

Portugal Heading to Sustainable Mobility at Full Throttle: New Green Mobility Measures and National Roadmap to Decarbonising Aviation ('RONDA')

Publication of the Cabinet decisions approving RONDA and the package of green mobility measures for goods and passengers.

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ortugal recently gave the green light to the Green Mobility Package and RONDA, initiatives that represent a concerted effort by the government to promote sustainability and accelerate decarbonisation in the land and air transport sectors:

 On 11 October, a number of green mobility measures in the land transport sector (goods and passengers) were approved by way of Cabinet Decisions ('RCM') nos. 143-B/2024 and 134-C/2024, which came into force on 14 October; and

 On 28 October, the National Roadmap to Decarbonising Aviation ('RONDA') was approved by way of RCM no. 147/2024, coming into force on the same day and seeking to decarbonise the aviation sector and to mitigate greenhouse gas emissions.

The main aim of these initiatives is to transform mobility in Portugal by encouraging the

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use of public transport and more sustainable modes of transport, such as electric vehicles and bicycles, as well as promoting energy efficiency and the digitalisation of transport systems. In the aviation sector, the focus is on creating support for the production of sustainable fuels and on collaboration between the main actors in the sector to reduce the carbon footprint.

These initiatives seek not only to improve air quality and reduce fossil fuel dependency, but also to contribute to Portugal's climate commitments, aligning with European decarbonisation and energy transition targets such as those of the European Green Deal, the 'Fit for55' Package and the Paris Agreement, with the aim of achieving climate neutrality by 2050.

1. Green Mobility... ... of goods

Focusing on the green mobility of goods, RCM no. 134-B/2024 sets out several measures to accelerate the decarbonisation of the transport of goods (freight carriage) in order to promote more sustainable and efficient urban logistics, improving trans-European transport network connectivity and performance:

1.1 Support for the purchase of zero emission vehicles:

- a) For 100% electric light goods vehicles, planned award of 200 incentives totalling a maximum of €6,000.00, with a maximum of two incentives per legal person;
- b) For 100% electric and conventional bicycles, planned award of 200 incentives worth 50% of the pur-

chase price, including value added tax ('VAT'), up to a maximum of €1,500.00 for 100% electric bicycles or €1,000.00 for conventional bicycles, with a maximum of four incentives per legal person.

1.2 Support for the purchase of 2nd generation digital tachographs for public road haulage:

 a) Incentives will be awarded for 50 per cent of the purchase price, excluding VAT, up to a maximum of €500.00, with a total of four incentives being awarded for four vehicles.

1.3 Urban Logistics Pilot Projects:

 a) The implementation of two urban logistics pilot projects is planned for 2024, totalling a maximum of €250,000.00 for each project and each nation-wide call for proposals in 2025.

2. ... of passengers

Focussing on the green mobility of passengers, RCM no. 134-C/2024 sets out several measures to promote more sustainable and inclusive mobility, improving quality of life and combating exclusion and mobility poverty.

2.1. 'Circula PT':

 a) A fare discount is introduced for intermodal and monomodal transport tickets, especially aimed at citizens with low incomes and other vulnerabilities;

- b) Passe Social +' is replaced, extending coverage to the entire national territory and not just the metropolitan areas of Lisbon and Oporto;
- c) The extension of this measure is funded with the Institute of Mobility and Transport, I. P.'s ('IMT') own revenue up to a maximum of €4,400,000.00 in 2024 and €8,800,000.00 in 2025, to be channelled, in the end, to the fare revenue recipients burdened with this fare-related obligation (transport authorities or public transport service operators).

2.2 Green Rail Pass:

- a) A rail pass is created with a reduced value of €20.00, valid for 30 consecutive days, which gives access to various rail services, including regional, interurban, urban Coimbra, Lisbon and Porto and intercity (2nd class).
- b) The implementation of this measure is funded by compensation to be awarded under the terms of the public service contract signed between the State and CP Comboios de Portugal, E.P.E, under the terms of Decree-law no. 73/2024 of 18 October.

2.3 Free Pass for Young People:

 a) The free pass for young students, regulated by Ministerial Order no.
7-A/2024 of 5 January, is extended to all young people up to the age of 23, regardless of whether or not they are studying;

- b) The extension of the measure will be financed in 2024 with a sum of €10,000,000.00 from the Environmental Fund and in 2025 with a sum of €15,000,000.00 from the Environmental Fund and €25,000,000.00 from the State Budget, to be channelled, in the end, to the fare revenue recipients burdened with this fare-related obligation.
- **2.4** Support for the purchase of zero emission vehicles:
 - a) In the case of 100% electric passenger cars:
 - Planned allocation of 1,050 incentives totalling €4,000.00 for vehicles with an acquisition value of up to €38,500.00, with a maximum of one incentive per individual, subject to the scrapping of fossil fuel vehicles more than 10 years old.
 - Planned award of 400 incentives totalling €5,000.00 for vehicles with an acquisition value of up to €38,500.00, with a maximum of four incentives being awarded per Private Social Solidarity Institution ('IPSS') and other social enterprises, subject to the same condition referred to above.

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- b) In the case of 100% electric and conventional bicycles, planned award of 300 incentives worth 50% of the vehicle's purchase price, including VAT, up to a maximum of €1,500.00 in respect of 100 electric bicycles and €1,000.00 in respect of conventional bicycles, with a maximum of four incentives being awarded for legal persons and a maximum of one incentive for of natural persons.
- c) In the case of city electric bicycles, planned award of 4,550 incentives worth 50 per cent of the vehicle's purchase price, up to a maximum of €500.00, with a maximum of four incentives for legal persons and one incentive for natural persons;
- d) In the case of motorbikes and similar, planned award of 1,050 incentives worth 50 per cent of the vehicle's purchase price, up to a maximum of €500.00, with a maximum of four incentives for legal persons and one incentive for natural persons;
- e) In the case of conventional bicycles, planned award of 1,000 incentives worth 50 per cent of the vehicle's purchase price up to a maximum of €150.00, with a maximum of four incentives for legal persons and one incentive for natural persons;
- f) In the case of vehicle charging units in multi-family apart-

ment buildings connected to the Mobi.E Network, 216 incentives will be awarded, worth 80% of the purchase price of the charging unit, including VAT, up to a maximum of €800.00, plus 80% of the purchase price of the electrical installation associated with the charging unit purchased, including VAT, up to a maximum of €1,000.00 per parking space. The incentive is limited to one charging unit per owner, up to a limit of 10 charging units per apartment building/'CPE' (Delivery Point Code).

2.5 Support for Smart Mobility:

- a) Incentives are planned for the digitisation and modernisation of the ticketing platforms of the different public transport operators and the implementation of the 1bilhete.pt platform, allowing users to use a single ticket for various modes of transport and different transport operators;
- b) This support has a maximum amount of €1,000,000.00, granted through the Public Transport Service Fund, plus support totalling a maximum of €1,700,000.00, granted by the Environmental Fund for the technological development of the 1bilhete.pt platform.

The merit of these measures in promoting more sustainable and inclusive mobility in Portugal is undeniable, but it is crucial to ensure that these initiatives are

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economically viable and socially fair, so that they can be sustainable in the long term. Effective implementation of the measures now approved will require ongoing coordination between the different stakeholders

The implementation of a large part of the

green mobility measures will require a major effort on the part of public transport service operators, both in terms of creating a public transport system capable of absorbing the potential increase in demand and in terms of the possible financial losses for operators generated by the mechanisms adopted to compensate for the adoption of these fare-related obligations.

3. National Roadmap to Decarbonising Aviation ('RONDA')

With the aim of reducing greenhouse gas emissions in the aviation sector, RCM no. 147/2024 approves RONDA and establishes the creation of support for the production of sustainable aviation fuels.

The range of measures approved by the Cabinet includes the creation of the Aviation Sustainability Alliance ('ASA'), which will have a Steering Committee made up of representatives of the Government, air carriers, airports, environmental NGOs, DGEG, ANI - Portuguese Innovation Agency, LNEG - Portuguese Energy and Geology Laboratory, academia, aviation fuel suppliers and other organisations in the sector.

Also planned is the submission, within 6 months, of a RONDA plan and timetable

for specific actions and targets in the short, medium and long term, developed by ANAC in conjunction with APA, I. P., and the creation of support for companies 'Stimulating domestic production of sustainable aviation fuels and sustainable aviation electrofuels'.

After the approval of these measures, all that remains is for the Order from the ministry responsible for the environment and energy to be issued, which will create the aforementioned support for companies and which will be supported by ANAC, the Portuguese Directorate-General for Energy and Geology and the APA, with a budget of up to 40 million euros, corresponding to revenues obtained in the aviation sector under the EU Emissions Trading Scheme ('ETS') and the carbon tax.

We will therefore have to wait for the practical implementation of these measures, which will require the development and adoption of sustainable technologies and fuels, the adaptation of airport infrastructure, the harmonisation of national and international regulations ongoing funding, and effective collaboration between the different stakeholders.

4. Climate Agency

As part of the approval of these measures, the Government also announced the

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creation of a new structure - the Climate Agency ('ApC') - to manage the various funds related to the energy and climate areas, from the Environmental Fund to the Recovery and Resilience Plans in these areas, which will replace the Secretariat-General of the Ministry of the Environment and Climate Action.

We are still awaiting the creation of this agency and its regulation in a separate piece of legislation.

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