



Chairs Summary: 'Realizing the Rio+20 Momentum on Sustainable Transportation', 21 May 2013, The Hague.

The expert meeting that took place in The Hague, the Netherlands, May 21 2013 on Sustainable transport *Realizing the Rio+20 Momentum on Sustainable Transportation* brought together 40 representatives from international development banks, intergovernmental organizations, the private sector, civil society, governments and the UN system. In the Rio+20 outcome document it is explicitly noted that sustainable transport systems have the potential to form a catalyst for economic growth and accessibility. At Rio+20 a variety of voluntary commitments was agreed upon by a wide range of development partners including the world's 8 largest multilateral development banks (MDB's). Against this background this meeting was organized by The Dutch government in partnership with The Partnership on Sustainable, Low Carbon Transport (SLoCaT) to (i) review initial implementation of the Rio+20 outcomes on sustainable transport (paragraphs 132 and 133 of the Rio+20 Outcome Document, "The Future We Want") including associated voluntary commitments, and (ii) explore possible partnership between the Netherlands, and possible other like-minded countries, and the MDBs community to support and give weight to the MDB efforts to promote and implement sustainable transport. Several national authorities from Mexico, Tanzania, Uganda, Sweden, Russia, Germany and the Netherlands participated as well as representatives of multi-lateral development banks (MDBs), including the African Development Bank (AfDB), Asian Development Bank (ADB), CAF Development Bank of Latin America, European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IDB) and World Bank; as well as United Nations Environment Programme, the International Energy Agency, Institute for Transportation and Development Policy, UN-ECE, EMBARQ, Clean Air Asia and private Dutch companies and NGO's.

This Chairs Summary reviews the meeting's discussions, highlighting areas where a consensus was reached, as well as areas where further dialogue and thinking is needed. The expert meeting was also intended to create space for common learning and collaboration between the national governments, sustainable transport experts and the development banks to advance the sustainable transport agenda by supporting the MDBs' commitment to invest \$175 billion to sustainable transport projects over the next ten years. All participants of the The Hague meeting considered it important 11 months after Rio+20 to take stock of relevant follow-up steps since June 2012 and emphasized the need to contribute towards developing a meaningful strategy for continued action on sustainable transport in the context of sustainable development. In the opening session SLoCaT pointed out that financial institutions including MDBs play an important role in influencing transport decisions in developing countries. The meeting was intended to provide a forum for further linking MDBs with dialogue in the political/policy domain on investments in donor and recipient countries. It was noted that transport as an emerging issue within the sustainable development debate gets more and more attention within the UN as in January 2014 there will be an Open Working Group (OWG) meeting on SDGs dedicated to sustainable transport and sustainable cities.

The morning was divided into 4 sessions (1) where are we 11 months after Rio? (2) global transport and cost estimates up to 2050, (3) what are main areas of follow up on implementation of commitments, and (4) bilateral support for sustainable transport. In terms of stocktaking progress so far on the sustainable development agenda the Institute for Transportation and Development Policy expressed concerns in terms of increasing greenhouse gas emissions due to traffic growth globally meanwhile indicating also positive signs of progress on national urban transport laws, policies and funding programmes. ADB underlined that transport is a key enabler of economic and social activity. However, sustainable transport covers multiple dimensions and there is no common definition, nor an agreed upon assessment tool and this had so far prevented reliable international and global tracking of the sustainability of transport. In terms of lending the MDBs are on track. In the first year of their 10-year voluntary commitment, they provided new transport loans amounting to roughly 1/10 of the \$175 billion. A MDB working

group on sustainable transport is leading the MDBs' work on Rio+20 implementation and is making progress toward establishing a common framework for monitoring and reporting on the sustainability of MDB transport lending. An annual report on progress in implementation is planned for later in 2013.

On global transport and cost estimates up to 2050, the International Energy Agency presented its Energy Technology Perspectives 2012 which provides projections of transportation usage and the societal costs of the transport sector under three main carbon emissions scenarios. It was concluded that the *"avoid, shift and improve"* approach is the most cost effective strategy to achieve the lower emission scenario and could result in possible cost savings of up to \$50 trillion in the period up to 2050. CO₂ and energy reductions are important and increased use of public transport could play role in modal shifting strategy. More generally, transport interventions present opportunities to reduce emissions in multiple areas.

In informing the meeting about examples of Rio+20 follow-up, presentations were given by Mexico and World Bank. Mexico said sustainable transport was needed for many reasons. Cities need to be compact, dynamic, polycentric and equitable. Policy measures are needed to deal with reduce/avoid, change and improve planning, regulation, information, economic, technology. A pressing issue concerns how to prioritize transport policies. Public transport systems, optimization of existing routes, non-motorized transport, transport demand management, vehicle technology and alternative fuels are all part of the sustainable transport agenda in Mexico. In its presentation World Bank said that urbanization is important and has been bringing increasing motorization. You cannot build your way out of congestion. Moreover, congestion has multiple negative impacts, such as on health. City-states like Hong Kong and Singapore had achieved high GDP growth without large energy use growth, and showed that sustainable transport was possible. World Bank stressed the need to rethink mobility along four lines: (1) holistic approach, (2) addressing demand – not just supply, (3) moving people – not vehicles, and (4) intensifying use of clean/alternative technology.

UNEP's representative pointed out the interconnections between technology, infrastructure and finance. It was important to appreciate that 90% of the growth of vehicles is now taking place in non-OECD countries. Technology is needed not only to improve but also to support shifts to more sustainable modes. Most of the technologies needed already exist, but technology is not trickling down fast enough to developing countries/non-OECD countries. The role of technology is important for reducing adverse health effects including fine particulate air pollution and CO₂ emissions. The Climate and Clean Air Coalition (CCAC), in which UNEP and others present are partners, is a new initiative that is supporting reduced emissions from transport for health and climate benefits. A representative from Clean Air Asia explained that freight and logistics in Asia are identified as key issues as freight is growing rapidly within Asia and between it and other regions. Key drivers like retailers are important actors to be part of the transport solutions.

On finance, the meeting acknowledged that it is a complex and challenging issue. MDB financing will cover less than 5% of the total cost of investments needed in transport infrastructure of developing countries over the coming decade. Hence not everything can be done by MDBs. Secondly participants recognized that the main role of MDB financing of investments is to demonstrate best practice approaches and, in doing so, to influence policies and institutions and support capacity development; as well as to leverage additional financing.

On infrastructure, several issues were discussed. At present there is too much focus on realizing infrastructure that supports individualized motorization – the way infrastructure is conceptualized is too narrow and non-integrated. Often countries have similar priorities and challenges but express these in different ways. There is a need to recognize the elements of approach that are common across countries, and also to tailor these to the context and needs at country level. This includes a common need to fix existing transport failures. The private sector should engage much more with the public sector so that sustainable business models can be successfully introduced and followed. It was noted that MDBs role is not only to finance building of infrastructure but to help improve how this will be used and give space for new actors. This includes MDB helping to create the conditions needed for developing countries to leverage more public and private investment and to encourage new and more innovative approaches to transport. NGOs can assist in mainstreaming and scaling-up such new approaches.

On the role of technology in realizing the Rio commitments on sustainable transport, it was noted that technology encompasses many aspects: not only electric driving, but also things like IT-usage in logistics, trains, and on-demand services. Increasing and speeding up technology transfer are important; but this should be in a tailor-made manner corresponding to the local circumstances of the developing countries. What is the low hanging fruit in the area of technology? Are MDBs focusing on the low hanging fruit? Should they also focus on other aspects of technology? Failures in investments are as important to learn from as well as the success stories. Finally, the importance of systems thinking was recognized – we should not pursue technology for its own sake, we need to integrate it in a broader transport policy agenda. In this respect, MDBs can make a difference by showcasing promising technologies with a view to encouraging wider take-up.

Dutch transport policy at national scale was seen as a collaboration involving the golden triangle: government, businesses, and knowledge institutes. It is a challenge to combine economics with sustainability. The top sector in the Netherlands is logistics, which involves substantial roles for the private sector and knowledge institutes. The government's role is mainly for setting the conditions to encourage cleaner vehicles, biofuels and behavioral improvements. This policy mix pays off as it has a triple benefit: CO2 reduction, congestion reduction, and increased efficiency which leads to cost reduction. Key elements of the Netherlands success in logistics included enhancing innovation, designing the core logistics network, establishing means of sharing data, and reducing bureaucratic obstacles.

As The Netherlands has great expertise in logistics and sustainable transport systems the meeting provided an opportunity for some Dutch organizations like Dinalog and Connekt that work in this field to engage with MDBs and leading experts on sustainable transport. The Dutch Cycling Embassy emphasized the role of expertise in developing cycling, and the leading position of the Netherlands when it comes to cycling, and advocated to make the Dutch cycling expertise internationally available.

Prior to the meeting there were ongoing discussions on establishing a possible partnership between the Netherlands and possible other like-minded countries and the MDBs community to support and give weight to the MDB efforts to promote sustainable transport. During the meeting it occurred that sharing information and raising awareness with the recipient government is an important issue. At this stage, this may offer an opportunity for countries, including the Netherlands, to make a significant contribution by drawing upon their expertise in fields of sustainable transport. The Netherlands is a very credible advisor in terms of sustainability in general and its role in sustainable transport issues is growing (it already has an established track record in water and sanitation issues). The Netherlands has technical expertise that could be transferred more internationally, including for purposes of sharing knowledge, awareness raising etc. Depending on countries and regions, this could be done working in partnership with MDBs and other donors or working directly with developing countries. Along with other countries, the Netherlands is already represented on the governing boards of directors of MDBs which provides a useful starting point for developing collaboration between the Netherlands and MDBs on sustainable transport. Careful organization of knowledge transfers for this is important.

As reflected in discussions in the afternoon break-out sessions it became clear that there are areas where further dialogue and thinking is needed. There is a need for better and smarter infrastructure and technology, and for innovative mechanisms to scale up financing. This set within the context of the Netherlands development aid agenda which was undergoing major changes of focus from aid to trade. Some participants expressed appreciation that this meeting had started as a Dutch initiative and saw a need to take clear steps to also attract other countries, including governments and non-state actors, to support implementation of the Rio+20 sustainable development agenda. This discussion was expected to continue at the 2013 ITF Summit in Leipzig (May) as well as at consultation meetings in New York (June) and many other places. In its closing remarks, the Dutch government thanked all the participants for their active role in sharing regional and national experiences both in the morning and in the afternoon sessions. The Dutch government looks forward to the next meaningful steps in further collaboration, helping countries realizing the Rio+20 commitments on sustainable transport.