

Financing of Sustainable Low-Carbon Transport Projects

TRANSfer of climate-friendly transport technologies and measures

Dr.-Ing. Harald Diaz-Bone, Project Director (AV) Deutsche Gesellschaft für Internationale Zusammenarbeit



TRANSfer in Transport

Challenge

Motorised transport is responsible for 23% of fossil-fuel related carbon dioxide emissions (IEA, 2010) and for 36% of their growth until the year 2035 (IEA, 2011). The key driver is rapid motorisation, in particular in developing countries.



Publications

 Factsheet TRANSfer
 FAQ NAMAs
 CDM and NAMAs
 GIZ Modules on Transport and Climate Change



TRANS

TRANSfer Project

Objective

To support developing countries to develop climate change strategies in the transport sector as NAMAs.

Scope

A three-year project run by GIZ, funded by the International Climate Initiative of the German Ministry for the Environment.

Partner Countries

Colombia, Indonesia and South Africa.

Handbook

The handbook "Navigating Transport NAMAs" provides guidance on how to take mitigation action in the transport sector already today.

The handbook consists of two parts:

 Part 1 explains how to design a NAMA in the transport sector in four practical steps.

 Part 2 contains case studies from experiences in selected developing countries.

Transport NAMAs

Nationally Appropriate Mitigation Actions (NAMAs) are voluntary emission mitigation measures by developing countries as part of their commitment to fight climate change.

According to the Cancún Agreements, NAMAs are to be "supported and enabled by technology, financing and capacitybuilding, in a measurable, reportable and verifiable manner."



The transport sector offers a broad spectrum of options for mitigation action:

- . Urban land use planning
- Green logistics
- Road pricing
- * Parking management
- · High quality public transport
- Shift to low carbon fuel
- · Fuel economy standards
- Renewal of the vehicle fleet



giz TRANSfer – Scope

- Practical application: Case studies in 3 countries
- Strong Networking with others active in transport NAMAs
- Output: Handbook Navigating Transport NAMAs
 - Interactive development with governments of developing countries
 - Open to further case studies
- **Duration:** Jan. 2011 to Sep. 2013
- Funding: German Ministry for Environment via the International Climate Initiative (ICI)

giz TRANSfer – Work Packages

WP 2: Technical Advice in the three partner countries

- Identify GHG reduction potential
- Identify mitigation policies & measures
- Identify need for international support
- Set-up GHG inventory for transport

e.g. workshops, short missions of international experts, trainings, studies or analyses of emission reduction potential, presentation of international examples

Technical assistance in Indonesia

Technical assistance in Colombia

Technical assistance in South Africa

WP 3: Technical background of transport and the climate regime

Handbook: Navigating transport NAMAs

Toolbox: Low Carbon technologies and measures

WP 4: Dissemination of results and communication

Online communication

Final workshop in Berlin / Bonn

Presentation of results at international conferences

giz Potential Activities in Partner Countries



The NAMA development and registration process

gíz Handbook: **Navigating Transport NAMAs**

Part I Generic information on mitigation action in the transport sector

- Many solutions towards sustainable low-carbon transport are ready for implementation
- 2. Transparency on emission reductions is key to success
- **3.** Financial and technical support can be tapped from different sources
- 4. Registration of mitigation action is beneficial for all stakeholders

Part II Case studies

- Indonesia
- South Africa
- Colombia



Costa Rica



Funding opportunities Mitigation in Transport Sector



Types of intervention

Source of climate finance	Nature of support			Type of intervention supported			Modes supported				
	Grants	Loans	Technical	Infra- structure	Technology	Operations	Capacity building	Road	Rail	Urban public transport	Non motorised transport
Clean Development	✓		✓	✓	✓				~	√	~
Mechanism	v		•	V	•				v	V	·
UNDP Millennium											
Development Goals			~				 ✓ 	✓	✓	✓	✓
(MDG) Carbon Facility											
Hayotama Initiative	 ✓ 	 ✓ 	✓	unclear		unclear					
Global Environment											
Facility	√		✓	~	✓	√			~	✓	
Clean Technology Fund	~	~		~	~	~	~	~	~	~	~
International Climate Initiative	~			~	~		~			~	~

giz Financing low carbon transport

	Financing	Technology Transfer	Capacity Building		
Concepts & Plans finance of organization	 Integrated urban and transport plans Guidelines & Rules Outlining Transport systems (e.g. BRT) 	 Transport modelling Data gathering (e.g. traffic counting) 	 Organisation development Trainings Setting up networks MRV concept 		
Infrastructure mainly initial Investments	 Construction of Bus lanes, rail, stops NMT networks Interchanges (integration of modes) 	 Efficient vehicles and retrofitting E-ticketing Passenger infor- mation systems 	 Green public procurement Building Standards 		
Operation & Management continuous financial flows	 Operational subsidies Campaigns Reporting on performance 	 Intel. Transport Systems (ITS) Charging systems 	 Maintenance & Inspection System optimization Eco Driving 		

giz Co-benefits as rationale for domestic action



giz TRANSfer – 8 key messages and approaches



<u>Objective</u>: Support decision makers to develop climate strategies in transport as Nationally Appropriate Mitigation Actions (NAMAs)

- 1. Offer **attractive carbon investment opportunities** in the transport sector, based on the Avoid-Shift-Improve approach
- 2. Provide **bankable solutions in all sub-sectors** (urban passenger transport, inter-urban passenger transport, freight transport and logistics, domestic aviation and shipping, rail, vehicle and fuel techn.)
- 3. Ensure sound **inter-ministerial coordination** in all stages of design and implementation of transport NAMAs, with Ministers of Transport as central key players

giz TRANSfer – 8 key messages and approaches



- 4. Allow for active **participation of private sector and civil society** through multi-stakeholder workshops
- 5. Provide **simple** yet comprehensive and solid **methodologies for MRV** of transport NAMAs
- 6. Offer **capacity building** to partner countries on sustainable transport options for future transport NAMAs
- 7. Create a **platform to allow matching** of transport NAMA proposals with funding opportunities
- 8. Spread the news about transport NAMAs via a **network for dissemination** of good practices and lessons learned

giz TRANSfer presentations at COP17, Durban

Date	Time 8 location	Organisers	Title	Description	1 Mik
Thursday, 01 Dec 2011	16:45— 18:15 Levubu River	Bridging the Gap Initiative Centro de Transporte Sustentable de México Asociacion Civil (CTS México)	'Bridging the Gap' between transport and climate policy: time to tackle the transport sector (side event)	Leading transport experts explain how to make land transport part of national climate change action plans and how it can be incorporated into NAMA development. Parties and developing country representatives will also discuss existing and emerging finance, capacity building and technology provisions.	COP17/CMP7
Friday, 02 Dec 2011	15.30- 17.00 EU Pavilion, Room Warsaw	The Federal (German) Environment Ministry (BMU)	TRANSfer – Germany's support for developing countries' NAMA in the transport sector	This is a joint BMU-GIZ event on the transfer of climate-friendly technologies and measures in the transport sector.	CLIMATE CHANGE CONFERENCE 2011 DURBAN, SOUTH AFRICA <u>28 Nov – 9 Dec:</u>
Tuesday, 06 Dec 2011	13:00- 15:00 Climate Change Response Expo (outside ICC)	South Africa Ministry of Transport Bridging the Gap Initiative	Tackling Climate Change and Transport: Strategies and Best Practices from around the World	The event will bring together high-level officials from Ministries of Transport from different countries as well as multilateral development banks to share ideas to address climate mitigation challenges in the transport sector.	TRANSfer presentation at Durban CCR Expo, Stand 174



Contact

harald.diaz-bone@giz.de

www.TRANSferProject.org www.giz.de Water, Energy, Transport



Frequently Asked Questions on Transport NAMAs

Options and Opportunities for Sustainable Transport

What are NAMAs?

Nationally Appropriate Mitigation Actions (NAMAc) are voluntary emission reduction measures by developing countries that are directly reported to the United Nations Framework Convention on Climate Change (UNRCCC). NAMAr will be a practical tool to tackle GHC emission from the transport sector.

- NAMAs are policies, programmes and projects that are either connomy-wide measures (e.g. CO, taaation) or apecific sectoral initiatives (e.g. fuel efficiency standards).
 Proposals for NAMAs need to be submitted to the
- Proposals for NAMAs need to be submitted to the UNFCCC by national governments but they can include actions on domestic, regional, or local levels.
- NAMAs are an opportunity to acknowledge developing countries' unlateral contribution to reduce CHG emissions and match these with international funding.
- Proposals for NAMAs seeking international support as well as funded NAMAs will be recorded in a registry at the UNFCCCC along with relevant technology, finance and capacity building support.

The Bridging the Gap Initiative

giz

GIZ, TFL, Viaolia Transport, UITP and ITDP join forces in Bridging the Gap – Pathways for transport in the post 2012 process to integrate developments in the transport sector with the international climate change negotiations, into available at http://www.transport2012.org



Why NAMAs in the transport sector?

Sustainable transport systems aim to achieve equitable access and mobility for all people, providing pathways to conomic and uscial development, while imposing minimal environmental impacts. The development of sustainable transport is challenged by a lack of workable mechanisms and instruments. For example, the Clean Development Mechanism has initialized loss than a dozen of projects in the transport sector rine: 2005.

From this perspective, NAMAs are enviaged to provide new opportunities for developing countries to address the large and rapidly increasing emissions from transport, while still managing their need for growth and ensoomic development. In developing and regimering NAMAs under the UNFCCC, it is enviaged that developing countries can benefit from:

- Access to new sources of funding Funds will be developed to match actions and funding needs for the support of mitigation, adeputsion, REDD-pdu, technology and capacity building: there is a short-term pledge to provide resources approaching USD 30 billion for the period 2010 – 2012.
- Nacional and international visibility Countries can move directly to the front of elimate mitigation section by: (a) joining the global effort to reduce GHC emissions, and (b) making the transport sector a part of the solution.

Respong the co-benchto – Sustainable and modern low-carbon transportation systems help to increase the compositions of countries and chiles by attracting top companies and highly qualified workers. Further benchts are better air quality and health, increased energy security, reduced energetism, improved addry, social inclusion of poor people, enhanced tourism, etc.

On behalf of

Federal Ministry for the Environment, Nature Conservation and Nuclear Safety