



# Environmental Law and EU Policies

## Positioning of Kosovo in Region and Europe market

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**Partnership for Promotion and Popularization of Electrical Mobility through Transformation and Modernization of WB HEIs Study Programs/PELMOB**

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# Case Study: Successful EV Initiatives in Europe

- Norway's EV Adoption Strategy
  - Incentives and Tax Benefits: Norway offers zero VAT on EV purchases and exemptions from tolls and parking fees, leading to over 54% of new car sales being electric in 2022.
  - Infrastructure Development: Extensive charging network with over 20,000 public charging points, facilitating easy access for EV users.
- Germany's National Charging Infrastructure Plan
  - Government Investment: The German government allocated €3 billion to expand the charging infrastructure, aiming for 1 million charging points by 2030.
  - Public-Private Partnerships: Collaboration with private companies to enhance charging station availability, increasing user confidence in EV technology.

# Case Study: Successful EV Initiatives in Europe

- France's Environmental Regulations
  - Legislative Framework: The French government implemented the 'Loi de Transition Énergétique' which mandates a significant reduction in greenhouse gas emissions, promoting EV usage.
  - Subsidies for EV Purchases: Up to €7,000 in subsidies for electric vehicle buyers, significantly boosting sales and adoption rates.
- The Netherlands' Comprehensive EV Policy
  - National Goals: The Netherlands aims for all new cars to be emission-free by 2030, supported by robust policies and incentives.
  - Local Government Initiatives: Municipalities are empowered to create their own EV-friendly policies, such as free parking and dedicated lanes for electric vehicles.

# Legal Incentives for EV Adoption

- Tax Exemptions
  - Exemption from import duties for electric vehicles (Law No. 05/L-029 on Excise)
  - Value Added Tax (VAT) reduction on EV purchases, promoting affordability
- Subsidies and Grants
  - Government grants for individuals and businesses purchasing electric vehicles (Decision No. 01/2021)
  - Financial support for the installation of EV charging infrastructure
- Regulatory Framework
  - Establishment of a legal framework to support EV integration into the national transport system (Law No. 04/L-087 on Road Traffic)
  - Incentives for local governments to develop EV-friendly policies and infrastructure

# Barriers to EV Adoption

- High Initial Costs
  - Electric vehicles (EVs) often have a higher purchase price compared to traditional vehicles, which can deter potential buyers.
  - According to the Kosovo Ministry of Economy, the average cost of an EV is approximately 20% higher than that of a conventional vehicle.
- Insufficient Charging Infrastructure
  - The current charging network in Kosovo is limited, with only 50 public charging stations available as of 2023.
  - The lack of widespread charging options creates range anxiety among consumers, impacting their willingness to switch to EVs.

# Role of Municipalities in E V Promotion

- Policy Development
  - Establish local regulations and incentives to encourage EV adoption.
  - Reference: Law No. 05/L-029 on the Promotion of Renewable Energy Sources.
- Infrastructure Investment
  - Develop and maintain EV charging stations in public areas.
  - Target: 100 charging stations by 2025 as outlined in the National Strategy for Electric Mobility.
- Public Awareness Campaigns
  - Organize educational programs to inform citizens about the benefits of EVs.
  - Collaborate with local businesses to promote EV-friendly practices.
- Partnerships and Collaborations
  - Engage with private sector stakeholders to enhance EV infrastructure.
  - Support initiatives like the Kosovo Electric Vehicle Association for community outreach.

# EV Market Trends and Predictions

- Global Market Growth
  - Electric vehicle sales are projected to reach 30% of total vehicle sales by 2030
  - Driven by increasing consumer demand and government incentives
- Kosovo's Emerging EV Landscape
  - Introduction of the Law on Energy Efficiency (Law No. 06/L-079)
  - Aims to promote the use of EVs with a target of 10,000 electric vehicles on the road by 2025
- Infrastructure Development
  - Investment in charging infrastructure is crucial
  - Kosovo plans to install 100 public charging stations by 2025 to support the growing EV market

# EV Incentives in Neighboring Countries

- Kosovo
  - 0% import tax on EVs
  - 50% reduction in registration fees
  - Supported by Law on Corporate income tax (Law No. 05/L-029)
  - Public awareness campaigns to educate citizens about EV benefits
- Albania
  - 0% VAT on purchase of electric vehicles
  - 50% reduction in road tax
  - Less comprehensive legal framework
  - Plans to enhance EV infrastructure, but early stages with fewer public awareness initiatives

# Impact of EVs on the Automotive Industry

- Transformation of Market Dynamics
  - Shift from traditional combustion engines to electric vehicles (EVs) is reshaping consumer preferences and demand.
  - Increased competition among automotive manufacturers to innovate and produce EV models.
- Legal Framework and Government Initiatives
  - Kosovo's Law on Corporate Income tax (Law No. 05/L-029) promotes the adoption of EVs through incentives and subsidies.
  - The National Strategy for Electric Mobility aims for 30% of new vehicle registrations to be electric by 2030.
- Infrastructure Development
  - Expansion of charging infrastructure is critical for supporting the growth of EVs.
  - Government plans to install 100 public charging stations by 2025 to facilitate EV usage and accessibility.

# Government Grants for EV Research

- Overview of Available Grants
  - National Funding Programs: The Kosovo government has allocated €2 million for EV research and development initiatives in the 2023 budget.
  - EU Support Initiatives: The European Union offers grants through the Horizon Europe program, with funding opportunities up to €10 million for collaborative EV projects.
- Legal Framework Supporting Grants
  - Law on Energy Efficiency (Law No. 06/L-079): This law establishes the legal basis for government funding and incentives for EV research, promoting innovation and sustainability in the automotive sector.
  - Regulatory Framework for Research Funding: The Ministry of Economy outlines specific criteria for grant eligibility, ensuring alignment with national energy and environmental goals.

# Conclusion and Future Directions

- Strengthening Legal Framework
  - Continued development of the legal framework, including the Law on Late Payments in Commercial Transactions (Law No. 05/L-110), is essential to support the growth of the EV market in Kosovo.
- Incentives for Adoption
  - Implementing financial incentives, such as tax reductions and subsidies, can significantly boost the adoption of electric vehicles among consumers and businesses.
- Infrastructure Development
  - Expanding charging infrastructure, with a target of 100 charging stations by 2025, will be crucial for enhancing the accessibility and convenience of electric vehicles across the country.

# Practice

## 1<sup>st</sup> group

- Develop a gap analysis of local legal framework and recommend initiatives for improvement – in alignment with EU Framework for electric vehicles

## 2<sup>nd</sup> group

- Analyse the possibilities for institutional support for introduction of electric mobility. Analyse international cooperation agreements in Kosovo and give arguments for a project proposal