

**Statement on behalf of Asian Development Bank and the Partnership on Sustainable Low Carbon Transport**

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**On the Occasion of the 18<sup>th</sup> session of the Commission on Sustainable Development**

**- Round Table 3: Meeting the challenge of transportation needs in 21st century -**

**Mr. Chairman,**

*Rationale*

Transport plays a key role in providing access to markets, jobs, education, health care and services. Without improved access and strengthened transport infrastructure and services, achievement of the Millennium Development Goals, especially poverty reduction, is unlikely. Low carbon sustainable transport is a key component of sustainable development. It is important therefore to consider the multiple dimensions of transport (economic, social and environmental), as well as its linkages with other policies (spatial planning, trade) and trends (globalization, urbanization) when discussing the role of transport in the context of sustainable development.

*Changing role of ADB in Transport*

The Asian Development Bank (ADB) is increasing its support for transport in its developing member countries in Asia. It is increasing its lending volume for transport from \$ 2 billion to \$ 4 billion per year. ADB as part of its Sustainable Transport Initiative will be putting increased emphasis on mainstreaming of sustainable transport in its existing transport operations. In addition it has identified early opportunities for new and enhanced ADB lending operations in the following areas: (a) cross border trade and logistics, (b) urban transport, (c) mainstreaming climate change in transport, and (d) road safety and social sustainability. Together, the mainstreaming and the new and enhanced lending will strengthen the contribution of the transport sector to the three strategic agendas which are guiding ADB's work up to the year 2020 – inclusive economic growth, environmentally sustainable growth and the regional integration.

The ADB is working with the Global Environment Facility and the Clean Technology Fund to promote sustainable, low carbon transport in the Asian region. ADB is also making use of the experiences of other regional development banks on sustainable, low carbon transport. For instance the Inter-American Development Bank has developed a strategy on freight and logistics while the African Development Bank has recently adopted an integrated strategy for urban development, which aims at facilitating urban mobility in Africa, through better urban public transport systems. Both are relevant to Asia.

*Transportation Needs in 21st Century*

The Asian Development Bank is one of the founding members of the Partnership on Sustainable Low Carbon Transport (SLoCaT) and ADB is currently the Chairperson of SLoCaT. The SLoCaT membership believes that low carbon transport and sustainable transport need to go hand in hand.

Transportation in the 21<sup>st</sup> Century need to focus on:

- a) Providing affordable, safe and clean access for all to markets, jobs, education, health care and services;
- b) De-carbonization of transport by lowering CO<sub>2</sub> per passenger or ton kilometer traveled.

Setting global transport related targets by CSD 19 for both improved access and reduced carbon intensity will increase the chances that Millennium Development Goals are achieved; they can guide the development of more effective policies and help mobilize financial resources. Global cooperation should be based on a long term vision but have medium term (e.g. 2020) targets and include short term actions. ADB and its partners such as the SLoCaT Partnership is ready to help in identifying such a long term vision, medium term targets and short term actions.

A global vision and medium term targets should take into account existing international commitments such as the Moscow Declaration on Road Safety which called upon the United Nations to declare the decade 2011–2020 as the “Decade of Action for Road Safety” with a goal to stabilize and then reduce the forecast level of global road deaths by 2020. Also, the Copenhagen Accord should be taken into account which specified the need to limit global temperature increase to 2° Celsius.

In terms of short-term actions, the transport community has supported the Avoid–Shift–Improve framework, which was also described in the Secretary General Report on Transport. This calls for avoiding unnecessary travel through better land use planning, shifting travel to high transport-efficient modes including rail, public transport and non-motorized transport and improving fuel and engine technology is beneficial for both improving access and de-carbonizing transport. Implementation of the Avoid-Shift-Improve approach can generate important economic, social and environmental co-benefits which will help raise the acceptability of proposed policies and actions. For all three parts of the Avoid-Shift-Improve framework successful examples now exist in developing countries. Background document CSD18/2010/BP12 outlines some of the short term actions that should be taken to accelerate the replication and scaling up of these efforts.

1) *Empower and Strengthen Institutional Frameworks for Sustainable Low Carbon Transport*

The implementation of sustainable, low carbon transport policies, programs and projects requires proactive coordination and cooperation among departments and levels in governments that do not always coordinate and cooperate well. It also requires skills which often are weak in traditionally road-engineering oriented transport departments, as well as more appropriate transport project and program evaluation methodologies and tools. Promising sustainable, low carbon transport projects often start at the local level. Their replication and scaling up require well established coordination and cooperation between local and national level organizations to ensure that broader policy guidance is given. Stronger institutions will enable behavior change towards more sustainable mobility patterns and reduce the dependence on fossil-fuel technology.

2) *Improve the Collection, Analysis and Dissemination of Transport Data*

Developing and implementing sustainable, low carbon transport policies, programs and projects will require improvements in the collection, analysis and dissemination of transport data. International standards are required for transport-related data collection, so all jurisdictions (cities, regions and countries) are collecting the same types of data on facility supply, vehicle ownership and use, fuel consumption, public transport travel, fares, fuel prices, etc. Background Paper CSD18/2010/BP11 outlines proposals under which UNDESA with the active, direct involvement of the International Transport Forum (ITF), the International Energy Agency (IEA) as well as other relevant organizations, and with active consultation of other secondary data compilers, take the lead in: a) developing a protocol for a harmonized compilation of transport data from both developed and developing countries; and (b) developing recommendations for an institutional structure which facilitates the implementation of the protocol for harmonized compilation of transport data. It is furthermore proposed that the SLoCaT partnership and Multilateral Development Banks take the lead in convening its members and other organizations interested in transport data with the aim to improve capacity building on transport data in developing countries.

### 3) *Improve financing for sustainable low carbon transport infrastructure and services*

Increasing sustainable transport infrastructure and services can be helped by the elimination of poorly targeted fuel subsidies and appropriate taxation of vehicles and transport fuels (taking into account their external costs) in order to stimulate (a) traveling shorter distances, (b) shift to more energy efficient modes and (c) design and purchase more energy efficient vehicles. Where subsidies, specifically targeted at the poor, are required these can be delivered through more targeted mechanisms and through more support for public transport.

National support programmes as in the case of the Jawaharlal Nehru National Urban Renewal Mission in India shows, incentives and financial support can enable cities to address the transport challenge that has a variety of benefits in terms of sustainable development. Such programs can help move towards more integrated transport policies and planning that is less biased in favor of motor vehicle travel.

Improved access for the transport sector to climate finance under the Clean Development Mechanism, the Global Environment Facility or newly established funds like the Climate Investment Fund can help the transport sector to accelerate the replication and scaling up of sustainable, low carbon policies, programs and projects as well as promote transfer of low carbon transport services and technology. In this respect it is also important to ensure the inclusion of transport in a new climate agreement to be reached in the UNFCCC conferences in Cancun 2010 or Johannesburg 2011 for international support to developing countries undertaking Nationally Appropriate Mitigation Actions.

The ADB, together with its partners in the SLoCaT Partnership, is strengthening its activities and support to meet the challenges of transport needs in the 21st century. Transport must be addressed in a sustainable way, taking account of the sectors negative externalities, and thus incorporate improvements to both infrastructure and transport services, to provide affordable, safe and clean access for all.