

Transportation-Sector NAMA Window: Policy Choices, Evaluation Criteria, and Bundled NAMAs

Mark Houdashelt, Senior Policy Analyst Center for Clean Air Policy

Side Event "Developing Country Implementation Strategies and Nationally Appropriate Mitigation Actions (NAMAs)"

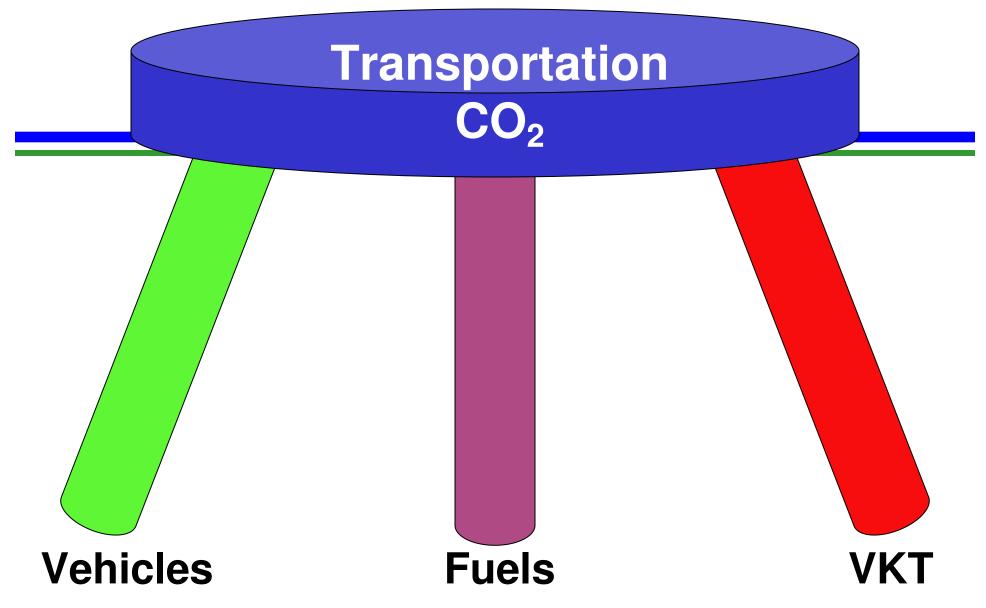
Room Halfdan Rasmussen, 20:00-21:30

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Why Does the Transportation Sector Deserve Special Consideration?

- The transportation sector differs from most other high-emitting sectors:
 - » CO₂ benefits of transport mitigation measures tend to be long-term and grow over time
 - >Transformational opportunities are prevalent
 - » Co-benefits of mitigation are significant
 - » Emissions baselines and CO₂ reductions are uncertain and difficult to estimate
 - Vehicle fuel efficiency, alternative fuels may be exceptions
 - » All three "legs of the stool" impact emissions
 - ➤ Synergies are important within/among the 3 legs





CCAP's 3-Legged Stool

NAMAs and Transportation

• Unilateral NAMAs:

- » Many measures can have low or negative cost:
 - reductions in fuel subsidies
 - differential vehicle taxation
 - abolition of minimum parking requirements
 - congestion pricing

Supported NAMAs:

- These are the most promising.
- Credit-generating NAMAs:
 - » Likely to face similar problems to transport under the CDM
 - Additionality
 - Methodological (quantification, baselines)



Supported Transportation NAMAs

| Types of Measures | Planning and Research (Capacity Building) | Regulation and Policy (Primarily Capacity Building) | Infrastructure (Finance, technology) |
|-----------------------------|--|--|---|
| Vehicles and Fuels | Fuel economy test procedures | Fuel economy standards | Alternative-fuel infrastructureRetooling factories |
| Land-Use and Infrastructure | Planning and outreachTravel demand modeling | Congestion pricingSmart growthAbolish parking requirements | Bus RapidTransitBicycle networksTransit-orienteddevelopment |
| Cross-Cutting | Data collection Professional development Low-Carbon Transportation Plans | • Fuel taxation | |

Low-Carbon Transportation Plans

- Framework to guide a comprehensive package of mitigation measures
 - » Locally defined so as to address development and quality-of-life concerns of developing countries (DCs)
 - » Include short-term and long-term measures/impacts
 - » Assess costs and co-benefits
 - » Identify key implementation steps
- Two types of components to a plan:
 - » National plans
 - » Plans for metropolitan regions
- NAMA assistance would support plan development for all DCs and implementation for selected DCs
 - Only measures in a plan are eligible for support

Transportation Window for Funding NAMAs

- For approved plans, CCAP proposes a direct-access Transportation Window with funds earmarked for:
 - » Planning and capacity building
 - » Implementation of Low-Carbon Transportation Plan
- For transportation, comprehensiveness and policy effectiveness, not cost-effectiveness, are the key criteria to use in evaluation of plans:
 - » Emission reductions difficult to quantify with precision
 - » Cost per ton CO₂ does not consider co-benefits
 - » Some NAMAs have no direct CO₂ impact (planning)
 - » Many benefits are long-term
 - BUT, transformational change requires risk taking

Proposed Transportation Window Funding Allocation Criteria

- Comprehensiveness and quality of Low-Carbon Transportation Plan
- Implementation capacity
 - » likelihood of success of plan
- Co-benefits expected (health, development)
- Bundling of NAMAs to produce synergies
- Cost-sharing (taking capability into account)
- Long-term CO₂ reductions and costeffectiveness of NAMA bundles

Summary of Key Principles Proposed by CCAP

- Create a Transportation Window with dedicated funding and evaluation criteria
- Earmark funding for planning and capacity-building
- Develop Low Carbon Transportation Plans
- Fund the best bundles of projects and policies that produce synergies
- Accept uncertainty



Conclusions

- Supported NAMAs are the most promising NAMA mechanism for the transportation sector
- Large co-benefits from emission reductions
- Bundling NAMAs can produce synergies
- Low-Carbon Transportation Plans can catalyze both emissions reductions and development



Photos: Right (Planetizen), Left (www.oregonlive.com)



Thank you!

For More Information:

Visit www.ccap.org

Transportation NAMA white paper to be released in January 2010

