



Partnership on Sustainable Low Carbon Transport

Bridging the gap

Pathways for Transport in Post 2020 Process



Transport at COP20: Despite Limited Leaps, Lima Limp

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Partnership on Sustainable Low Carbon Transport (SLoCaT)
Bridging the Gap(BtG) Initiative

TRANSPORT TACKLES CLIMATE CHANGE
EL TRANSPORTE ABORDA EL CAMBIO CLIMÁTICO
LE TRANSPORT S'ATTAQUE AU CHANGEMENT CLIMATIQUE
 النقل يتطرق الى التغير المناخي
 交通应对气候变化



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GLOSSARY OF TERMS

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| 2DS | 2 Degree Celsius Scenario |
| 4DS | 4 Degree Celsius Scenario |
| AILAC | Independent Alliance of Latin America and the Caribbean |
| AOSIS | Alliance of Small Island States |
| ADP | Ad Hoc Working Group on the Durban Platform for Enhanced Action |
| ASI | Avoid-Shift-Improve |
| BtG | Bridging the Gap Initiative |
| CDM | Clean Development Mechanism |
| COP | Conference of the Parties |
| CO ₂ e | Carbon Dioxide Equivalent |
| CTCN | Climate Technology Centre and Network |
| FM | Financial Mechanism |
| GCF | Green Climate Fund |
| GEF | Global Environment Facility |
| GHG | Greenhouse Gas |
| GIZ | German International Cooperation Agency |
| Gt | Gigatonne |
| IEA | International Energy Agency |
| IIEA | Institute of International and European Affairs |
| IISD | International Institute for Sustainable Development |
| INDCs | Intended Nationally Determined Contributions |
| IPCC | Intergovernmental Panel on Climate Change |
| ITDP | Institute of Transportation and Development Policy |
| ITF | International Transport Forum |
| LCCA | Lima Call for Climate Action |
| LDCs | Least Developed Countries |
| LEDs | Low Emission Development Strategies |
| LMDCs | Like Minded Developing Countries |
| MA | Multilateral Assessment |
| MRV | Measurement, Reporting and Verification |
| NAMAs | Nationally Appropriate Mitigation Actions |
| NAPs | National Adaptation Plans |
| NDEs | Nationally Designated Entities |
| SBSTA | Subsidiary Body for Scientific and Technological Advice |
| SCF | Standing Committee on Finance |
| SDGs | Sustainable Development Goals |
| SG | Secretary General |
| SLoCaT | Partnership on Sustainable Low Carbon Transport |
| TEC | Technology Executive Committee |
| TEM | Technical Expert Meeting |
| TM | Technology Mechanism |
| t-NAMA | Transport NAMA |
| UIC | International Union of Railways |
| UITP | International Association of Public Transport |
| UN | United Nations |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UN-Habitat | United Nations Programme for Human Settlements |
| UNEP | United Nations Environment Program |

EXECUTIVE SUMMARY

This report assesses the 20th Conference of the Parties (COP20) of the United Nations Framework Convention on Climate Change (UNFCCC) in Lima, Peru in December 2014, as viewed through the lens of sustainable transport. The report is a joint effort of the Partnership on Sustainable Low Carbon Transport (SLoCaT Partnership) and the Bridging the Gap (BtG) Initiative.

Following the disappointing outcomes of COP19 Warsaw, COP20 Lima began with the benefit of several significant developments to raise optimism to define a blueprint for a binding global treaty at COP21 Paris. Discussions in Lima could benefit from the most recent Assessment report of the Intergovernmental Panel on Climate Change (IPCC). 2014 also brought signs of modest progress within UNFCCC technical processes, and hailed ambitious mitigation commitments from the European Union and the United States and China.

The principal achievement of COP20 is the Lima Call for Climate Action (LCCA), an agreement among nearly 200 countries that for the first time establishes ground rules for all Parties to submit Intended Nationally Determined Contributions (INDCs) in 2015 to form the basis of post-2020 mitigation actions. Key outcomes of the LCCA as highlighted by the UNFCCC include progress on pre-2020 ambition, technology, finance, transparency, and adaptation. A number of follow-up reports from COP20 observers take more critical views of the LCCA, highlighting a lack of resolution, guidance, and clarity on key issues, and the significant effort required to clear stumbling blocks and narrow options in the draft negotiating text by May 2015.

At COP20, a SLoCaT Partnership-BtG Initiative tracking team for the first time monitored five negotiating streams with particular relevance to transport, which included pre-2020 ambition, INDCs, nationally-appropriate mitigation actions (NAMAs), technology transfer, and climate finance (a sixth area, adaptation, is also included among the areas of analysis in this document). An analysis of each issue identifies specific references in the LCCA (and in the accompanying draft negotiating text), discusses potential opportunities and challenges for the transport sector, and identifies implications for the 2015 SLoCaT Partnership-BtG Initiative work program. During the course of COP20, a scorecard was established to mark progress through a lens of sustainable transport, which determined whether “Lima limped,” “maintained status quo,” or “Lima leaped” in each of these areas.

Progress for transport at COP20 in these six areas was decidedly mixed. Pre-2020 mitigation commitments continue to fall short of modeled potential and lack detail on transport contributions, and INDCs for defining post-2020 mitigation actions must include significant detail under a tight timeline. While NAMAs must shift from a project to policy focus to achieve transformational change, only few transport NAMAs have received funding and transport NAMAs are constrained by limited measurement, reporting and verification (MRV) capacities. Although the UNFCCC is forging stronger linkages between its Technology and Financial Mechanisms, the bulk of attention is focused on other sectors, which risks locking transport investments into high-carbon pathways, and the amount of climate finance currently available from UNFCCC sources falls far short of projected investments required to facilitate a global shift to low-carbon transport. Finally, while transport systems must become more resilient to climate change to achieve full mitigation potential, public funding for adaptation strategies remains limited.

Despite minor leaps in each of the above areas, the overall conclusion is that COP20 Lima limped with regard to sustainable low carbon transport. This reinforces the need for the sustainable transport community to converge around key messages and activities on transport and climate change linked to the UNFCCC process in the year ahead.

Five key messages¹ on mitigation potential and financing strategies for low-carbon land transport were developed in a recent SLoCaT Partnership-

BtG Initiative report² to define sustainable pathways for transport in the post-2020 process. These include: (a) decoupling development ambitions and transport choices to shape low carbon transport pathways; (b) using Avoid-Shift-Improve strategies as a framework for sustainable transport policies and measures; (c) increasing the role of sub-national and non-state entities in the UNFCCC process; (d) leveraging opportunities for transport development and financial and technical support via UNFCCC mechanisms; and (e) linking comprehensive climate and development planning.

The SLoCaT Partnership's workstream on Transport and Climate Change represents one of five workstreams in the Partnership's 2015-2016 strategic work program. Key priorities in the workstream include: (a) demonstrating the mitigation potential of transport in the UNFCCC (and specifically INDC) processes; (b) communicating transport related mitigation efforts in the SG Climate Summit to Parties under the UNFCCC; (c) promoting transport perspectives in relevant UNFCCC processes; (d) promoting the integration of sustainable low carbon transport in financial mechanisms under the UNFCCC; and (e) increasing the visibility of transport sector contributions through a substantive presence at COP21.

To complement the negotiations in Lima, the SLoCaT Partnership and BtG Initiative organized several activities and outreach efforts at COP20 to raise the profile of transport's contributions to pre- and post-2020 mitigation ambition. These efforts included Transport Day 2014,³ consisting of dedicated strategy sessions on sustainable transport and climate change; official COP20 side events focused on sustainable transport in the context of INDCs, NAMAs, and climate finance; daily “Transport at COP20”⁴ postings distributed through the SLoCaT Partnership and BtG Initiative websites; feature articles on sustainable transport by the International Institute for Sustainable Development,⁵ the Climate Action Network,⁶ and Outreach magazine;⁷ and an ongoing presence at the SLoCaT Partnership-BtG Initiative information booth at the COP20 venue.

Building on the modest momentum established at COP20 Lima, planning for COP21 Paris is in full swing, with French national, regional and municipal government officials participating at Transport Day 2014, and joint efforts of the Peruvian and French governments to galvanize national, city and private sector action through the Lima-Paris Action Agenda. A number of “Trains to Paris”⁸ are poised to pick up negotiators in European cities to begin discussions of transport's role in tackling climate change en route to COP21, and a possible Transport Pavilion at the COP20 venue will increase the visibility of existing and potential transport contributions throughout the negotiations.

The past year has brought many positive developments for sustainable transport and climate change, with the formation of the SG's High Level Advisory Group on Sustainable Transport⁹ as a channel for bold action, the inclusion of transport among the UN (United Nation)'s Sustainable Development Goals (SDGs),¹⁰ and increased interest from UNFCCC in engaging with non-state entities. Yet, if we are to reduce GHG emissions 80% by 2050 to keep global climate change from exceeding the two degree Celsius scenario (2DS), the transport sector must certainly be a core competitor throughout UNFCCC's self-described climate change marathon. The analysis of transport-relevant areas at COP20 and the key messages and priority actions detailed in this report provide a roadmap for the sustainable transport community to advance the critical role that transport must play in carrying the modest momentum established at COP20 toward a strong finish at COP21.

- 2 http://slocat.net/sites/default/files/u10/land_transports_contribution_to_a_2c_target_11_11_14_final.pdf
- 3 <http://slocat.net/transportday2014>
- 4 <http://slocat.net/trackingunfcccnegotiations>
- 5 <http://www.iisd.ca/download/pdf/sd/crsvol217num2e.pdf>
- 6 <http://www.climateactionnetwork.org/sites/default/files/eco-dec12-final.pdf>
- 7 <http://www.stakeholderforum.org/sf/outreach/index.php/component/content/article/224-cop20-day10-cities-urbangov-transport/11861-cop20-day10-transport-tackles-cc-will-unfccc-help>
- 8 <http://www.traintoparis.org/>
- 9 <http://www.un.org/en/development/desa/news/sustainable/sustainable-transport-2.html>
- 10 <http://www.slocat.net/transport-open-working-group-process>

1 <http://www.transport2020.org/file/land-transport-contribution-to-a-2c-target-key-messages-final.pdf>

INTRODUCTION

This report¹¹ is one in a series of reports on sustainable transport and the United Nations Framework Convention on Climate Change (UNFCCC) Conferences of the Parties (COPs), produced by the Bridging the Gap (BtG) Initiative and the Partnership on Sustainable Low Carbon Transport (SLoCaT Partnership)¹². The series kicked off at COP15 Copenhagen in November 2013 with the report “What’s next? The outcome of the climate conference in Copenhagen and its implications for the land transport sector”¹³ and have been produced annually since then. The present report focuses on key outcomes from COP20 Lima in December 2014, and it aims to determine whether discussions at COP20 Lima stalled (limped) in a number of key areas relevant to transport, or whether the discussions in Lima advanced the chances for an ambitious, transport inclusive, climate agreement in Paris (leaped).

A. COP20 Context

Following the disappointing outcomes of COP19 Warsaw in November 2013, COP20 Lima began with the benefit of several significant developments to raise optimism for building momentum toward a global climate treaty at COP21 in December 2015.

The phased release of the Intergovernmental Panel on Climate Change (IPCC)’s Fifth Assessment Report¹⁴ in 2014 stressed increased certainty and severity of climate change impacts and states a higher mitigation potential for transport than in previous assessments. Modeling by the International Energy Agency (IEA) supported IPCC’s more favorable ratings and concluded that technological and behavioral measures can decrease energy demand for urban transport by at least 55% below an IEA-defined baseline for a 4 degree Celsius scenario (4DS).¹⁵

The United Nations Environment Programme (UNEP) 2014 Emissions Gap Report¹⁶ asserts that global emissions are expected to reach 52–54 gigatonne (Gt) CO₂e annually by 2020, and that additional annual reductions of 8–12 Gt CO₂e are required by then to meet the 2 degrees C target¹⁷ established at COP16 Cancun. The report estimates that the transport sector has the potential to contribute up to 3 Gt CO₂e annually to needed reductions, through a combination of transport demand reduction, modal shift, and system efficiencies, and needs to deliver these reductions to help close the gap.

As part of the ADP working group preparations for COP20, a series of Technical Expert Meetings (TEMs)¹⁸ and regional forums were held. TEMs were held in March, June and October 2014 in Bonn, Germany. Experts from Parties were encouraged to come prepared with suggested actions and initiatives to advance, and to share practical experiences, and to engage in discussions aimed at achieving concrete results. Organizations active in these respective areas were also encouraged to participate. SLoCaT was able to make statements on the potential of sustainable transport in the March and October meetings.

In October 2014, an additional TEM was held along with negotiations to institutionalize TEMs under the UNFCCC’s Technology Mechanism (TM), to examine mitigation policies and barriers to implementation.

Despite some criticism that TEM outputs have not been broadly disseminated nor used sufficiently to help drive policy changes to date, TEMs will continue and they could present a useful opportunity for broader involvement by the SLoCaT Partnership in the UNFCCC process.

At COP19, the ADP requested that the secretariat organize a forum at each of the sessions of the ADP in 2014 to provide an opportunity for Parties to share experiences and best practices of cities and subnational authorities, with a view to promoting the exchange of information and voluntary cooperation, and with a special focus on actions with high mitigation potential (including cities, buildings and transport). The TEM meeting on urban environment and land use was held back to back with the first Forum on experiences and best practices of Cities and Subnational Authorities. The forum allowed for the showcasing of specific initiatives, good practices and policy options, and focused in more detail on the role of planning in creating an enabling environment for action.

The UNFCCC’s 40th meeting of the Subsidiary Body for Scientific and Technological Advice (SBSTA) in Bonn in June 2014 brought further progress toward COP20 action. Some progress was made and two days of high level ministerial round tables also helped to increase the level of political commitment, especially in the run up to the SG Climate Summit in September. It was agreed in Bonn ‘that the agreement with ‘legal force’ needs to be applicable to all countries, be based on ambitious nationally determined contributions, and cover adaptation, finance, technology and capacity-building’. A first draft of the negotiating text was seen to be a key goal for Lima and a crucial milestone in progress toward a new global agreement in Paris.

In September 2014, the Climate Summit of Secretary General Ban Ki-moon resulted in substantive transport related voluntary commitments¹⁹ on public transport, railways, electric mobility, fuel economy and green freight. These commitments demonstrate bold leadership to raise pre-2020 mitigation ambition from the transport sector.

Furthermore, 2014 brought signs of progress through ambitious bilateral and multilateral mitigation commitments. In October 2014, European leaders announced a climate change pact²⁰ obliging the EU to cut greenhouse gases (GHGs) at least 40% and to increase energy efficiency and renewable energy share at least 27% by 2030, thus raising ambition for post-2020 mitigation actions. And in November 2014, a joint announcement revealed a United States (US) target to cut net emissions 26–28% by 2025 and a China target to peak CO₂ emissions and to increase the share of non-fossil energy to 20% by 2030.²¹ This announcement injected momentum into global negotiations by defining a blueprint for developed and developing country commitments, thus dismissing some previous excuses for inaction.

B. COP20 General Outcomes

The principal achievement of COP 20 is the Lima Call for Climate Action (LCCA),²² an agreement among nearly 200 countries that establishes amongst other things for the first time the initial ground rules for all Parties – both developed and developing – to submit Intended Nationally Determined Contributions (INDCs) in 2015, which will form the basis of post-2020 mitigation actions. Other key outcomes of LCCA as described by UNFCCC include the following:²³

- **Pre-2020 Ambition:** The UN is encouraging governments to increase momentum for climate action in the years before 2020. The government of Peru and the UNFCCC launched the Nazca Climate Action Portal,²⁴ which is designed to increase the visibility

11 This paper has been produced with support by: (a) the supporters of the SLoCaT Foundation (<http://slocat.net/supporters-slocat-foundation>); (b) the members of the BtG Initiative (<http://www.transport2020.org>); and (c) GIZ (TRANSfer Project) on behalf of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB). The TRANSfer Project is part of the International Climate Initiative. The BMUB supports this initiative on the basis of a decision adopted by the German Bundestag.

12 Following the lead established by the Bridging the Gap initiative in previous years, the lead on this publication has shifted to the SLoCaT Partnership, with key contributions and feedback from BtG Initiative members.

13 www.transport2020.org/file/copenhagen-report-final-bridging.pdf

14 <http://www.ipcc.ch/report/ars5/>

15 <http://www.transport2020.org/publicationitem/3071/new-land-transport-contribution-to-a-2c-target>

16 <http://www.unep.org/publications/ebooks/emissionsgapreport2014/>

17 http://slocat.net/sites/default/files/u10/land-transport-contribution-to-a-2c-target_advance_draft_22_september_1.pdf

18 <http://unfccc.int/resource/docs/2014/tp/o3a01.pdf>

19 <http://www.slocat.net/climatesummit>

20 <http://www.theguardian.com/world/2014/oct/24/eu-leaders-agree-to-cut-greenhouse-gas-emissions-by-40-by-2030>

21 <http://www.whitehouse.gov/the-press-office/2014/11/11/fact-sheet-us-china-joint-announcement-climate-change-and-clean-energy-c>

22 https://unfccc.int/files/meetings/lima_dec_2014/application/pdf/auv_cop20_lima_call_for_climate_action.pdf

23 <http://newsroom.unfccc.int/lima/lima-call-for-climate-action-puts-world-on-track-to-paris-2015/>

24 <http://newsroom.unfccc.int/lima/new-portal-highlights-city-and-private-sector-climate-action/>

of climate action among cities, companies, and international cooperative initiatives.

- **Technology:** The Climate Technology Centre and Network (CTCN) reported around 30 requests for technical assistance this year, and expect this figure to grow to more than 100 next year. The Technology Mechanism (TM) was strengthened through a potential link to the Green Climate Fund (GCF) and the Finance Mechanism (FM).
- **Financing:** Pledges to the GCF by Norway, Australia, Belgium, Peru, Colombia and Austria, pushed capitalization past \$10 billion. In addition, Germany made a pledge of 55 million euros to the Adaptation Fund, and China announced a \$10 million pledge for South-South cooperation, pledging to double this contribution next year.
- **Transparency:** The COP's first ever Multilateral Assessment (MA) marked a milestone in measurement, reporting and verification (MRV) of emission reductions under the UNFCCC. 17 developed countries with quantified economy-wide targets were assessed by other Parties to highlight best practices in policy and technology.
- **Adaptation:** Progress was made to take a more equitable approach to adaptation and mitigation. This is to be achieved by increasing the visibility of National Adaptation Plans (NAPs) through the UNFCCC website, to increase funding opportunities and to increase the number of NAPs seeking support from the GCF.

Looking ahead to COP21, the governments of Peru and France have launched a Lima-Paris Action Agenda to further increase pre-2020 ambition and to blaze a trail for a 2015 agreement. This Agenda is designed to galvanize action among global, national, subnational and local leaders and to showcase key partnerships of non-state actors.

A number of subsequent reports on COP20, some of which are described in the following sections, point out opportunities and challenges of the LCCA, highlighting unresolved issues and notable omissions, and underscoring action items that must be achieved en route to a binding global treaty at COP21.

International Institute for Sustainable Development (IISD)

A report from IISD took a measured view of the proceedings.²⁵ It was expected that the text would strengthen INDCs as a core element of the LCCA by clarifying scope and requirements to facilitate clarity and transparency, but the decision text has key shortcomings. Considered by many to be the weakest link of the Lima outcome, the decision text only requests that the Secretariat publish INDCs on the UNFCCC website and report on their aggregate impact by 1 November 2015, with an absence of ex ante review of individual contributions.

With regard to enhancing pre-2020 ambition under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) Workstream 2, there was broad agreement that TEMs would be the proper vehicle to engage non-state actors, creating a less political space and thus "bringing down the brick wall of the UNFCCC".

According to IISD, many participants felt that the COP20 managed to strike a balance between difficult issues and establish a firm foundation for efforts towards COP21. However, since key issues such as differentiation and finance remain unresolved, many Parties are hesitant to declare COP20 Lima a success.

Wuppertal Institute

A preliminary report from the Wuppertal Institute is more critical.²⁶ The report stresses ongoing divisions between developed and developing countries, and notes that COP20 adopted the LCCA without narrowing down the considerable options, thus leaving a formidable task to create a formal negotiating text by May 2015.

While some held that INDCs should only address mitigation, many developing countries posited that INDCs should also include adaptation, financial, and technology support from developed countries. And the

like-minded developing countries (LMDCs)²⁷ held that developing countries should be allowed to offer only adaptation contributions.

Each Party's INDC is supposed to "represent a progression beyond the current undertaking of that Party," a formulation aimed at installing a ratchet mechanism, where contributions are continually scaled up to prevent erosion of current pledges. However, the annex with upfront INDC information requirements did not survive.

While positive developments regarding monitoring, reporting and verification (MRV) can be reported from multilateral assessments (MAS) of a number of developing country Parties' pre-2020 mitigation efforts, some Parties criticized a lack of detail and stressed that different metrics across countries complicated a common comparison of efforts.

Also controversial were proposed timeframe of contributions. The EU, China and others argued for a target of 2030 to increase long-term investor certainty, while other blocs (e.g. the Independent Alliance of Latin America and the Caribbean (AILAC)²⁸, the Alliance of Small Island States (AOSIS)²⁹, the least-developed countries (LDCs)³⁰) called for five-year cycles to prevent a lock-in of low ambition.

Furthermore, developed countries were insistent in avoiding any mention of a roadmap for upscaling climate finance to the planned \$100 billion mark, a disappointment to developing countries. Developed countries' biennial update reports on upscaling climate finance could help define a pathway, but language in this area remains weak.

The Institute of International and European Affairs (IIEA)

The Institute of International and European Affairs issued a review of COP20 that is both balanced and pragmatic³¹. The review highlights substantive differences between Parties on a number of issues related to INDCs.

The agreement calls for INDCs to "represent progression beyond the current undertaking of that Party," Yet, with the lack of agreement on INDCs components and a formal review mechanism, it will be challenging to determine if a country's pledge lacks ambition, and thus it is unlikely that the ambition gap will be closed in time for COP21.

While the EU in particular, hoped that countries' pledges would be subjected to review by the UN or peer countries for ambition and equity, China and India opposed any robust MRV requirements from external parties. The existing language in the draft negotiating text suggests that it will be difficult to evaluate or compare commitments.

While the EU has advocated a legally binding accord to meet the 2DS, the US sought an agreement with both legally binding and voluntary elements to avoid the need for ratification by the US Senate. While the LCCA fails to offer clarity on this issue, it is unlikely that INDCs will ultimately be enforceable under international law.

Finally, China, India and others have argued that mitigation commitments should only apply to developed economies per the principle of "common but differentiated responsibilities" (which is reflected the China-United States climate pact), in which pledges echo differences in responsibility, emissions per capita, and ability to pay.

27 LMDC countries who negotiate in UNFCCC processes include Algeria, Argentina, Bangladesh, Bolivia, China, Cuba, Ecuador, Egypt, El Salvador, India, Jordan, Iraq, Kuwait, Indonesia, Iran, Malaysia, Mali, Nicaragua, Pakistan, the Philippines, Saudi Arabia, Sri Lanka, Sudan, Syria, Venezuela and Vietnam.

28 AILAC was created COP18 Doha by Colombia, Costa Rica, Chile, Peru, Guatemala and Panama, breaking from the Group of 77 on some issues, notably the level of commitments for developing countries.

29 AOSIS was established in 1990 to consolidate voices of Small Island Developing States (SIDS). AOSIS has 39 members, which represent 28% of the developing countries, and 20% of total UN membership.

30 LDCs are countries defined by the UN as having the lowest Human Development Index ratings; in early 2015, these include 34 countries in Africa, 9 countries in Asia, 4 countries in Oceania, and Haiti.

31 <http://www.iiea.com/blogosphere/the-lima-call-to-action-and-the-role-of-national-pledges>

25 <http://www.iisd.ca/download/pdf/enb12619e.pdf>

26 http://wupperinst.org/uploads/tx_wupperinst/lima-results.pdf

Other COP20 Reports

A number of other COP20 reports have been issued by organizations such as the NewClimate Institute³² and Germanwatch,³³ which reiterate many of the same key issues.

COP20 NEGOTIATING STREAMS

In this section, we explore six COP20 negotiating streams with particular relevance for the transport sector. The first five areas were tracked for the first time by a SLoCaT Partnership-BtG Initiative team during the course of COP 20 Lima; these include pre-2020 ambition, INDCs, NAMAs, technology transfer, and climate finance. A sixth area of investigation, adaptation, is also analyzed here to assess progress with relevance to transport.

For each of the six areas, we highlight specific references within the LCCA and the draft negotiating text, discuss potential opportunities and challenges for the transport sector, and identify implications for the 2015 SLoCaT Partnership-BtG Initiative work program, which are based upon daily SLoCaT Partnership-BtG Initiative reports issued during the Lima conference, as well as formal outcome documents and analytical reports issued prior to, during, and after COP20.

A scorecard was established to mark progress for sustainable transport during the course of COP20 in each of these areas, which determined whether “Lima limped” (i.e. little progress was achieved), COP20 maintained ‘status quo’, or ‘Lima leaped’ (i.e. significant progress was achieved). A final scorecard is given at the end of this section.

A. Pre-2020 Mitigation Ambition

Pre-2020 mitigation ambition coalesced under the decision adopted at COP17 to facilitate two workstreams under the ADP. Workstream 1 is focused on shaping a post-2020 treaty, and Workstream 2 is focused on enhancing mitigation actions to close the pre-2020 ambition gap, by ensuring highest possible efforts by all Parties to meet the 2DC goal established at COP16 Cancun.³⁴ As noted, the 2014 UNEP Emissions Gap Report asserts that additional reductions of 8-12 billion Gt CO₂e annually are required by 2020 to meet the 2DS, and that the transport sector has the potential to contribute up to 3 Gt CO₂e annually.

LCCA References

In the LCCA, the COP reiterates its resolve to enhance ambition in the pre-2020 period. A key provision is found in paragraph 19 of the LCCA, which states that the COP will continue its examination of opportunities with high mitigation potential in the 2015–2020 period. This section goes on to state that the COP will request the Secretariat to provide “... opportunities for the effective engagement of experts from Parties and non-state actors, including relevant international organizations, civil society... the private sector, and subnational authorities as nominated by their respective countries.”

Furthermore, the COP calls on the Secretariat to use the above input to update the technical paper on the mitigation benefits of actions to enhance mitigation ambition, by “compiling information provided in submissions from Parties and observer organizations and the discussions held at the technical expert meetings and drawing on other relevant information on the implementation of policy options at all levels” (para.19a). This language provides an opportunity for the sustainable transport community to further develop national and global estimates of transport’s mitigation potential for inclusion in pre-2020 mitigation strategies and potentially broad distribution among policy makers. The draft negotiating text makes limited references to pre-2020 ambition among numerous options regarding mitigation actions and GCF capitalization. First, Parties are to prepare mitigation contributions

to raise ambition over Kyoto Protocol commitments, which are to “be quantified...and which are comparable, measurable, reportable and verifiable for developed country Parties...during the pre-2020 period” (para. 16.1, option 3), though various options make no reference to increased ambition or accelerated timeframes. A second reference proposes that “Developed country Parties [are] to provide 1 per cent of gross domestic product per year from 2020, and additional funds during the pre-2020 period to the GCF” (para. 38, option 1a); though it is not clear from this clause under what timeframe these financial contributions would be disbursed.

While these clauses would do much to set mitigation action on a more ambitious trajectory, numerous negotiating options are still too broad to predict the chances for specific language on pre-2020 ambition to survive to a final negotiating text.

Opportunities and Challenges for Transport

The understanding of the transport sector on pre-2020 mitigation potential has made some tangible leaps since COP19, with the release of a series of detailed modeling studies on the mitigation potential of the transport sector, which were presented in the margins of COP20 by the IEA,³⁵ the Institute for Transportation and Development Policy (ITDP)³⁶ and the International Transport Forum (ITF).³⁷ The appreciation of pre-2020 potential was also enhanced by the voluntary commitments in the land transport sector³⁸ that were announced at the Secretary General’s Climate Summit in September 2014. In addition, several near-term mitigation actions for transport are being pursued through transport NAMA (t-NAMA) development in Peru,³⁹ Indonesia,⁴⁰ and Colombia,⁴¹ along with two t-NAMA projects under implementation in South Africa and Mexico, and others in the pipeline.

Another tangible example of pre-2020 ambition during COP20 is the NAZCA Climate Action Portal,⁴² which increases visibility of mitigation actions, particularly for non-state actors such as cities, regions and companies, whose actions often occur on a voluntary basis. However, these actions are not governed by an internationally standardized MRV system, and thus NAZCA provides no aggregation of GHG reductions due to these actions. While the NAZCA portal helps to raise the profile of bottom-up contributions to mitigation action, the ultimate policy weight of this channel for the transport sector remains unclear, especially due to the fact that transport is not one of the 10 main themes⁴³ included in the portal. Instead transport is dealt with under energy efficiency and cities.

At a formal level, however, Lima saw some notable limping on pre-2020 ambition, since we witnessed few additional transport specific commitments from national and subnational entities during the course of COP20, and since progress at the UNFCCC level is dogged by disagreements in crucial areas that could help to accelerate pre-2020 action (e.g. climate finance, technical assistance). Further progress in this area is essential to avoid a high-carbon lock-in effect for transport infrastructure and services – particularly in rapidly motorizing countries – before any post-2020 mitigation regime takes effect.

Other COP20 outcomes pose additional challenges for pre-2020 ambition. As noted previously, MRV lacks a universal platform for external review, and China, India and others have raised objections to robust MRV requirements from external parties. Another potential challenge is whether reform of the Clean Development Mechanism

32 <http://newclimate.org/2014/12/15/what-the-lima-call-for-climate-action-means-for-intended-nationally-determined-contributions-indcs/>

33 <https://germanwatch.org/en/9598>

34 <http://unfccc.int/bodies/body/6645.php>

35 https://www.iea.org/media/workshops/2013/egrdmobility/DULAC_23052013.pdf

36 <https://www.itdp.org/a-global-high-shift-scenario/>

37 <http://www.internationaltransportforum.org/Pub/pdf/14Outlook-Chapter4.pdf>

38 <http://slocat.net/climatesummit>

39 http://transport-namas.org/wp-content/uploads/2014/04/Overview_PERU_TRANSPeru.pdf

40 http://transport-namas.org/wp-content/uploads/2014/11/Overview_IND_SUTRI-NAMA.pdf

41 http://transport-namas.org/wp-content/uploads/2014/11/Overview_COL_Sus-Road-Freight-NAMA.pdf

42 <http://climateaction.unfccc.int/about.aspx>

43 <http://climateaction.unfccc.int/tctthemes.aspx>

(CDM) methodology will detract from the establishment of emerging methodologies for transport in the context of MRV and NAMA development. A final and critical challenge is that there is no dedicated Transport TEM – as transport is dealt with under energy and cities – which prevents the development of a holistic Avoid-Shift-Improve (ASI)-based strategy for the transport sector in a manner that addresses the entire transport sector (passenger and freight) and which combines technological with behavioral measures.

A crucial question over the next 12 months will be whether and how modeled mitigation potential by external groups, and the SG’s land transport commitments, can be translated to more robust statements on transport’s role in pre-2020 mitigation ambition, ideally at national levels. The SG’s Office, along with the governments of France and Peru, can do much to help carry forward the land transport commitments and bring them into the UNFCCC process, and it is important for the transport sector to maintain this positive momentum in the run-up to COP21.

Implications for the 2015 SLoCaT Partnership-BtG Initiative Work Program

Key action items in the area of pre-2020 ambition include the following:

- Contribute towards the UNFCCC technical report on pre-2020 mitigation potential of transport, which currently has secondary status under energy efficiency and cities among TEM categories
- Produce a technical brief for a possible TEM on the transport sector, since transport has been identified as a likely theme for a TEM in 2016
- Continue to seek opportunities for increased involvement of the sustainable transport community within UNFCCC TEMs (as described in paragraph 19 of the LCCA)
- Create a more systematic overview of global modeling studies on the mitigation potential of land transport (both economy-wide and sector-specific)
- Tie mitigation potential to mitigation ambition, as expressed in specific national and sub-national plans and studies (e.g. Mexico MEDEC study⁴⁴)
- Track and promote progress on the transport commitments made at the SG Climate Summit in September 2014
- Conduct specific outreach to UNFCCC Parties on the mitigation potential of the transport sector, including through Low Emission Development Strategies (LEDS)⁴⁵ program

B. Intended Nationally Determined Contributions (INDCs)

INDCs are nationally defined plans used by the UNFCCC to ensure that post-2020 mitigation efforts by all Parties are guided by development priorities, equity, and common responsibility. INDCs in aggregate will help indicate whether global ambition is in line with required reductions to meet the 2DC goal. Discussions at COP19 highlighted the need to “initiate or intensify preparation of INDCs,” and INDCs will be a centerpiece of any global climate agreement to take shape between now and COP21.⁴⁶

On the progress side, COP20 provided the following points of clarification regarding INDCs:⁴⁷

- INDCs are expected to “go beyond documented levels of ambition for all Parties,” as noted in paragraph 10 of the LCCA
- INDCs are required of all parties, though they are expected to reflect national circumstances and capabilities, and they are unlikely to be legally binding
- INDCs must be transparent and comparable, based on guidelines

44 https://www.esmap.org/sites/esmap.org/files/4c.MEXICO_Low_Carbon_Development.pdf

45 <http://mitigationpartnership.net/low-emission-development-strategies-and-plans-leds-o>

46 <http://www.ecofys.com/files/files/ecofys-giz-2014-intended-nationally-determined-contributions-under-unfccc.pdf>

47 <http://www.iieta.com/blogosphere/the-lima-call-to-action-and-the-role-of-national-pledges>

- provided to this end (see following section)
- INDCs are chiefly focused on mitigation actions, and may also (but are not required to) include specific provisions for adaptation or climate finance;
- INDCs will not be subject to UN or peer review before COP21, although the UN will issue a report on the projected aggregate impact of INDCs in November 2015

On the challenge side, INDCs provided to date are insufficient to meet a 2DS, with recent pledges by the EU, the US and China projected to contribute only a 0.2 to 0.4 C decrease by 2100.⁴⁸ Thus, though the LCCA’s encouragement of all Parties to submit INDCs in 2015 is a step forward, a number of key issues await resolution.

LCCA References

The LCCA provides the following general guidelines for defining INDCs “to facilitate clarity, transparency and understanding” (para. 14), while underscoring that these are merely guidelines and not binding requirements:

- Quantifiable information on the reference point (base year)
- Expected timeframe(s) for implementation (target year(s))
- Scope and coverage of plans (particular sectors and gases to be addressed)
- Assumptions and methodology for measuring GHG reductions
- Information on “planning processes” (INDC basis and implementation plans)
- Explanation of how the INDC contributes to the 2DS
- Assessment of how the INDC is “fair and ambitious” within a national context

As noted above, in an effort to raise collective ambition, the COP has requested that the Secretariat publish on the UNFCCC website the INDCs of all Parties as communicated by 1 October 2015, and that the Secretariat prepare by 1 November 2015 a synthesis report on the projected aggregate mitigation impacts, to allow broader analysis of intended contributions in advance of COP21 (para. 16), though under a tight timeframe.

Although the draft negotiating text states that Parties are “to ensure that the aggregate level of mitigation...contributions increases over time, so as to achieve the long-term emission reductions...” (para. 13.1, opt. 2), the INDC “ratchet mechanism” is one of the least clearly-defined pieces but possibly most promising of the draft negotiating text. A dedicated section on the INDC process currently proposed three potential start dates and five potential end dates for contributions, and is followed by 10 potential options for re-evaluating INDCs, which vary by timeframe (i.e. 5-10 years) and scope (i.e. developed vs. developing countries, mitigation vs. adaptation). Thus, the March 2015 deadline to deliver an updated negotiating text underscores the urgency to narrow these numerous options quickly.

Opportunities and Challenges for Transport

INDCs are an important step forward in documenting mitigation potential, and COP20 has offered additional opportunities and challenges for the transport sector.

On the opportunity side, first, by stating that all INDC submissions will be published in their entirety on the UNFCCC website, the LCCA text allows for an informal review by research institutions, civil society and other UN bodies (such as UNEP) to encourage governments to maximize mitigation ambition at the beginning of COP21.⁴⁹ Second, the development of transport components of INDCs can benefit from the modeling efforts referred to previously and from the growing body of NAMA projects and literature on the mitigation potential of transport. Forward leaps for INDCs will depend on the extent to which language in

48 <http://newclimate.org/2014/12/15/what-the-lima-call-for-climate-action-means-for-intended-nationally-determined-contributions-indcs/>

49 <http://newclimate.org/2014/12/15/what-the-lima-call-for-climate-action-means-for-intended-nationally-determined-contributions-indcs/>

this area specifies clear sectoral breakdowns – including transport – to avoid a free-rider situation in which each sector looks to the others to shoulder the mitigation load.

Among the challenges, first, as mentioned previously, the MRV process is currently hindered by both methodological uncertainty and political opposition, and thus does not provide a firm foundation for the ongoing development and evaluation of INDCs. The transport sector must take responsibility in this area and must help put forward practical and affordable solutions. Second, the current proliferation of options for defining parameters for the “ratchet mechanism,” introduce further uncertainty for Parties to determine the appropriate level of ambition based on their changing circumstances and technological trajectories. Although the ratchet mechanism is one of the least clearly-defined pieces of the draft negotiating text, it is possibly one of the most promising as a key indicator that any commitments to be made in a Paris agreement will not be static.

Third, the opportunity to include both adaptation and finance components has the potential to make INDCs more heterogeneous and may detract from the core task of defining mitigation actions and sector-specific targets, including for transport. Finally, the development of transport specific mitigation objectives will be hampered by the limited availability and often-poor quality of transport data. Transport has not been well covered in national communications to date and it is likely that setting mitigation objectives for the transport sector will suffer the same fate because of poor data.

It should be kept in mind that INDCs are specifying post-2020 mitigation potential, which is still five years away. Transport is still developing quickly in most of the non-Annex 1 countries, and it is challenging to forecast 2020–2025 transport mitigation ambition. In addition, mitigation actions for transport can be more difficult to pin down than in competing sectors, and thus it is important to ensure that transport does not get left out of the action in the face of an ongoing lack of clarity on MRV. The MRV process is also complicated by a funding paradox: if emission reductions are not measured, they will not be reported, and if they are not reported, then mitigation strategies can’t be funded.

Since INDCs and pre-2020 ambition occupy opposite sides of the same coin, it is essential for transport that INDC development be linked to strategies to define pre-2020 ambition, to avoid lock-in effects and to set a proper trajectory for post-2020 sustainable transport infrastructure and services. In sum, INDCs are a fundamental post-2020 instrument that must be submitted under a very tight timeline. The bar for INDCs has been set exceedingly high, and thus limping potential in this area is equally high.

Implications for the 2015 SLoCaT Partnership-BtG Initiative Work Program

Key action items in the area of INDCs in the coming year include the following:

- Document and review individual INDCs from a transport perspective, assessing quantitative components as well as the ‘Avoid-Shift-Improve’ elements of mitigation strategies
- Assess transport mitigation potential included in INDCs relative to the modeled mitigation potential and outcomes from country and city studies
- Leverage the MA process as a basis for defining and explaining INDCs to peer Parties and other relevant entities
- Enhance linkages to pre-2020 ambition action items (as described in the previous section) in the development of INDCs
- Utilize lessons learned from NAMA action items (as described in the following section) in the development of INDCs
- Conduct specific outreach to UNFCCC Parties on the mitigation potential of the transport sector, including through the Low Emission Development Strategies (LEDS)⁵⁰ program

C. Nationally Appropriate Mitigation Actions (NAMAs)

NAMAs⁵¹ are voluntary GHG emission reduction activities, which can be enabled by technology, financing, and capacity-building strategies based in MRV principles. At COP18 Doha, it was agreed that developing country Parties would adopt NAMAs in the context of sustainable development. NAMAs can be new, planned or partially implemented projects or policies that directly or indirectly reduce short, medium-, or long-term emissions. NAMAs are prepared under the umbrella of national governmental initiatives, and can be directed through targeted actions or transformative change within or across sectors.⁵²

LCCA References

Though NAMAs are not specifically referenced within the LCCA itself, reference is made to their role in guiding mitigation strategies in the draft negotiating text. A number of competing options include the following, which requires that mitigation contributions from developing countries “be quantified, quantifiable or qualified in a measurable, reportable and verifiable manner for developing country Parties, based on their nationally appropriate mitigation actions (NAMAs) under the Bali Action Plan” (para. 16.1, opt. 3b).

Additional references to NAMAs in the draft negotiating text are found in the context of defining time frames and informing the INDC process for developing country parties (paras 76.2 and 87), and serving as a basis for technical needs assessments (TNAs) (para. 56.4), underscoring the continued relevance of NAMAs in the negotiating process, keeping in mind the increasing emphasis on INDCs in the post-2020 period.

Opportunities and Challenges for Transport

Developments at COP20 underscore additional opportunities and challenges for t-NAMAs. Though SLoCaT Partnership was skeptical of the future role of NAMAs coming into COP20, it is clear from discussions in both formal sessions and side events that the international community is not giving up on this mechanism. As previously noted, NAMAs are viewed as an accessible entry point for near-term mitigation actions, and they are seen as a source of optimism for making these actions more tangible. To date, land transport has done relatively well in gaining attention and was ahead of most other sectors in the early stages of NAMAs.

Transport is still seen as a suitable sector; for example, COP20 saw the announcement of a t-NAMA in Peru, supported by the NAMA Facility. New tools have been developed that aim at facilitating the development and implementation of t-NAMAs (e.g. the Navigating Transport NAMAs handbook)⁵³. The 2014 Transport NAMA report counts 43 NAMAs being prepared or implemented in the transport sector, nearly doubling the number identified a year before⁵⁴. And certainly, the greatest leap forward for NAMAs during the course of COP 20 is their growing role in supporting INDC development and thus in shaping post-2020 mitigation ambition.

Moving forward, it is essential to make project NAMAs more ambitious and to increase the application of policy NAMAs, as a programmatic approach can deliver more transformational near-term impacts, particularly within the transport sector, especially if NAMAs are to be a key component of, or enabling step towards, INDCs. Positive examples of this approach can be seen in Colombia’s Low Carbon Development Strategy,⁵⁵ which defines action plans for transport and five other sectors, and implements a training program for NAMAs at a sectoral level. Another key example is Mexico’s Federal Mass Transit Program⁵⁶ through which the Mexican federal government is making sustainable transport a key element in developing more human-centered cities.

Where the rubber meets the road, however, NAMAs continue to limp along in the transport sector. Most significantly, t-NAMAs have not

51 <http://unfccc.int/focus/mitigation/items/7172.php>

52 <http://unfccc.int/focus/mitigation/items/7172.php>

53 http://transport-namas.org/wp-content/uploads/2014/04/Transport_NAMA_Handbook.pdf

54 http://transport-namas.org/wp-content/uploads/2014/11/T-NAMA-Report_2014.pdf

55 <http://www.lowemissiondevelopment.org/countries/colombia>

56 <http://www.conuee.gob.mx/work/sites/CONAE/resources/LocalContent/8356/2/1-PROTRAMfonadin.pdf>

50 <http://mitigationpartnership.net/low-emission-development-strategies-and-plans-leds-o>

achieved transformational change due to constrained funding and limited MRV capacities. So far the Subsidiary Body for Implementation (SBI) has not provided detailed guidance on NAMA MRV or financing. This is a clear departure from the manner in which CDM was institutionalized within the UNFCCC process. While NAMA registration is increasing, more action is required from the UNFCCC to increase matches between recipient and donor Parties.

In addition, although the NAMA Registry was adopted two years ago, currently only two t-NAMAs are under implementation, and there is an ongoing lack of clarity on the funding strategy to move the substantial number of t-NAMAs from the pipeline to the implementation stage. Finally, as noted in previous sections, a lack of consensus on MRV makes it difficult to evaluate potential t-NAMA contributions, though innovations in transport data collection and analysis⁵⁷ may advance this cause in the near future.

In conclusion, while NAMAs are still being embraced by countries to shape pre- and post-2020 mitigation ambitions, which would justify a careful 'Lima leaps' label, discussions on MRV and finance at COP20 have blocked significant forward progress in this area, forcing us to pronounce a qualified "Lima limps" verdict for NAMAs.

Implications for the 2015 SLoCaT Partnership-BtG Initiative Work Program

Key action items in the area of NAMAs for the coming year include the following:

- Leverage existing t-NAMAs (both in pipeline and implementation stages) as a means to increase the visibility of climate change mitigation actions in the transport sector
- Continue SLoCaT Partnership and BtG Initiative collaboration to advance the status of t-NAMAs through existing and emerging research and tools (e.g. t-NAMA database)
- Identify potential synergies between the development of NAMAs and other key areas of mitigation action including pre-2020 ambition, INDCs, and climate financing
- Coordinate actively with the MRV expert group⁵⁸ established by the GIZ TRANSfer Project
- Advance technological solutions and advanced data collection strategies to clarify MRV strategies to support t-NAMA development
- Advance dialogue with official development agencies and other international financial institutions to create more transformative change through t-NAMAs

D. The Technology Mechanism (TM) and Climate Technology Centre and Network (CTCN)

The Technology Mechanism was established at COP16 Cancun to move from the 'conventional' approach to technology transfer based on capacity building and technology needs assessments (TNA) to a more 'dynamic arrangement geared towards fostering public-private partnerships; promoting innovation; catalyzing the use of technology road maps or action plans; responding to developing country Party requests on matters related to technology transfer; and facilitating joint R&D activities'.⁵⁹ The Global Environment Facility (GEF) is the main funding source to encourage emissions reductions through new technologies, and additional opportunities to strengthen funding for technology needs are actively being sought.

The CTCN (in cooperation with the Technology Executive Committee (TEC)) is the operational arm of the TM. Its mandate is to enhance technology development and transfer to support climate mitigation and adaptation. The CTCN provides services to developing countries

through technical assistance, capacity building, and knowledge sharing. The CTCN consists of the Climate Technology Centre (CTC) (hosted by UNEP) and a network of institutions to assist developing countries in technology development and transfer. CTCN accepts requests from National Designated Entities (NDEs) in developing countries to help meet technological needs for mitigation and adaptation actions, projects and policies.⁶⁰

LCCA References

The Lima meeting sent an important signal that the transfer of climate technologies must accelerate, and paragraph 19 of the LCCA specifically refers to technology. There are a number of issues that affect the ability of technologies to be developed, demonstrated, deployed and diffused. The ADP decision text strongly supports the technology agenda, and it is considered that more needs to be done to facilitate and increase technology development and transfer.

The COP requests that the Secretariat organize a series of TEMs to "enhance synergies among the TEC, the CTCN, ... and the operating entities of the Financial Mechanism (FM)" (para. 19.a.ii). In the draft negotiating text, a separate section on technology enumerates various options, pronouncing that the "Technology Mechanism established under the Convention, including the TEC and the CTCN, shall serve this agreement by facilitating enhanced action on technology development and transfer," and shall "strengthen the process of technology needs assessment (TNAs) and enhance the implementation of the outcomes of the TNA process" (paras 54-57).

Finally, it notes that the mitigation ambition in a 2015 agreement must show a commitment to 'carbon neutrality' or "deep decarbonisation by 2050" (para. 13.2.a), which must be delivered by the aggregated efforts of INDCs. This goal will require every clean technology solution currently available to maximize potential emission reductions in every sector – including transport.

The above formulations offer the potential to expand the reach of TEC and CTCN in ramping up pre-2020 mitigation ambition, and to accelerate the market development and broader adoption of technologies, which can help to define emissions trajectories well beyond 2020. This call offers yet another opportunity to bring together the TM and FM to expand the scope and effectiveness of technology transfer in the transport sector, especially to tap mitigation potential in developing and rapidly motorizing countries.

Opportunities and Challenges for Transport

At the outset of COP20, the TM and CTCN may have been the stream with the greatest leaping potential. First, the TM and FM are in the process of developing stronger linkages through CTCN and the Standing Committee on Finance (SCF), which are expected to be more thoroughly defined before COP 21. In addition, growing synergies between the TEMs and the CTCN should help accelerate the adoption of key technologies across sectors including transport. TEMs allow the private sector, research institutions and non-state actors to play a role in showcasing the potential of projects and initiatives. This is reflected in the ADP's draft decision text in Lima which expresses support for a continuation of these sorts of sessions over the 2015-2020 period, and suggests that a transport TEM could be promising.

CTCN reported that it had received around 30 requests for technical assistance this year (2014), and expects the figure to grow to more than 100 next year. Bhutan specifically requested assistance to build capacities of transport officials, bus operators and managers in public transport management.⁶¹ Other technical needs assessment requests that included transport (e.g. from Pakistan, Mali, Macedonia, Mozambique) included cross-sectoral support for mapping technology needs and developing centers of knowledge.

57 http://transport-namas.org/wp-content/uploads/2014/04/Transfer_MR-Workshop_Report_Warsaw.pdf

58 <http://transport-namas.org/measuring-reporting-and-verification-mrv-expert-group/>

59 <http://unfccc.int/focus/technology/items/7000.php>

60 <http://www.unep.org/climatechange/ctcn/>

61 www.unep.org/climatechange/ctcn/Portals

COP20 also brought recognition of the need to harness the power of the private sector and encourage greater innovation, as the TEC and CTCN are in many ways constrained by the process being led by national governments. In Lima, it was encouraging to see the SBSTA Chair's invitation to personally engage with constituencies through a virtual portal⁶². In addition since 2005, the TM has a portal that acts as a gateway for information on technology and technology transfer TT:CLEAR which has recently been revamped.⁶³

However, in hindsight, CTCN limped throughout COP20 in the sense that it has yet to scale up its impact and create transformational change, due to limited granting amounts for technical assistance. More troubling is the fact that CTCN continues to focus the bulk of its attention on a particular set of sectors at the expense of others, giving current priority to energy efficiency and renewable energy and announcing only a potential focus on sustainable transport to begin in 2016. This timeframe is not soon enough to begin funding transport technologies that are most likely to establish low-carbon pathways.

The time for picking winners is over, and the CTCN needs to quickly adopt an approach that gives equal funding access to all major contributing sectors. There are numerous proven and innovative technologies that can be transferred to the developing world and plenty of opportunities for innovation – and to transport's advantage many are not hampered by intellectual property constraints and can thus be freely developed. In the transport sector, rapid action will help to avoid further lock-in effects, especially in rapidly motorizing countries, and will help to establish the most effective transport technology solutions for the post-2020 period. In sum, though we see leaping potential, at present the CTCN and TEC continue to limp.

Implications for the 2015 SLoCaT Partnership-BtG Initiative Work Program

Key 2015 action items regarding the CTCN-TEC include the following:

- Promote transport and other sectors (e.g. energy efficiency, renewable energy) with equal priority within the TM; facilitate additional CTCN transport requests in 2015
- Document and promote technology activities for transport and for potential replication in other countries; work to expand application of technologies to increase rural as well as urban access
- Track number of TNAs that incorporate transport components, along with the number of requests for technical assistance for transport projects to date and to follow
- Increase involvement with TEM process specifically through dialogue with CTCN, in addition to other TEM channels (e.g. non-state actors, subnational entities)
- Work to educate NDEs on potential opportunities for technical cooperation within the transport sector, to facilitate requests for technology transfer in this area
- Provide technical summaries and a technical paper on the mitigation benefits of actions, initiatives and options to enhance mitigation ambition in transport⁶⁴
- Actively give input to the various online portals hosted by the UNFCCC in searchable and easily updatable formats, which should be regularly updated.⁶⁵

E. Climate Finance

The UNFCCC's Standing Committee on Finance (SCF) was established at COP16 Cancun to exercise functions related to the Convention's Financial Mechanism (FM)⁶⁶, which facilitates revenue raising, disbursement, and oversight for financial flows. SCF functions include improving coordination of climate change financing, mobilizing financial resources, and providing MRV for financial support to developing countries.⁶⁷

LCCA References

As noted in the previous section, the LCCA calls for the operating entities of the FM to play a more central role in defining a technical assessment of pre-2020 mitigation ambition, which can help to connect the dots between technical solutions and potential flows of climate finance (para. 19ii). In addition, the LCCA "reiterates its call to developed country Parties, the operating entities of the Financial Mechanism and any other organizations in a position to do so to provide support for ... the [INDCs] of Parties that may need such support" (para. 15). This linkage can help to ensure that high-potential mitigation strategies are backed by sound financing strategies, an essential element in making short-term reductions and establishing long-term trajectories.

A major issue in the draft negotiating text remains the question of allocating limited resources among mitigation and adaptation actions. Despite an attempt to downplay distinctions among Parties, a rift is evident throughout the text, with developing country actions made contingent upon financial support in a number of negotiating options, e.g., "... the level and pace of mitigation ambition / efforts will determine the extent to which Parties will need to adapt and address loss and damage, and associated costs thereof, ... which will depend on the extent of financial, technology and capacity-building support provided by developed country Parties to developing country Parties." (para. 4)

In sum, throughout the LCCA and draft negotiating text, climate financing contingencies proliferate, developed and developing country divides persist, and financial resources remain insufficient to support not only short-term preparatory activities (e.g. development of INDCs) but also tangible long-term mitigation and adaptation implementation needs. This spells trouble for urgently needed sustainable transport infrastructure and services to help flatten projected emissions curves, especially in the developing world.

Opportunities and Challenges for Transport

Climate finance made limited leaps at COP20. First, there was measured movement in surpassing the concrete target of mobilizing a \$10 billion initial contribution for the Green Climate Fund (GCF) and in May 2014 GCF identified low-emission transport as one of four key areas, at the same time it demonstrated its commitment to adopt a more programmatic approach to climate finance by calling for low emission growth paths⁶⁸. Second, SCF developed a more balanced approach to mitigation and adaptation funding, which may help to break through the deadlocks that continue to divide developed and developing countries. Third, as noted previously, growing linkages between the TM and FM are cause for cautious optimism. Finally, although carbon pricing talks did not progress during COP20, this topic continues to be actively discussed outside of the UNFCCC process (e.g. through private sector engagement in the SG Summit), which could enhance its position in forthcoming UNFCCC dialogue. Although this might not be progressing within the UNFCCC process, it is growing in strength in many regions across the world (e.g. via UN climate commitment on this topic). Carbon pricing will have a significant impact on transport, but we can probably only expect broad implementation post 2020.

However, minor leaps for SCF at COP20 were overshadowed by major limps. First, despite well-meaning steps from Parties at COP 20, targeted 2020 GCF capitalization of \$100 billion annually remains 90% short of the mark as the climate clock keeps ticking. To put this in perspective, the planned expansion of the Lima Metro would consume well over 50% of the existing GCF pie over the next 5 years, if it were to be funded by the GCF alone. At COP20, the SCF presented findings from its Biennial Assessment and Overview of Climate Finance Flows Report.⁶⁹ The report indicates that current global climate finance flows range from \$340 to \$650 billion per year, while estimated capital flows from developed to developing countries range from \$40 billion to \$175 billion.

62 http://unfccc.int/meetings/lima_dec_2014/session/8532.php#CCC

63 http://unfccc.int/ttclear/templates/render_cms_page?TTF_te

64 <http://www.transport2020.org/publicationitem/2044/btg-factsheet-technology>

65 <http://www.transport2020.org/publicationitem/2044/btg-factsheet-technology>

66 http://unfccc.int/cooperation_support/financial_mechanism/review/items/3658.php

67 http://unfccc.int/cooperation_and_support/financial_mechanism/standing_committee/items/6881.php

68 <http://www.transport2020.org/publicationitem/3071/new-land-transport-contribution-to-a-2c-target>

69 http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/2014_biennial_assessment_and_overview_of_climate_finance_flows_report_web.pdf

To put these numbers in context, it must be noted that significant transformational investments are required for sustainable transport to help mitigate climate change. In the 2015–2035 period, the projected incremental transitional investment is just over \$3 trillion (of which over 80% is related to low-carbon modes), in addition to existing global investments in transport, which are estimated at \$1–2 trillion annually.⁷⁰ Furthermore, 60% of estimated total annual transport infrastructure investment is currently allocated to OECD countries and 40% to non-OECD countries, and in the future about 85% would need to be directed to non-OECD nations to curb projected growth in motorization.⁷¹

Climate finance is an important source of financing for helping to scale-up sustainable, low carbon transport, but its application so far has been too limited to create transformational change. This is likely to remain the case as the majority of finance will remain domestic; that said, climate finance has important catalytic effects, which should not be overlooked. Although climate finance has backed 140 transport projects in 43 countries to date, this leaves more than 150 countries without any climate financed transport projects.⁷² Furthermore, climate finance shows a current bias toward ‘shift’ and ‘improve’ projects, and it will be necessary to expand climate finance in the realm of ‘avoid’ projects for transport to maximize its global mitigation potential and to become an effective lever in meeting the 2DS.

At COP20, a number of Parties pointed out current discrepancies in the operational definitions of climate finance and the resulting difficulties in MRV; the crucial role of credit transparency in harnessing trust between countries, and the creation of a post-2020 road map for climate finance. The UNFCCC process remains ineffective in providing guidance on funding sustainable, low carbon transport at the required scale, as climate finance is still focused on implementing specific projects rather than building capacity and developing policies to more effectively leverage public and private finance.

To get back on track, SCF will need to think more honestly about its ability to use its limited funding to leverage the trillions that are needed to scale up sustainable transport. It will need to give greater attention to enabling blended funding with much greater involvement from private sector funding, including institutional investors. In this context, discussions at the Third Conference on Financing for Development next July in Addis Ababa may bear more fruit for the transport sector than the recent dialogue in Lima.

In the face of significant global investment needs for sustainable transport, climate finance activity must make a quantum leap to deliver its potential contribution. Lack of progress on climate finance stymies progress on NAMAs as well as the more crucial transition to INDCs, which will establish economy-wide targets, and thus quantify economy-wide (and transport-specific) financial requirements. SCF will have to kick things into gear quickly to declare victory at COP21, as the process is limping to date.

Implications for the 2015 SLoCaT Partnership-BtG Initiative Work Program

Key 2015 action items regarding climate finance include the following:

- Continue examination of climate finance for transport in a broader financing perspective through development of Financing Framework on Sustainable Transport
- Build upon recent SLoCaT Partnership research in mobilizing private sector financing for sustainable transport in Asia, expanding to additional regions and financing sources
- Work with GCF as well as other financial mechanisms under UNFCCC (e.g. GEF) to use climate finance in a more transformational manner in the transport sector

- Coordinate with the Expert Group on Climate Finance for Sustainable Transport⁷³ (established by the GIZ TRANSfer project) to develop recommendations on scaling up of financing for sustainable, low carbon transport
- Accelerate climate finance flows to avoid business-as-usual policies and investments that result in transport infrastructure and services with high locked-in GHG emissions

F. Adaptation

Climate change adaptation was solidly established in the UNFCCC dialogue through the Least Developed Countries (LDC) Work Programme at COP7 Marrakesh, and has increased in stature through the Cancun Adaptation Framework at COP16.⁷⁴ Adaptation in the transport sector is necessary for both developed and developing countries, as transport systems worldwide are vulnerable to the increasing impacts of extreme weather, and rapid urbanization and motorization increase the potential for catastrophic impacts. Crucially, sustainable transport systems must adapt to climate change to maintain reliability and increase ridership, and thus to achieve full mitigation potential. However, we see that this area of activity is probably the least well developed within the sustainable transport sector.

LCCA References

As mentioned in the introduction, COP20 made a concerted effort to raise the profile of adaptation within a forthcoming agreement, which is highlighted in the preamble to the LCCA, in which the COP “[affirms] its determination to strengthen adaptation action through the protocol,” and “decides that the protocol “shall address in a balanced manner, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building, and transparency of action and support.” The LCCA goes on to “[invite] all Parties to consider communicating their undertakings in adaptation planning or consider including an adaptation component in their intended nationally determined contributions” (para. 12), and finally “decides to continue the technical examination of opportunities with high mitigation potential, including those with adaptation, health and sustainable development co-benefits, in the period 2015–2020” (para. 19).

The draft negotiating text, in its strongest formulation, 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” (preamble). In a separate section on adaptation and loss and damage, numerous options highlight the evolving dynamic between developed and developing countries (and in particular LDCs and SIDS) in directing limited climate finance resources toward adaptation efforts. These developments offer potential for more resilient new transport infrastructure in rapidly motorizing developing countries, and for aging infrastructure in developed countries.

Opportunities and Challenges for Transport

A heightened focus on adaptation in the LCCA poses both opportunities and challenges for transport. On the opportunity side of the coin, increased funding for adaptation increases the size of the overall pie, and it is likely that transport will have an easier time demonstrating the need for resilience funding than it has for projecting mitigation potential through complex modalities such as CDM. In addition, many sustainable transport solutions can combine increased mitigation potential and resilience as mutual benefits (e.g. during the Great East Japan Earthquake in 2011, high-speed rail proved to be more resilient than conventional transport infrastructure).⁷⁵ Finally, adaptation requirements have the potential to drive more dynamic procurement practices to implement sustainable transport infrastructure and services.

Primary challenges to scaling up adaptation remain on the funding front. Despite the goal to commit half of the \$100 billion GCF target

70 <http://www.wri.org/publication/trillion-dollar-question>

71 http://www.iea.org/publications/freepublications/publication/transportinfrastructureinsights_final_web.pdf

72 SLoCaT Partnership research, based on CDM, CTF, GEF and NAMA projects as of November 2015

73 <http://transport-namas.org/expertgroup/expert-group-on-climate-finance-for-sustainable-transport/>

74 <http://unfccc.int/focus/adaptation/items/6999.php>

75 Eighth Regional Environmentally Sustainable Transport (EST) Forum in Asia, Colombo, Sri Lanka, November 19–21, 2014

to resilience (and a recent German pledge of 55 million euros to the Adaptation Fund), funding for resilience remains insufficient as extreme weather events around the world increase. As a result, it will be necessary to look beyond UNFCCC mechanisms for adaptation funding, and alternate finance sources (e.g. Finance for Resilience⁷⁶) are likely to play a growing role.

Implications for the 2015 SLoCaT Partnership-BtG Initiative Work Program

In contrast to other negotiating streams tracked at COP20, SLoCaT and BtG have not conducted significant work in this area and would have to establish additional capacity to do so. Key action items in the area of adaptation include the following:

- Build internal SLoCaT and BtG capacity on adaptation and transport
- Promote that national adaptation plans (NAPs) should contain detailed strategies for adaptation in the transport sector
- Highlight the significant need for capacity building and training among public and private sector entities to build and operate more resilient transport systems
- Work with international financing institutions to increase the inclusion of adaptation strategies in sustainable transport projects and policies
- Explore potential life-cycle savings through the inclusion of climate resilience in development assistance for sustainable transport infrastructure and services, emphasizing analysis of incremental climate impacts on transport infrastructure
- Incorporate adaptation as a dynamic process within climate finance frameworks which address capacity building needs and sustainable development goals

G. Final COP20 Scorecard

Based on the evaluations of the six negotiation streams above, this final scorecard reflects very limited progress for the transport sector during the course of COP20.

| | Lima Limp | Status Quo | Lima Leaps |
|----------------------|-----------|------------|------------|
| 1. Pre-2020 Ambition | | X | |
| 2. INDCs | X | | |
| 3. NAMAs | X | | |
| 4. Technology | X | | |
| 5. Climate Finance | X | | |
| 6. Adaptation | | X | |

Despite minor leaps in each of these areas, our overall conclusion based on the preceding sections is that Lima limped with regard to progress in sustainable low carbon transport. Key messages and priority actions to build further momentum in these areas are discussed in Section IV.

SLoCaT PARTNERSHIP - BtG INITIATIVE ACTIVITIES AT COP 20

During the COP20 negotiations, SLoCaT Partnership and BtG Initiative organized a number of activities and outreach efforts to promote transport's contributions to pre- and post-2020 mitigation.

A. Transport Day 2014

On December 7, as COP20 took a Sunday break, SLoCaT Partnership and BtG Initiative convened roughly 200 sustainable transport advocates from a broad range of sectors and regions at the third annual Transport Day⁷⁷ event to help to define strategies to increase transport's

momentum within and beyond the UNFCCC process along the road from Lima to Paris.

Discussions took place in a number of plenary and breakout sessions throughout the day, with participants strategizing solutions in four streams including mitigation potential of transport; NAMAs and MRV; finance; and adaptation.⁷⁸ Sessions addressed how to improve the fit of transport within the UNFCCC framework, how to better link transport with SDG processes, and how to broaden actions on transport within the SG Climate Summit commitments to scale up mitigation ambition and impact. It was also noted that multiple mitigation strategies can be combined to maximize impact (e.g. t-NAMAs can be implemented in concert with fuel subsidy reform to increase mode shift options). Finally, it was determined that focusing on non-climate goals and city commitments along with mitigation targets can facilitate the development of INDCs by national governments.

The discussions were summed up in several common themes: transport needs better linkages between processes, additional efforts to close ambition gaps, and accelerated efforts in technology transfer and land use patterns to ensure an effective sectoral contribution to a 2DS. It was clear that there is much going on outside of the UNFCCC process on low carbon transport that needs to be made more central. Further details on discussions at Transport Day 2014 can be found in summaries from the SLoCaT Partnership-BtG Initiative⁷⁹ and IISD.⁸⁰

B. Side Events⁸¹

Sustainable transport was also the focus of several official side events during COP20. On December 4, ITDP and ITF convened a session on the mitigation potential of sustainable urban transport with priorities for INDCs, NAMAs, and Sustainable Development Goals (SDGs). In the session, ITDP introduced its joint report with UC Davis on a transport "global high shift scenario."⁸² According to the study, a global expansion of public transport, walking and cycling in cities could save more than USD\$100 trillion in public and private spending, and reduce 1,700 Mt of CO2 annually by 2050, a 40 percent reduction. Equity is a key focus of the study, as a high-shift scenario would triple the mobility of the poorest 20%.

SLoCaT Partnership offered several comments on the presentations. First, 'improve' strategies (technological improvements to fuels and engine technologies) have fewer sustainable development benefits (e.g. road safety, congestion) than 'avoid' and 'shift' strategies, and mitigation strategies must also meet development criteria. Second, many global models to assess the mitigation potential of transport are not based on nationally-owned data, and thus the full mitigation potential of national transport sectors may not be reflected in INDCs. Finally, moving from global to nationally-owned data will require additional resources, and the UNFCCC has a responsibility to help fill this gap.

On December 5, the Bridging the Gap Initiative, through the German International Cooperation Agency (GIZ) TRANSfer project and the Transport Research Foundation, organized a COP 20 side event jointly with the Taiwan Institute for Sustainable Energy (TAISE) on innovations and effective climate finance for low carbon transport. The session focused on three areas: how to leverage climate funds more effectively shifting public budget from traditional to sustainable transport, how to increase private sector involvement and how to structure climate funds to better address the needs of the transport sector.

In the session, recommendations⁸³ from the Expert Group on Climate Finance for Sustainable Transport were discussed, and a study on success factors of financing models for sustainable transport was presented by

78 <http://www.slocat.net/transportday2014/presentations>

79 <http://slocat.net/from-lima-to-paris-looking-toward-cop-21>

80 <http://www.iisd.ca/climate/cop20/td/>

81 <http://www.slocat.net/event/1350>

82 <https://www.itdp.org/a-global-high-shift-scenario/>

83 <http://transport-namas.org/wp-content/uploads/2014/12/Policy-Brief-Executive-Summary.pdf>

76 <http://www.financeforresilience.com>

77 <http://slocat.net/transportday2014>

Cambridge Systematics. The Global Environmental Facility (GEF) discussed transport projects it has funded over 25 years and how it is leveraging funds to drive to more sustainable transport, and highlighted how GEF-6 was an opportunity for suitable projects to be funded. Finally, the Indonesian Climate Change Trust Fund was presented as model example of effectively managing international climate finance and domestic co-funding, and representatives from Taiwan made presentations on funding mechanisms to reduce GHG emissions through innovative public-private partnership models.

C. Outreach Efforts

For the first time at COP20, a SLoCaT Partnership-BtG Initiative tracking team produced daily “Transport at COP20 Lima”⁸⁴ postings through their respective websites.^{85,86} In addition to these daily postings, sustainable transport attracted media attention at COP20 through a variety of channels. SLoCaT Partnership authored a guest article⁸⁷ for IISD before COP20, IISD summarized the proceedings⁸⁸ of Transport Day 2014 in a special bulletin⁸⁹, and the Climate Action Network featured transport⁹⁰ in the daily ECO newsletter circulated during COP20.⁹¹ Outreach magazine featured an article⁹² to highlight transport contributions and UNFCCC shortcomings in scaling up this process.

Throughout COP20, BtG Initiative and SLoCaT Partnership communicated the benefits of sustainable transport to Parties and observers through a display booth at the conference venue, where staff distributed publications from SLoCaT Partnership, BtG Initiative and the German International Cooperation Agency (GIZ) TRANSfer project. The booth drew a crowd with the distribution of more than 2000 bracelets proclaiming “Transport Tackles Climate Change” in five languages (Arabic, Chinese, English, French and Spanish) as a visible and colorful reminder of transport’s key contribution toward climate change mitigation.

The SLoCaT Partnership and the BtG Initiative also facilitated a display booth on behalf of the International Railway Union (UIR) to promote the Train to Paris⁹³ concept, in which specified trains will pick up UNFCCC negotiators in a number of European cities to begin discussions of transport’s role in tackling climate change en route to COP21.

CONCLUSIONS

As explicated throughout this report, sustainable transport must play a central part in tackling climate change to help meet the 2DS, and the UNFCCC must play a more proactive role in facilitating transport’s contribution to these goals. But the contribution of sustainable transport is not limited to the mitigation of GHGs; it is also an essential component in meeting broader goals to increase economic development and social equity, and improve local environmental conditions. There are clearly many activities on low carbon transport taking place outside the UNFCCC process that have significant climate benefits, and it would be useful to be able to incorporate these more closely into the UNFCCC process.

Due in part to SLoCaT Partnership efforts, sustainable transport is included in 8 of 17 proposed Sustainable Development Goals (SDGs) to be adopted by the UN General Assembly in late 2015.⁹⁴ The SDGs also address the six targets of the proposed SLoCaT Partnership Results Framework, one of which requires that transport-related GHG emissions peak no later than 2020 and begin to decline at an annual rate of 2%

thereafter. In this context, it is critical that the modest gains of COP20 pick up speed en route to COP21.

Despite minor leaps in each of the six negotiations streams tracked at COP20 and analyzed in this document, our overall conclusion (as captured in the final COP20 scorecard presented at the end of Section II) is that Lima limped with regard to progress in sustainable low carbon transport. This fact necessitates further convergence around key messages and priority activities on transport and climate change from SLoCaT Partnership and the BtG Initiative as linked to the UNFCCC process, as elaborated in the following sections.

A. Key messages on transport and climate change linked to the UNFCCC process

Based on Lima’s underwhelming results, it is increasingly important for climate change policy makers to coalesce around the following five key messages on mitigation potential and financing strategies for low-carbon land transport, as developed in a recent SLoCaT Partnership-BtG Initiative report⁹⁵ to define sustainable pathways for transport in the post-2020 process.

Key message 1: Countries now have the choice to decouple development ambitions and transport choices and to choose low carbon transport pathways to avoid getting locked into a high carbon transport future, thus compromising growth and energy security.

Mitigation actions from the transport sector contribute to both global climate change targets and local economic development priorities. In this context, it is crucial to stress the need for UNFCCC to ensure that all sectors can contribute proportionally to mitigation efforts to their fullest potential, and that encouraging efforts in one sector does not put other sectors at a disadvantage. This will allow the sustainable transport community to help reduce the roughly one quarter of global emissions that arise from transport.

Key message 2: Using Avoid, Shift and Improve strategies as a framework for developing sustainable transport policies and measures is both affordable and will deliver climate and development objectives.

As previously noted, climate finance to date has shown a bias toward ‘shift’ and ‘improve’ projects, and it will be necessary for the UNFCCC to facilitate an expanded application of climate finance in the realm of ‘avoid’ projects for transport to be an effective lever in meeting the 2DS. While technological solutions (i.e. ‘improve strategies’) can play an important role in mitigation, they must be balanced with ‘avoid’ and ‘shift’ strategies to create transformational impacts and meet broader development goals. A systemic shift to clean urban transport and non-motorized modes could save more than \$100trn in public and private capital and operating costs between now and 2050.⁹⁶ More compact, connected and mass transport-centered urban development could reduce infrastructure capital needs by more than \$3trn in the next 15 years.⁹⁷

Key message 3: It is likely that sub-national entities and cities as well as non-state actors will play an increased role and have new opportunities to engage with the UNFCCC process through an emerging post 2020 climate agreement.

It is necessary to continue to emphasize the role of non-state actors within the UNFCCC framework, which provides clout for the sustainable transport community – including a large majority of SLoCaT Partnership members – to engage in the COP process. The transport commitments made at the SG Climate Summit are a key example of non-state actors taking concrete actions to contribute to mitigation efforts. The ongoing TEM process and the introduction of NAZCA are tangible steps forward for engaging non-state actors, but it remains to be seen how much impact these steps will have in shaping a binding climate change agreement within the UNFCCC framework.

84 <http://slocat.net/trackingunfcccnegotiations>

85 <http://www.slocat.net/trackingunfcccnegotiations>

86 <http://www.transport2020.org/newsitem/3273/cop-20-highlights>

87 <http://climate-i.iisd.org/guest-articles/from-defining-to-implementing-sustainable-transport/>

88 <http://www.iisd.ca/download/pdf/sd/crsvol217num2e.pdf>

89 <http://www.iisd.ca/climate/cop20/td/html/crsvol217num2e.html>

90 <http://www.climateactionnetwork.org/sites/default/files/eco-dec12-final.pdf>

91 <http://eco.climateactionnetwork.org/cop20-eco11-6/>

92 <http://www.stakeholderforum.org/sf/outreach/index.php/component/content/article/224-cop20-day10-cities-urbangov-transport/11861-cop20-day10-transport-tackles-cc-will-unfccc-help>

93 <http://www.traintoparis.org>

94 <http://www.slocat.net/news/1241>

95 <http://www.transport2020.org/publicationitem/3071/new-land-transport-contribution-to-a-2c-target>

96 <https://www.itdp.org/wp-content/uploads/2014/09/A-Global-High-Shift-Scenario-WEBSITE.pdf>

97 <http://newclimateeconomy.report>

To underscore this point, paragraph 11 of the draft negotiating text includes one option which would greatly expand the role of non-state actors (including civil society, the private sector, and subnational entities), while a competing option would provide no provision whatsoever for non-state actors. Thus, it is essential for sustainable transport to remain engaged in shaping this language in the sessions leading up to COP21.

A possible leap forward can be seen in the growing role of cities and subnational entities in climate change action. The private sector is especially important as a force for transport innovations. It is therefore essential to strengthen the budding alliance of cities, the private sector and the UNFCCC (generating the support of national governments) to help deliver required contributions from the transport sector.

Key message 4: Parties are actively encouraged to make use of an increasing number of opportunities for development, financial and technical support of sustainable low carbon transport projects via various UNFCCC mechanisms and agencies.

Though stronger linkages between the Technology and Financial Mechanism are in the works, the UNFCCC continues to approach climate finance in an insular manner, with too much emphasis placed on mobilizing a relatively limited amount of climate funding while the need for transformational investments for the transport sector approaches \$3 trillion for the 2015-2035 period (on top of annual \$1-2 trillion baseline investments for land transport). The climate finance scope should thus have a broader focus on reorienting both public sector funding (e.g. fuel subsidies) and private sector funding (e.g. institutional investors) to expand opportunities for further UNFCCC support.

Key message 5: Making the link between comprehensive climate and development planning and low carbon transport will not only save carbon but is also cheaper in the medium to long term, but it requires efforts to engage with a variety of stakeholders.

Reiterating the need to unify climate change and sustainable development priorities, it is necessary to caution the UNFCCC on the danger of taking insular approaches to addressing climate change. Specifically, the UNFCCC was developed in the context of sustainable development, but there was a continued lack of evidence at COP20 that this link is being taken seriously. Sustainable transport efforts would gain greatly from additional attention to development co-benefits as significant drivers of climate policy.

B. Key SLoCaT Partnership activities on transport and climate change linked to the UNFCCC process

SLoCaT's workstream on Transport and Climate Change represents one of five workstreams in the Partnership's 2015-2016 strategic work program (which also helps to guide BtG Initiative priorities, as nearly all BtG Initiative partners are also SLoCaT Partnership members). Key priorities on transport and climate change in the coming year are defined as follows, as supplemented by specific action items identified for each of the six areas in Section II.

1. Demonstrate the mitigation potential of the transport sector in the UNFCCC process, and contribute to the INDC process

This will include reviewing individual INDCs from a transport perspective (e.g. assessing quantitative components of INDCs and the presence of 'Avoid-Shift-Improve' elements in mitigation strategies), and comparing stated mitigation potential for transport in INDCs relative to the modeled mitigation potential and outcomes from country and city studies.

2. Communicate the transport related mitigation efforts made under the SG Climate Summit to Parties under the UNFCCC

This will include working with SLoCaT Partnership members (including the International Association of Public Transport (UITP), the International Railway Union (IUC), and the United Nations Programme for Human Settlements (UN-Habitat) to help to quantify progress toward the 2014

SG Climate Summit transport commitments, and to play a facilitative role in translating these commitments into national statements on transport's role in pre- and post-2020 mitigation ambition.

3. Promote integration of transport perspectives in relevant UNFCCC mechanisms and processes, including ADP, the NAMA Registry, the TEC and CTCN, and the SCF

In addition to the ADP-related actions sections (i.e. INDCs, pre-2020 ambition) described in the following section, this will involve further engagement with the NAMA Registry and TEC/CTCN. On the NAMA side, this will include continued SLoCaT Partnership-BtG Initiative collaboration to advance the status of t-NAMAs through emerging research and tools, and to leverage existing t-NAMAs as a means to increase the visibility of mitigation actions in the transport sector. On the TEC-CTCN front, this will include tracking TNAs that incorporate transport components, and ensuring that transport is granted equal priority with other sectors within the TM to advance additional transport projects before CTCN's proposed 2016 timeframe.

4. Promote integration of sustainable low carbon transport in financial mechanisms under the UNFCCC (e.g. Green Climate Fund, Global Environment Facility, Adaptation Fund, Clean Technology Fund, and the NAMA Facility)

This will include continuing the examination of climate finance for transport in a broader financing perspective through the development of a Financing Framework on Sustainable Transport (building upon recent work in mobilizing private sector financing for sustainable transport in Asia), to help accelerate climate finance flows to avoid BAU policies that result in a transport sector with high locked-in carbon emissions.

5. Increase the visibility and stature of existing and potential contributions of the land transport sector through a substantive presence at COP21 in December 2015

Planned efforts from BtG Initiative, SLoCaT Partnership, International Union of Railways (IUC) and other parties to promote sustainable low carbon transport at COP21 are described in further detail in the following section.

C. Look-Ahead to COP21

Building on the modest momentum established at COP20 Lima, planning for COP21 Paris is in full swing, with French national, regional and municipal government officials participating at Transport Day 2014, and joint efforts of the Peruvian and French governments to galvanize national, city and private sector action through the Lima-Paris Action Agenda. A number of 'Trains to Paris' are poised to pick up negotiators in European cities to begin discussions of transport's role in tackling climate change en route to COP21, and a possible Transport Pavilion at the venue will help to increase the visibility of existing and potential transport contributions during the course of the negotiations. Ideally, Paris will also deliver a car-free day and increase use of electric buses during COP21 to signal that the proceedings inside the convention halls are real.

The past year has brought many positive developments for sustainable transport and climate change, with the formation of the SG's High Level Advisory Group on Sustainable Transport as a channel to inspire bold action, the inclusion of transport among the UN's Sustainable Development Goals, and increased interest from UNFCCC in engaging with groups outside the Convention. Yet, if we are to reduce GHG emissions 80% by 2050 to keep global climate change from exceeding the 2DS, the transport sector must certainly be a core competitor throughout UNFCCC's self-described climate change marathon. The analysis of transport-relevant areas at COP20 and the key messages and priority actions detailed in this report provide a roadmap for the sustainable transport community to advance the critical role that transport must play in carrying the modest momentum established at COP20 toward a strong finish at COP21.