

### Growing Partnerships to Advance Sustainable Urban Transport: Introducing the ASAP Vision

Michael A. Replogle August 23, 2010

5<sup>th</sup> EST in Asia Meeting, Bangkok





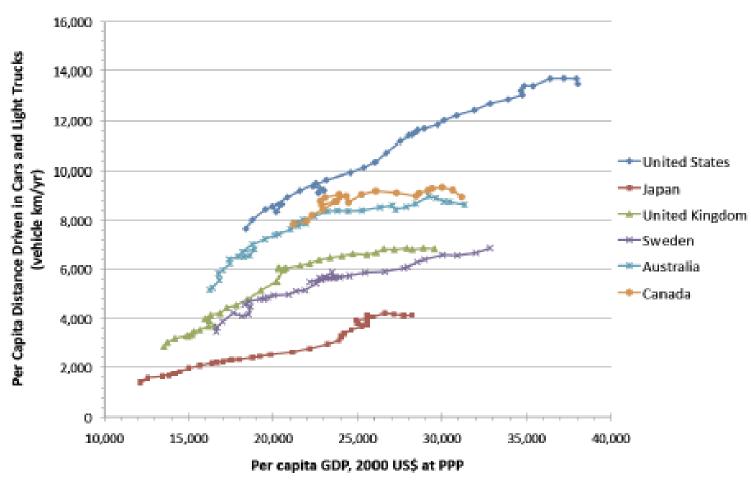




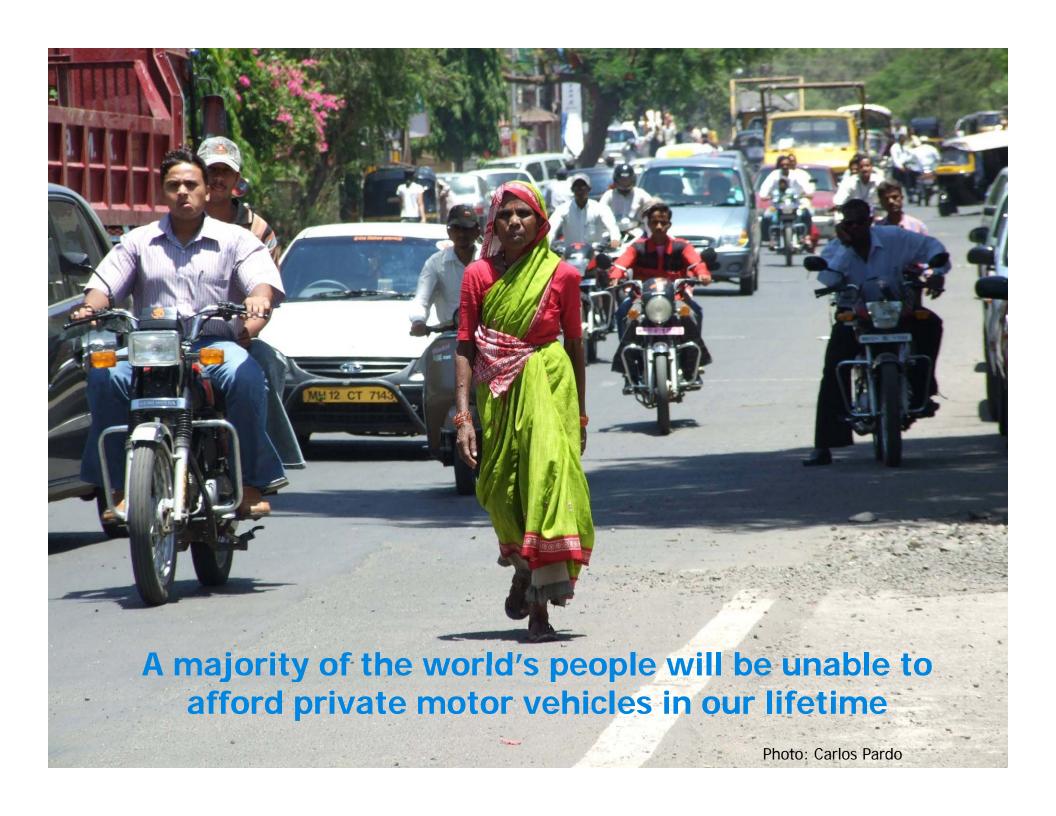




### Low vs. High Carbon Transportation Growth Paths: 1970-2006



Source: Millard-Ball and Schipper (2010).



### For whom are we developing and managing transport systems?



### Partnerships to what end?

#### To achieve rapid motorization

- Subsidies for motor fuels, motor vehicle manufacturing
- Subsidies for high speed roads, parking, company/government cars
- Support for sprawl & car-oriented superblock development
- Neglect of cyclists, pedestrians, public transport







### Partnerships to what end?

#### To achieve sustainable transport

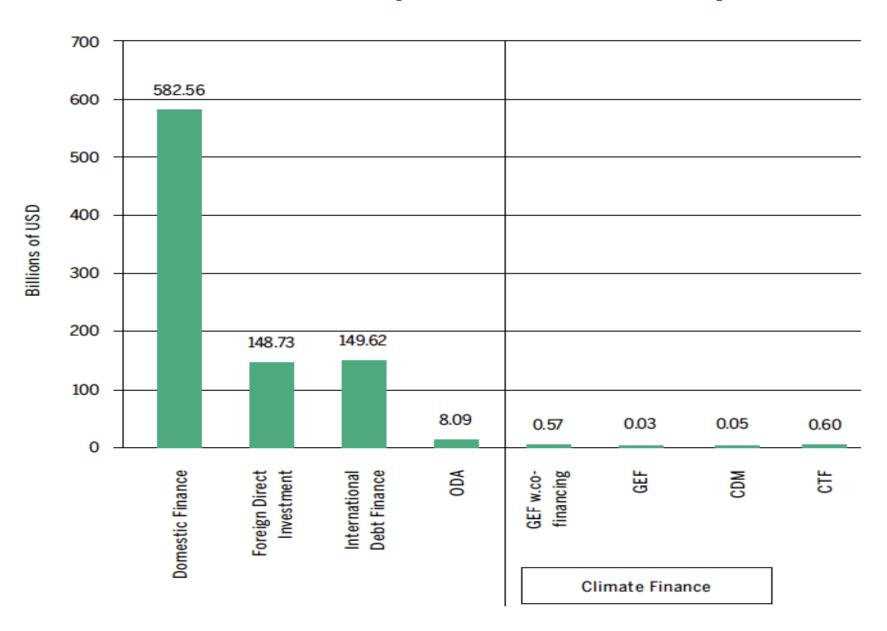


- Support high-efficiency transport (especially BRT, rail, NMT)
- Phase out public/private subsidies for fossil fuel, car manufacturing & use
- Road space for pedestrians, cyclists, public space protected
- Support people-friendly transit oriented development





### **Annual Global Transport Investment by Source**



### Global motor fuel subsidies

#### US \$300-740 billion/year:

For every unit transferred to poor, 3-5 times more goes to higher income people\*

#### G-20 Leaders (September 2009):

"inefficient fossil-fuel subsidies encourage wasteful consumption, distort markets, impede investment in clean energy sources and undermine efforts to deal with climate change."

Leaders committed to "rationalize and phase out over the medium term inefficient fossil-fuel subsidies that encourage wasteful consumption."

Institute for Transportation and Development Policy



<sup>\*</sup> Source: IMFSurvey - Rethinking Fuel Subsidies 2007

### **Domestic Public Finance of Transport**

- Focus on infrastructure
- Time and vehicle cost savings focus in project appraisal
- Little analysis of equity & environmental impact
- Subsidies for fossil fuels, parking, motor vehicle use







#### **Official Development Assistance for Transport**

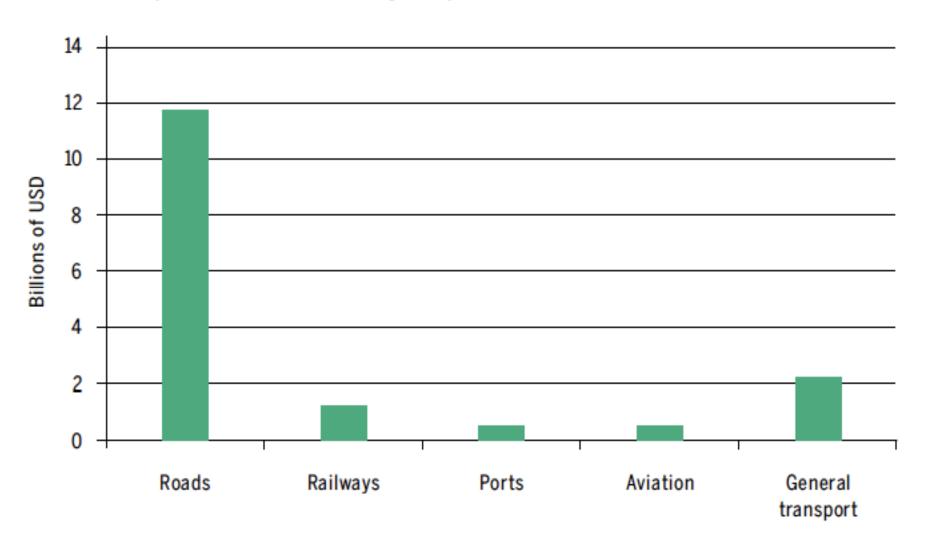


- Directed toward development based on motorization model
- Reflect requests of recipient countries & technical assistance of donor organizations
- Time and vehicle cost savings focus in project appraisal
- Weak environmental evaluation & safeguards



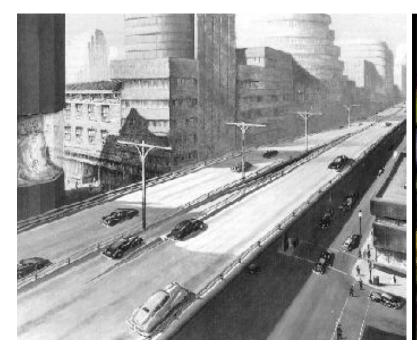


### **Transport Lending by World Bank 2001-06**



### **Private Investment Flows for Transport Investment**

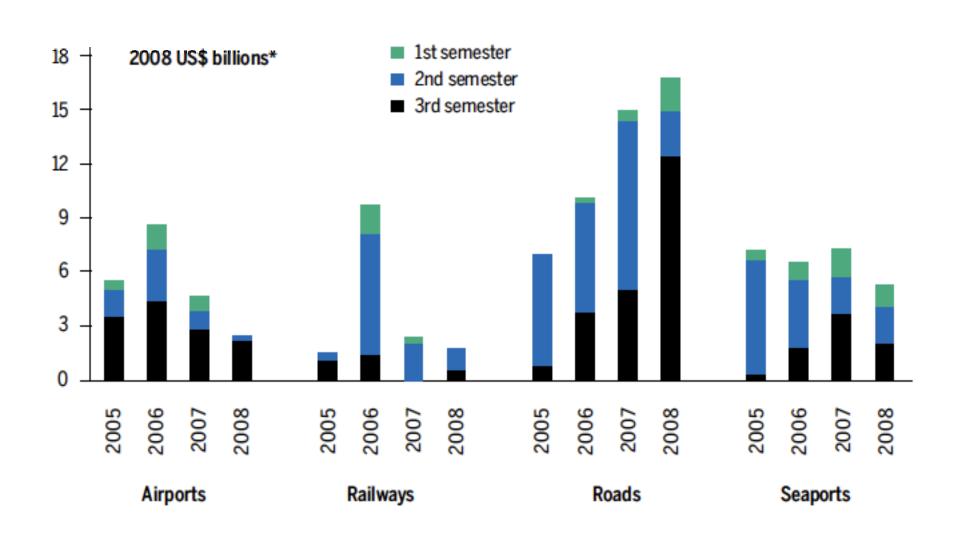
- Develop goods, services, infrastructure to support rapid motorization
- Environmental & social costs excluded from market signals
- Pricing structures designed to spur more consumption of driving







### Transport Infrastructure Investments With Private Participation in Developing Countries (by year of closure)



### **Export Credit Assistance**

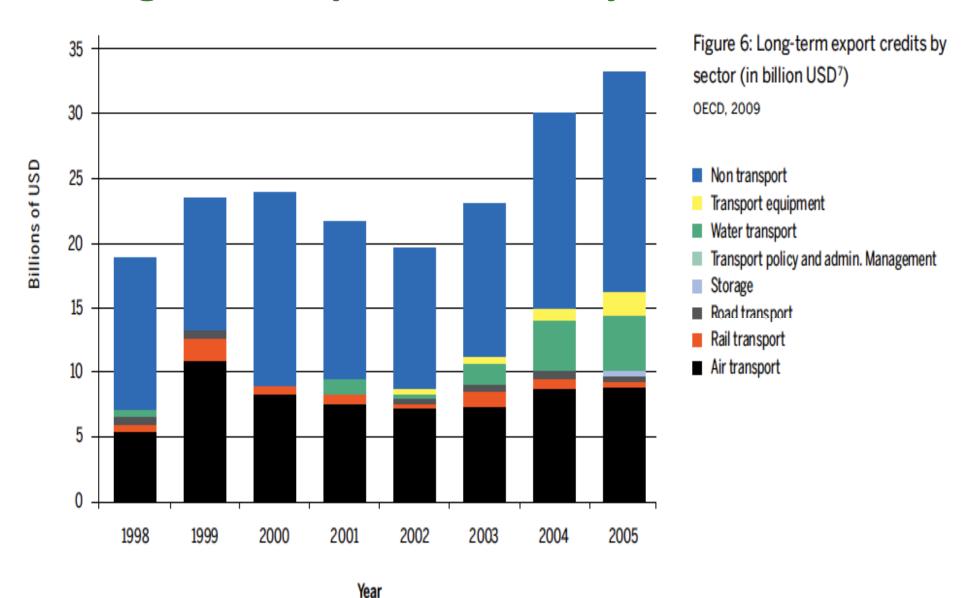
- Support aviation and water transport development
- Environmental & social costs excluded from market signals

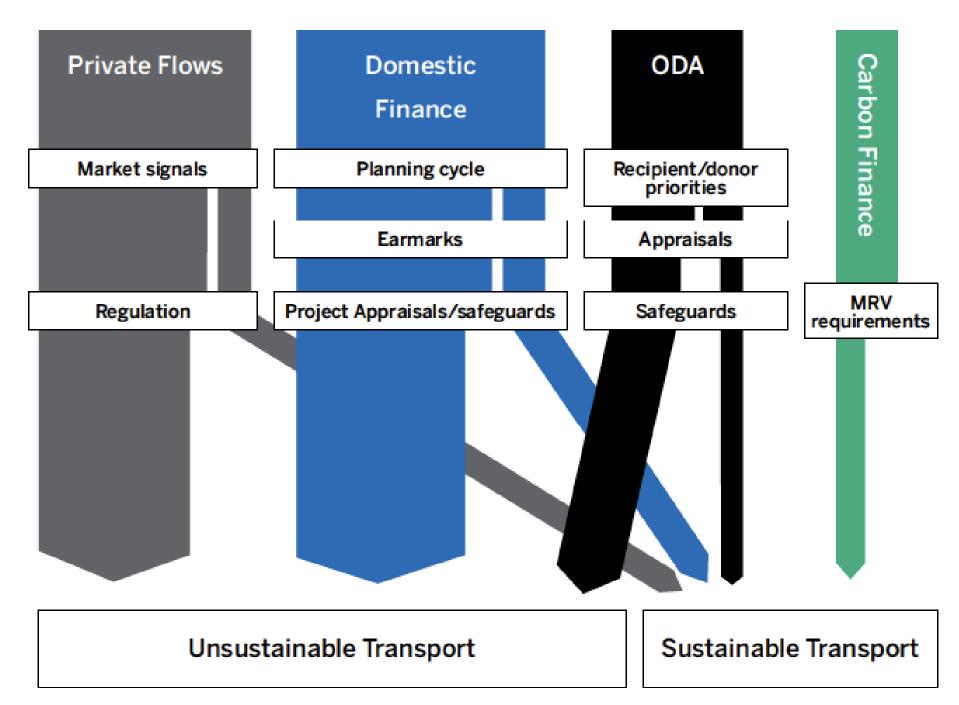






### **Long-Term Export Credits by Sector**





### Partnerships to Finance the New Vision: ASAP

The impacts of financing decisions on sustainability

Existing resources toward a sustainable direction

funding for areas where resources are lacking

For the full costs of transport including environmental depreciation

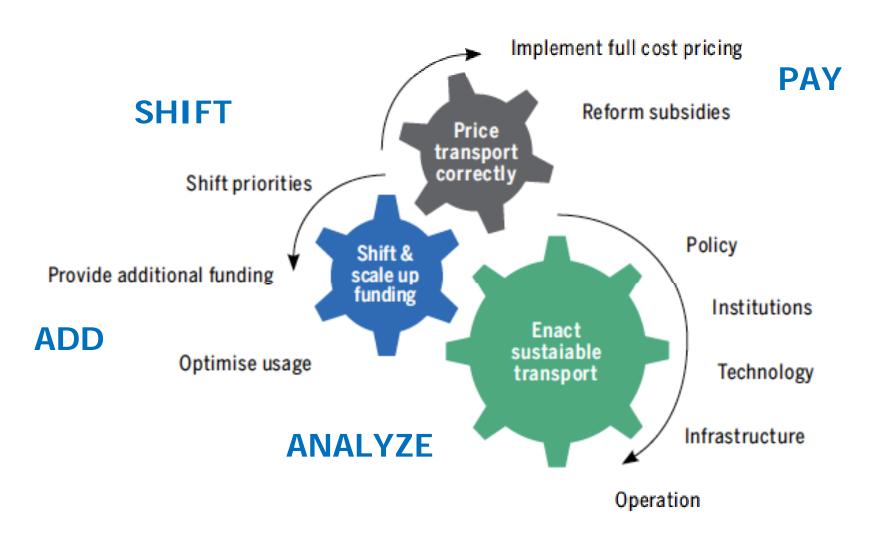








### **Partnering to Advance Sustainable Transport**



# ROADMAP FOR ACTION Developing & Developed Country Governments

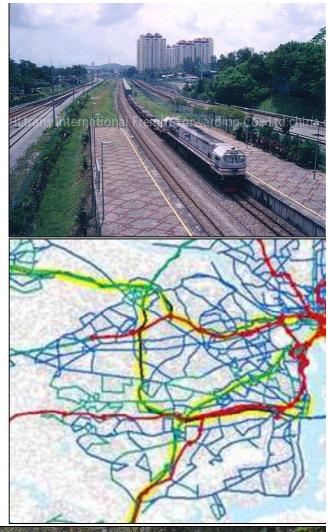
- Shift domestic budgets towards sustainable investments
- Shape how international support for transport is provided
- Apply appropriate pricing
- Adopt sustainable transport goals, monitor and report on performance





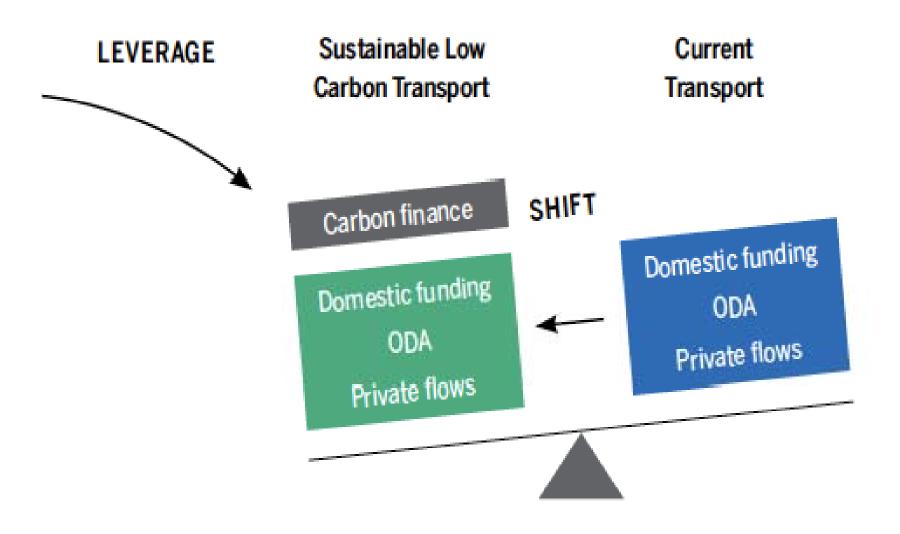
# ROADMAP FOR ACTION Multilateral Development Banks & Bilateral Aid Agencies

- Evaluate GHG impacts and carbon intensity of initiatives
- Direct technical assistance to develop capacities, institutions, knowledge in support of sustainable transport
- Align lending criteria with sustainability objectives to catalyze changes in domestic priorities
- Promote monitoring & reporting

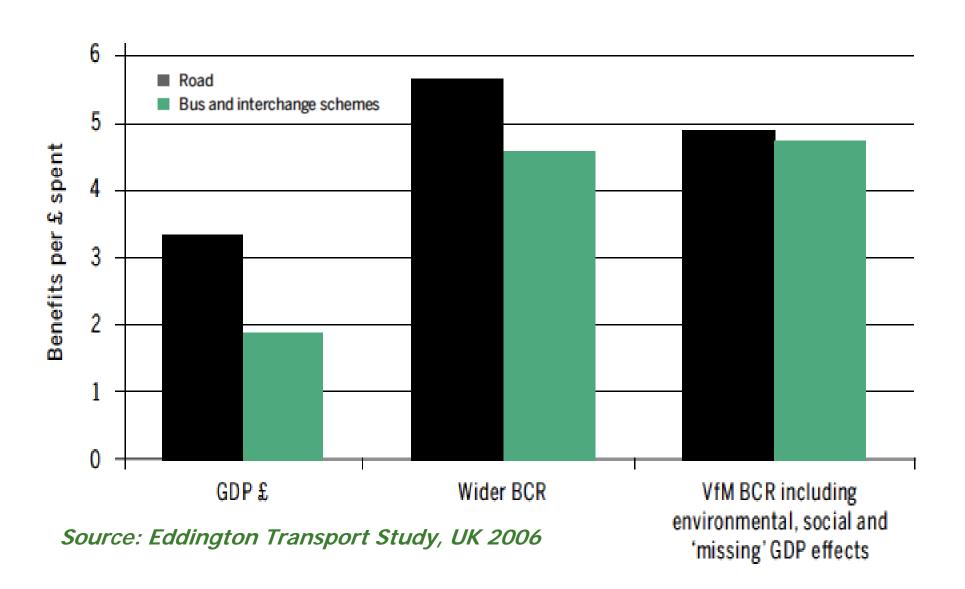




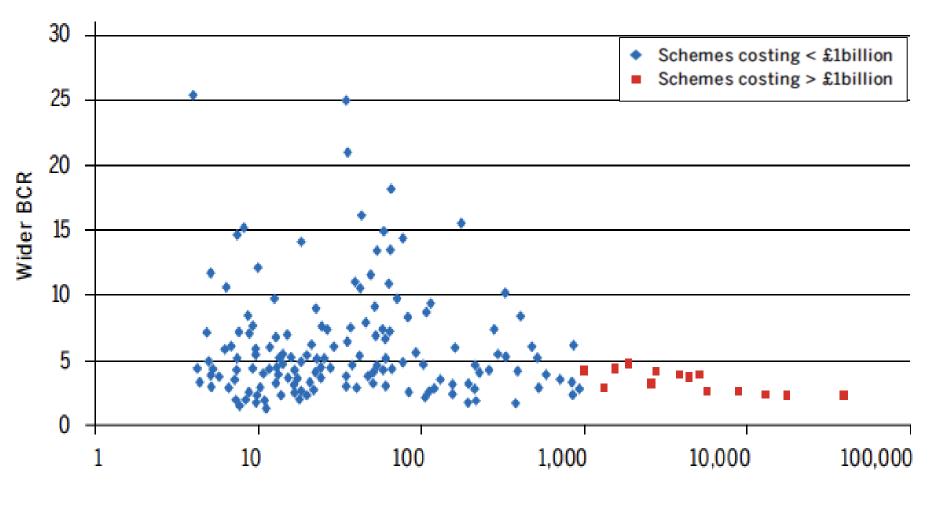
# ROADMAP FOR ACTION Carbon Finance: Partnering to Leverage Change



# **ANALYZE: Account for Full Costs and Benefits**

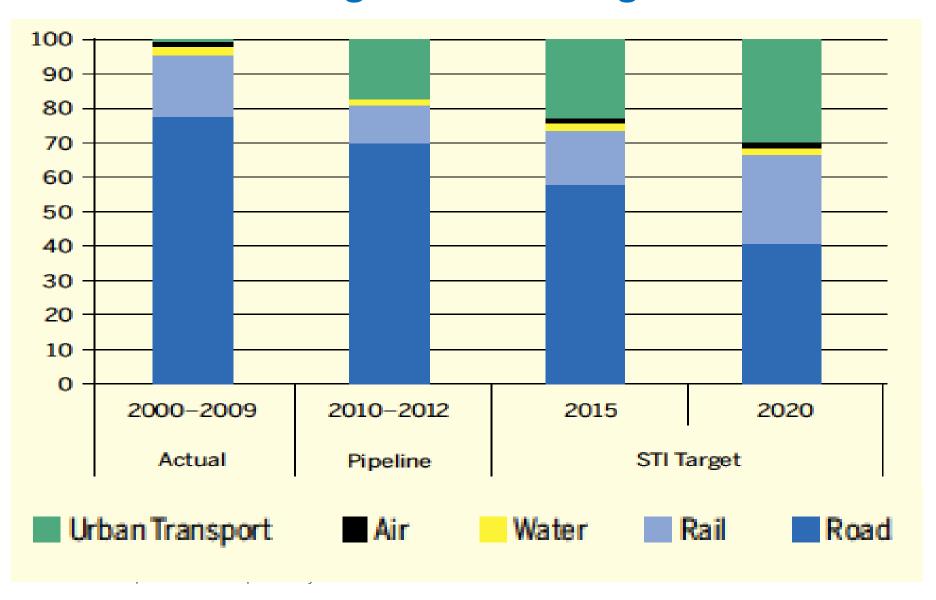


# ANALYZE: Small projects often yield much higher social returns than high cost projects

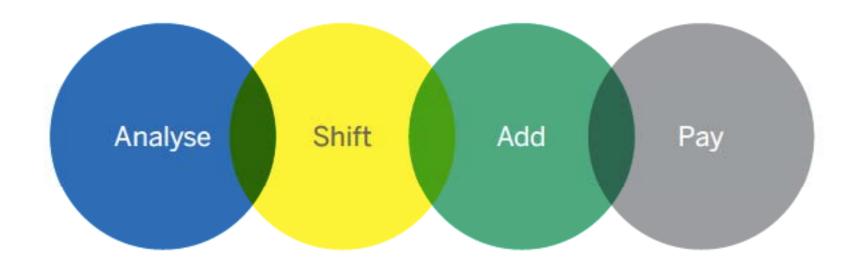


Cost of scheme £m

## SHIFT & ADD: ADB's Sustainable Transport Initiative Sets Targets for Growing Investment



# Achieving sustainable transport requires partnerships that:



### **For More Information**



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