NORWAY: TAKING ACTION ON ZERO EMISSION VEHICLES

Norway has long been a global leader in using Zero Emission Vehicles (ZEVs). This is due in great part to a longstanding incentive scheme encouraging people and businesses to switch to ZEVs.

Norway has by far the largest market share of ZEVs of any country in the world. In 2020, for the first time, more than 50% of new cars sold were electric cars. In total, approximately 10% of cars on Norwegian roads are ZEVs, and this number will increase as electric car sales continue to rise.

- **ZEVs on the road:** 458,854 (2021) representing 15.9% of Norway's total fleet
- **EV charging plugs:** 17,000 (2021)

### KEY POLICIES

**National tax system:**
Adoption of a “polluter pays principle” car tax system which establishes high taxes for high emission cars and low taxes for low emission cars. This progressive tax system is calculated using a combination of weight, CO₂ and NOx emissions.

**Charging infrastructure:**
Launch of a programme to establish two multi-standard fast charging stations every 50km on all main roads in Norway.

**Incentives:**
Electric car sales are given a VAT exemption. A 50% rule also prevents counties and municipalities from charging more than 50% of the price of fossil fuel cars on ferries, public parking and toll roads. ZEV owners are also exempt from paying annual road traffic insurance tax.

**Energy and Decarbonisation Fund:**
Enova, a state enterprise owned by the Ministry of Climate and Environment, funds up to 40% of the additional costs involved in the transition to zero emission transport.

Country: Norway  
Area: 385,207 km²  
Population: 5,402,170  
GDP: US$362 billion (2020)  
Total registered vehicles (all categories): 2,823,543 (2020)  
EV charging plugs: 17,000 (2021)
In 2020, Norway’s greenhouse gas (GHG) emissions were estimated to be about 49 million tonnes of carbon dioxide equivalent (MtCO₂e). The government has announced a plan to reduce national CO₂ emissions compared to 1990 levels:

54% reduction by 2030  Net zero by 2050

**GHG EMISSIONS TARGETS**

- 58.6% passenger cars
- 40.0% heavy duty vehicles
- 1.4% motorcycles

- 32% of Norway’s GHG emissions (2020) are from transport
- 54% of transport emissions are from road transport

**ZEV TARGETS**

- 100% of passenger cars sales to be electric or hydrogen by 2025.*
- 100% of new heavy vans should be zero-emission by 2030.
- 75% of new long-distance buses should be zero-emission by 2030.
- 50% of new lorries sold should be zero-emission by 2030.

**2025**  
2030  
2030  
2030

*assumes technological maturity

**KEY OUTCOMES**

- **ZEV uptake:** Norway’s ZEV passenger car uptake was 63.4% in 2021.
- **Charging infrastructure:** there are more than 17,000 charging points (2021) in Norway, which represents 9% of the total charging stations in Europe.
- **Financial outcomes:** new taxes for petrol or diesel cars help to finance incentives for zero-emission cars without any loss in revenue. In 2021, electric vehicle sales increased by 45.8% compared to 2020.
- **Energy and Decarbonisation Funds:** the Enova energy and decarbonisation fund will help to finance the transition to zero emission transport.