





# **Transport @COP21 Paris**

DAY TWO - 1 December 2015



# **Opening Perspectives**

With COP21 now underway, time is ticking to move from opening statements to final agreement, which will hinge on the development of the draft negotiating text. A successful negotiating text from the perspective of the transport sector must empower transport to make an optimal contribution to economy-wide mitigation at national and global scales. First, it is critical that such an agreement has a built-in mechanism to scale up ambition to ensure that pre-2020 ambition and INDC implementation reach sufficient pace and scope to achieve a 2 degree scenario. And second, it is crucial that the UNFCCC Technology and Finance Mechanisms actively encourage the participation of the transport sector, which has historically been left behind in these processes. We are hopeful that these conditions will be met in the course of COP21.

The ultimate evolution of the text in the course of the COP will have strong implications for the six areas described in the We Are Transport campaign, for instance, whether the transport sector will make a central contribution to decarbonization efforts; whether adaptation will gain equal footing with mitigation in planning and implementing 21st century transport systems; and how needed investments in low carbon transport infrastructure and services will be financed in the coming decades. The following sections illustrate relevant points in the negotiating text for these six areas.



#### **KEY FOCUS AREAS ON TRANSPORT AND CLIMATE CHANGE**

Throughout COP21, the SLoCaT Partnership will report on progress in the following six areas as featured in negotiations and other events, to reflect the structure of the recently launched <u>We Are Transport</u> campaign. The campaign brings together all transport modes and sub-sectors under the common purpose of combating climate change:

# **Decarbonization of the Transport Sector**

The COP21 draft negotiating text recommends that successive economy-wide mitigation targets be progressively more ambitious over time, which can enhance the transport sector's potential to close the emissions gap by accelerating a transition to low carbon pathways. Furthermore, the draft decision advises the Intergovernmental Preparatory Committee to adopt principles and guidelines for all actions in the land sector. The long horizon of transport infrastructure development implies that sustainable transport and associated compact settlement patterns will be important for realizing successive mitigation targets. Finally, there is general support for the use of common methodologies and approaches, and this represents an opportunity for the transport sector to work with the UNFCCC to develop such metrics, which could facilitate for example collaboration among Parties in transcontinental rail or international waterway connections).

International aviation and shipping are responsible for 5% and 3% of anthropogenic global warming, respectively, and according to some estimates, emissions in these subsectors could increase more than 250% by 2050 in the absence of concerted action. Thus, efforts to realize the IPCC-recommended 2DS without emission reduction obligations from international aviation and shipping are likely to be unsuccessful. In addition, these subsectors are not taxed on their fuel, which amounts to a *de facto* fossil fuel subsidy, and while the global community is rallying together to address fuel subsidies from land based transport, there is no such consensus to tackle the implicit subsidies for marine transport. While these sectors play a critical role in the global economy, it is important that their projected growth does not threaten the world's most vulnerable states. While the International Civil Aviation Organisation (ICAO) has outlined plans to address projected emissions through market mechanisms, several voices have suggested that these efforts have not yet gone far enough.

Increasing the efficiency of aviation and shipping will require innovation, as these modes have limited potential for shifting to more efficient means of transport. At a COP21 side event, the shipping industry outlined three major areas of opportunity: improving the energy efficiency of shipping operations, shifting from to trucks to vessels, and the eventual use of renewable energy. The industry is also open to new regulatory measures as well as market-based mechanisms if they are applied globally.

The Ministry of Climate and Environment of Norway noted that maritime transport is included in its INDC and described some of the strategies currently in place, such as measures to increase energy efficiency and the development of an electric passenger ferry. The Ministry of Maritime Transport of France insisted that carbon footprint of maritime transport must be reduced, and that the shipping sector must contribute to fighting climate change by implementing necessary measures to achieve the IMO's proposed emission reduction goal of 20% by 2020.



The IEA made clear that although several countries have contemplated shipping in their INDCs, the 2DS is not achievable with the proposed contributions under several scenarios. IEA instead proposes a bridge scenario, which suggests measures to reduce emissions in the short term, with energy efficiency among those strategies with the highest potential.

"Kenya was among the first developing countries to submit an ambitious Intended Nationally Determined Contribution (INDC) to the UNFCCC Secretariat, despite the fact that our contribution is a mere 0.1% of total global emissions. Our INDC has both adaptation and mitigation components: a sign of our resolve to address mitigation and adaptation on an equal footing. Some of the sector-wide voluntary domestic measures and actions to address climate change include...low carbon and efficient transportation systems."

- Hon. Uhuru Kenyatta, C.G.H., President of the Republic of Kenya, COP21 Leaders' Event, 30 November 2015

#### **Adaptation and Climate Resilience in the Transport Sector**

UNFCCC negotiating processes contain a growing emphasis on adaptation, to balance out an initial focus on mitigation in the process. Climate change adaptation was established in the UNFCCC dialogue through the <u>Least Developed Countries (LDC) Work Programme</u> at the Seventh Conference of the Parties (COP7) in Marrakesh, and has increased in stature through the Cancun Adaptation Framework at COP16.

The COP21 draft negotiating text makes room for country-driven and gender-responsive actions to promote climate resilience and sustainable development trajectories among countries that are particularly vulnerable to the adverse effects of climate change. This can create opportunities engage with the ODA and international finance institutions to increase the local capacity and understanding of options for sustainable transport. With scope for assisting national adaptation planning, Parties may also develop strategies to address potential impacts of climate change and new reporting tools by establishing and maintaining linkages with the Green Climate Fund (GCF) and the Adaptation Fund (AF).

At COP20 Lima, Parties made a concerted effort to raise the profile of adaptation within a forthcoming agreement. The preamble to the Lima outcome draft negotiating text emphasizes that "adaptation is a global challenge and a common responsibility...that must be addressed with the same urgency as, and in political / legal parity with, mitigation". At the conclusion of ADP 2-10 in September, the co-facilitators issued a working document which identified points of convergence, including the need for national adaptation actions to be nationally-determined and country-driven, and the potential to harness co-benefits and mitigation-adaptation synergies. During the session, adaptation finance emerged as a strategic, crosscutting issue, and discussions at ADP 2-11 advanced the role of regional cooperation in adaptation measures.

While this measured progress on adaptation in recent negotiations bodes well for greater action on adaptation in general, the transport sector (like other specific sectors) has received little attention in the UNFCCC process. As a key example, the <a href="COP21">COP21</a> input report from the UNFCCC Adaptation Committee gives little detail on sectorial approaches to adaptation, and associated references make only superficial reference to transport; thus, this mechanism could benefit from further detail on sectorial approaches, including transport.

At a COP21 overview session of the Adaptation Committee's first three years of work, it was noted that the Committee provides outreach, technical support, and creates synergies between stakeholders related to adaptation. In the session the Green Climate Fund and the Global



Environment Facility presented their adaptation topics but there were no transport mentions. At the end of the session, SLoCaT raised the importance of incorporating transport among topics for the Adaptation Committee to address in its future work, with hopes that the Paris outcome contains provisions to support more resilient transport systems worldwide.

National and subnational actors are not waiting for the UNFCCC to put adaptation measures into place, as evidenced by a side event on building climate change resilience in South Asia. A representative of NGO Development Alternatives of India opened the event by explaining how South Asian countries are especially vulnerable to climate change consequences due to their lack of resilient urban infrastructure in the cities. According to NGO LEAD of Pakistan, the greatest challenge is the rapid urbanization of the region and thus building resilience should be a local process starting from the cities, where transport is a key sector not only to mitigate climate change but also to increase urban adaptation measures. CAN-South Asia highlighted the need to collaborate as a region, with many innovations already underway, and further local and regional cooperation is key to mobilize the necessary funds for urban infrastructure and transport.

#### **Urgency and Timeliness of Action on Transport and Climate Change**

The COP21 draft text recognizes the need and urgency to enhance the provision of finance, technology and capacity building to support the highest possible mitigation potential during the pre-2020 period. Crucially, the draft decision launches a technical examination process on adaptation in the period 2016–2020 building on existing processes and institutions (including the Adaptation Committee) to enhance adaptation action and support, share best practices as well as to address gaps in implementation, knowledge, planning and institutional capacity. These ambitious provisions concur with current efforts to scale up low-carbon transport investments. Furthermore, with the recognition of the efforts of non-party stakeholders under the Lima Paris Action Agenda (LPAA) and the Non-State Actor Zone for Climate Action (NAZCA), there is further scope within the text for accelerated action on mitigation and adaptation in the transport sector through voluntary commitments.

Founded in 2009, the <u>Climate Vulnerable Forum (CVF)</u> is a broad coalition of middle income, least developed and small island developing states worldwide that are highly vulnerable to climate change and that are advocating for rapid and ambitious climate action. The CVF currently includes Afghanistan, Bangladesh, Barbados, Bhutan, Costa Rica, Ethiopia, Ghana, Kenya, Kiribati, Madagascar, Maldives, Nepal, Philippines, Rwanda, Saint Lucia, Tanzania, Timor-Leste, Tuvalu, Vanuatu and Vietnam.

On the first day of COP21, CVF joined with 10 other nations in issuing the historic Manila-Paris Declaration to more closely link the world's most climate vulnerable countries. The declaration calls for full decarbonization of the global economy by mid-century in order to keep the world on track for below 1.5 degrees of warming. In addition, the CVF adopted a 3-year Road Map of Activities aimed at enhancing cooperation among climate vulnerable countries to increase resilience to current and projected climate impacts.

While many remain focused on a 2 degree scenario, the more ambitious threshold advocated by the CVF would require a mechanism to would ensure that targets are reviewed before 2020 and revised upwards on a 5-year rolling cycle, and would also require a rapid US\$100 billion of climate finance by 2020 to support global efforts on mitigation, adaptation, and loss and damage.

Urgent and ambitious action on climate change as advocated by the CVF is essential, as transport systems across the world are increasingly vulnerable to extreme weather, and without reliable and resilient transport options, the most vulnerable members of society are at risk of



losing links to employment opportunities, health care options, and other essential services. Thus COP21 must deliver on an agreement that will support the transport sector in maintaining its ability to provide critical societal links.

### **Transport's Connectivity and Accessibility**

The COP21 draft text recognizes the intrinsic relationship between climate change, poverty eradication and sustainable development and reaffirming that the response to climate change should be coordinated with social and economic development in an integrated manner. Improved transportation infrastructure and practices can both reduce health risks resulting from lower pollution levels and increase overall health due to higher exercise levels and reduced traffic accidents. Green transport can reduce poverty by improving access to jobs and markets and increasing overall economic activity, including net job creation. Thus, an enhanced focus on mitigation through sustainable transport is crucial to realization of these sustainable development goals, although there are complaints that fairness', 'ambition' and 'national circumstances are currently absent from the text.

At COP21, a side event for co-designing urbanization in China opened with a report by the organization Future Earth on its strategic research agenda to bridge civil society, business, and academia with government to promote sustainable urban development and tackle climate change. The discussion centered around the economic development of China and how this has brought improvement in education and services for the Chinese population; however, it has also encouraged rapid urbanization that has caused an increase in GHG emissions.

A panel of government and academic representatives concluded that science has to play a key role in finding innovative ways for China to continue its economic development and urbanization and at the same time tackle climate change, while the Institute for Urban and Environmental Studies mentioned that a new type of low-carbon urbanization would include equal access to social services, urban-rural integrated planning, and improving the quality of urban development.

# **Technological Dynamism and Innovation for Transport**

Transport can provide ready-to-transfer technologies for mitigation and adaptation; thus, it is significant that the current draft negotiating text allows the option for setting targets for the development and transfer of such technologies to developing countries. In addition, the text recommends the alignment of Technology Needs Assessments (TNAs) more closely with bankable finance projects and improving such TNAs to result in implementable projects, which is particularly relevant for the development of sustainable transport infrastructure and services.

On the first day of COP21, spin-off groups under ADP 2-12 took place on technology development and transfer; and implementation and compliance. Sustainable transport should be incorporated into discussions on technology development and transfer while the creation of a robust MRV framework will ensure the realization of emission reduction commitments from the transport sector.

A side event explored ways to improve the technology mechanisms of the UNFCCC through specific frameworks and case studies. The event focused on how to improve the capacity of the institutions to deploy and implement technology not through hardware or software, but through "orgware" to think about technology development with all relevant stakeholders. Discussion centered on the fact that current UNFCCC technology mechanisms (e.g. CTCN, CDM) focus on short-term training rather than long-term institutional capacity, and this lack of capacity can complicate implementation and adapting a technology to a particular location and situation.



The first case study focused on the technological and design aspects of Bus Rapid Transit (BRT), describing the different capabilities that are needed during the planning, finance, construction, operations stages of the project. Although one can transfer some of the technologies and knowhow, BRT projects need many aspects to be locally provided (e.g. legal and real estate experts, maintenance or security, marketing and communications) to ensure the success of the project.

Panelists called for a Paris agreement to maintain the technology mechanism conversation, since the UNFCCC is the sole place where technology transfer to developing countries is discussed. Panelists agreed that the conversation must be driven by experts rather than negotiators, that there is a need to increase work on indicators and efficiency standards, and that developed countries must commit more research and development capacity through the GCF.

#### **Finance for Low Carbon Transport and Economy-Wide Gains**

Finance is dealt with in the draft negotiating text with the urging developed countries to increase the mobilization of financial resources for the climate actions of developing countries to USD 70 billion in 2016 and USD 85 billion in 2018. These funding goals are part of the existing commitment to mobilize USD 100 billion in climate finance in 2020, and the additional focus on long-term climate finance lends itself to investment in sustainable transport infrastructure and services to lower current emissions trajectories and increase climate resilience. Furthermore, the provision on increased transparency for climate finance will ensure that funds are new and additional, and not merely recycled ODA.

On the opening day of COP21, 11 countries pledged \$248 million to the Least Developed Countries Fund dedicated to climate finance. While it remains to be seen how sustainable transport can be better incorporated into allocation and international climate finance, multilateral development banks are increasingly focusing efforts on increasing climate resilience in the transport sector.

A side event on carbon pricing noted the seismic shift that has been seen since June 2015 when a consortium of oil and gas producers wrote an open letter supporting the concept. In October 2015, a letter from a coalition of progressive business leaders helped to seal the deal, and today 39 national and 23 sub-national jurisdictions representing 12% of global emissions have adopted carbon pricing in some form (and the recent announcement of a national scheme in China would bump up this share to 25% of global emissions). The number of schemes has tripled in the past ten years and grows almost on a daily basis, with Portugal and Mexico two likely next candidates.

Pricing carbon can also level the playing field within the transport sector. In France, a tax of 4 eurocent/liter for transport fuel was added in 2015, which is calculated to increase household spending on transport by 90 euros per year. The carbon price has been capped at 56 euros until 2020 and 100 euros until 2030 to provide stability in the market, and it is clear that investments must be made in public transport and other alternatives so no one is ultimately penalized.

A side event on climate finance reviewed five countries in Latin America and concluded that the amount of public money spent on climate change action was very small and not yet embedded into budgets (e.g. funds for climate finance in Mexico were cut by some 62% following COP16 Cancun in 2010). Guidance is needed to ensure that projects using climate finance are not offset by projects that are increasing fossil fuel use and carbon emissions. The event reflected a willingness to increase transparency and create better reporting frameworks on climate finance, across sectors including transport that will ultimately help both donor and recipient countries.

At a side event entitled "Climate Change: Financing and Capacity Development Challenges," the president of the Islamic Development Bank stated, "Supporting our member countries to develop



efficient transport systems that are climate smart and resilient is a major goal for us. We will work together with other MDBs and partners to ensure that we come up with innovative solutions that will help reduce carbon emissions." Such mainstreaming of mitigation and adaptation measures in the transport sector will be essential to protecting the ongoing transport infrastructure investments by international financing institutions.

#### **Transport Champions of the Day**

Throughout COP21, SLoCaT daily reports will highlight progress in the transport sector at national levels, as reflected in national-level transport measures in Intended Nationally-Determined Contributions (INDCs) and by subnational actors through a number of <u>transport commitments</u> linked to the Lima Paris Action Agenda (LPAA).

#### **Transport-Focused INDC of the Day**

Bangladesh has committed unconditionally to reduce GHG emissions in the power, transport, and industry sectors by 12 MtCO2e by 2030 (or 5% below BAU emissions), and conditionally to reduce GHG emissions in the same sectors by 36 MtCO2e by 2030 (or 15% below BAU emissions) with international support. Bangladesh has specifically targeted its transport sector for a 24% reduction below 2030 BAU.

Mitigation strategies proposed to achieve the transport target include modal shift from road to rail delivered through a range of measures including underground metro systems and bus rapid transit systems in urban areas (with co-benefits will include reduced congestion, improved air quality and improved traffic safety), and reduced congestion through public transport measures and construction of expressways.

Bangladesh's INDC can be viewed <u>here</u>, and SLoCaT's transport-focused analysis of INDCs can be viewed <u>here</u>.

# **Transport Initiative of the Day**

Inspired by the call to action by Secretary General Ban Ki-moon in September 2014 and followed up by the Lima Paris Action Agenda (LPAA) 15 transport initiatives were developed by non-State actors in the transport sector that are showcased during COP21. These 15 initiatives include both passenger and freight transport and touch on all transport sectors and modes: from roads to rail, from air to waterborne transport, and from motorized vehicles to cycling. They address both mitigation of, and adaptation to, climate change. During COP 21 we will be introducing one transport initiative in each daily report.

The transport initiative that we would like to highlight today is the Declaration on Climate Leadership by the International Association of Public Transport (UITP). The initiative brought 350 commitments and actions from 110 public transport undertakings to the Climate Summit 2014. It aims at doubling the market share of public transport by 2025, with associated emission reduction of around 500 Mt CO2eq. Progressing since then over 125 public transport organizations have made a new commitment on their contribution towards the SDGs through UITP's Sustainability Charter, which is supported by specific UITP guidance and capacity building efforts.



The actions taken by the initiative aims at giving a greater role to public transport in mobility help decrease the regions carbon footprint. For example every additional ton due to more public transport in New York and Rio, delivers a reduction of up to 7 tons of wider CO2 and these gains will grow as their commitments are realized. These actions will also help organizations meet their emissions reduction targets, such as London's public transport stretch target to cut emissions of CO2 per passenger km by 40% by 2025 and Montreal's GHG emissions intensity (g CO2e/passenger-km) reduction targets by 20% by 2020 maximizing the mitigation potential of public transport.

For more information on the UITP Declaration on Climate Leadership, please see the <u>International</u> Association of Public Transport Action Plan.

### **Best Practice Climate Action in Transport (80 Days Campaign)**

The "Around the World in 80 Days Campaign" documents and communicates climate actions in the transport sector. The 80 Days Campaign is an initiative of the Netherlands government and the Paris Process on Mobility and Climate (PPMC). It references the famous Jules Verne novel to create a time-bound process prior to COP21.

During the 12 days of the COP we will take the readers of the SLoCaT Daily Reports on a trip around the world and share some of the climate actions that have been developed as part of the 80 Days campaign.



Second stop. Italy. Rome. December 1, 2015

Green Rail: Rail Transport of Flowers between the Netherlands and Other European Countries





In 2008, FloraHolland (cooperative of growers), VGB (industry association of the horticulture exporters) and several floriculture exporters started working with the Green Rail projects to move goods from road to rail. Initially, the floricultural transport used the existing rail services, an these projects, floricultural goods were transported by rail from the Netherlands to several destinations in Europe (i.e. Italy, Hungary, Romania, Poland, and Spain) using containers that can control temperature for at least 10 consecutive days, thus supplanting the need for refrigerated trucks.

More information on this transport climate action is available <a href="here">here</a>.

#### **Closing Thoughts**

To ensure that the transport sector makes an optimal contribution to climate change mitigation and achieves needed strides toward climate change adaptation, it is necessary that the COP21 negotiating text facilitates ambitious action within countries to provide transport systems that are sustainable, reliable, and accessible to all. The devil will continue to be in the details, but at this stage of the game, it essential that UNFCCC mechanisms are leveraged to empower the transport sector to accelerate the provision of sustainable low carbon mobility on a global scale.

# **Announcements and Upcoming Transport Events**

The SLoCaT Partnership would like to invite interested parties to attend the Clean Mobility Reception Thursday December 3rd, organized by the Paris Process on Mobility and Climate Change (PPMC). If you would like to join the Clean Mobility Reception, kindly contact Talya Enriquez Romano at <a href="mailto:Talya.enriquezromano@slocatpartnership.org">Talya.enriquezromano@slocatpartnership.org</a>.

Other forthcoming transport-related events include the following:

- "Linking ambition to action- Success factors for low carbon development pathways in transport sectors." Organized by the Transport Research Foundation (TRF) and Institute for Transportation and Development Policy (ITDP). (December 2, 16:45-18:15, Blue Zone Rm 4).
  More
- "Mitigating the climate change impacts of urban travel." Organized by International Transport Forum (ITF). (December 2, 17:15-18:45, Blue Zone OECD Pavilion). More



- "Lima-Paris Action Agenda (LPAA) Transport Focus." Organized by UNFCCC. (December 3, 10:00–13.00, Hall 4, Room 12). More
- "Towards a low-carbon transport future: COP 21 and beyond." Organized by International Transport Forum (ITF). (December 3, 14:00-14:45, Blue Zone OECD Pavilion).

Please visit the PPMC <u>Transport Events at COP21</u> website for a full listing of forthcoming transport events.

The call for applicants for the fourth annual **Lee Schipper Memorial Scholarship** is now open. The scholarship supports young innovators conducting transformative research on sustainable transport and energy efficiency and honors the legacy of EMBARQ founder and visionary Dr. Lee Schipper. The application period is open through December 20, 2015. For more information about the call for applicants, please visit the scholarship website, and help us spread the word.

In addition, we would like to invite you all to join the **We Are Transport** social media campaign we have launched on Twitter. PPMC invites everyone to support the We Are Transport Campaign and join the discussion on Twitter using hashtag #WeAreTransport. For more information, please visit the <a href="http://ppmc-cop21.org/common-messages/">http://ppmc-cop21.org/common-messages/</a>.

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