infrastructure in the amount of EUR 50,000 per month. At the moment the infrastructure has been privatized and the support is no longer implemented.

4. Research, technological development and demonstration (RTD&D)

The Ministry of Economic Affairs and Communications, in cooperation with the Environmental Investment Center, has carried out information activities on biomethane, which includes:

- Biomethane Advisory Council - Meets quarterly with various market participants in biomethane including petrol stations, biomethane producers, consumers, car dealers, etc.;
- an advertising campaign promoting domestic biomethane and its environmental friendliness (on TV, radio and public space);
- biomethane website (biomethane.info) and its update, maintenance. The website displays up-to-date information on, for example, CNG filling stations, answers frequently asked questions, information on vehicles, subsidies, certificates of origin and more. In addition, you can discuss your annual fuel economy on the site if you are driving with CNG;
- active dissemination of information in newspapers (eg articles in business day, car magazine, etc.);
- seminars / conferences 1-2 days a year on market developments in the field.

EUR 120 000 have been spent on these activities over the last two years.

5. Targets and objectives

Due to the increasing use of electric vehicles, gas vehicles, the growing number of vehicle models in the market and the opening of the purchase support measure for electric vehicles, we

forecast up to 1500 new alternative fuel vehicles to be added to Estonian roads by the end of 2020. Considering the fact that there are currently about 5500 alternative fuel vehicles in the Estonian register, we forecast 7000 vehicles using alternative fuels by the end of 2020, 14200 by the end of 2025 and 25000 by the end of 2030. In addition, the Clean Vehicles Directive obliges the public sector to replace part of its fleet of vehicles with alternative fuels by 2030, with the result that at least 1,500 alternative fuel vehicles will be added by 2030.

By the end of 2020, the National Transport and Mobility Development Plan 2021+ will be completed, which will set new national targets for the deployment of alternative fuels and their infrastructures.

Due to the fact that the electric charging infrastructure is privatized and all other charging points are owned by private sector, the specific methodology to take into account for the charging capacity of the quick recharging points, follows from the developer's business plan.

6. Alternative fuels infrastructure developments

As the privatization of the electric charging infrastructure placed obligations on the new owner, including the addition of charging heads of different standards and the distance between charging points, the development depends on the business plan of the new owner. In addition, charging points for electric vehicles have been set up in Estonia by the private sector and the long-term vision of the state is that all charging points would form a complete charging infrastructure that would be convenient for all users.

The biogas loading infrastructure is fully built and is developing on demand.