



# Investing in Sustainable Urban Transport (GEF's experience)



UN Forum on Climate Change Mitigation, Fuel Efficiency  
and Sustainable Urban Transport

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# GEF's Successes in Climate Change

Largest public-sector fund to address climate change and technology transfer

- \$2.7b allocated since 1991
- Leveraged more than \$17b in co-financing
- Financed enabling activities, mitigation and adaptation projects in more than 130 countries
- Financed demonstration, deployment, diffusion, and transfer of more than 30 environmentally sound technologies





# Investment on Sustainable transportation(1)

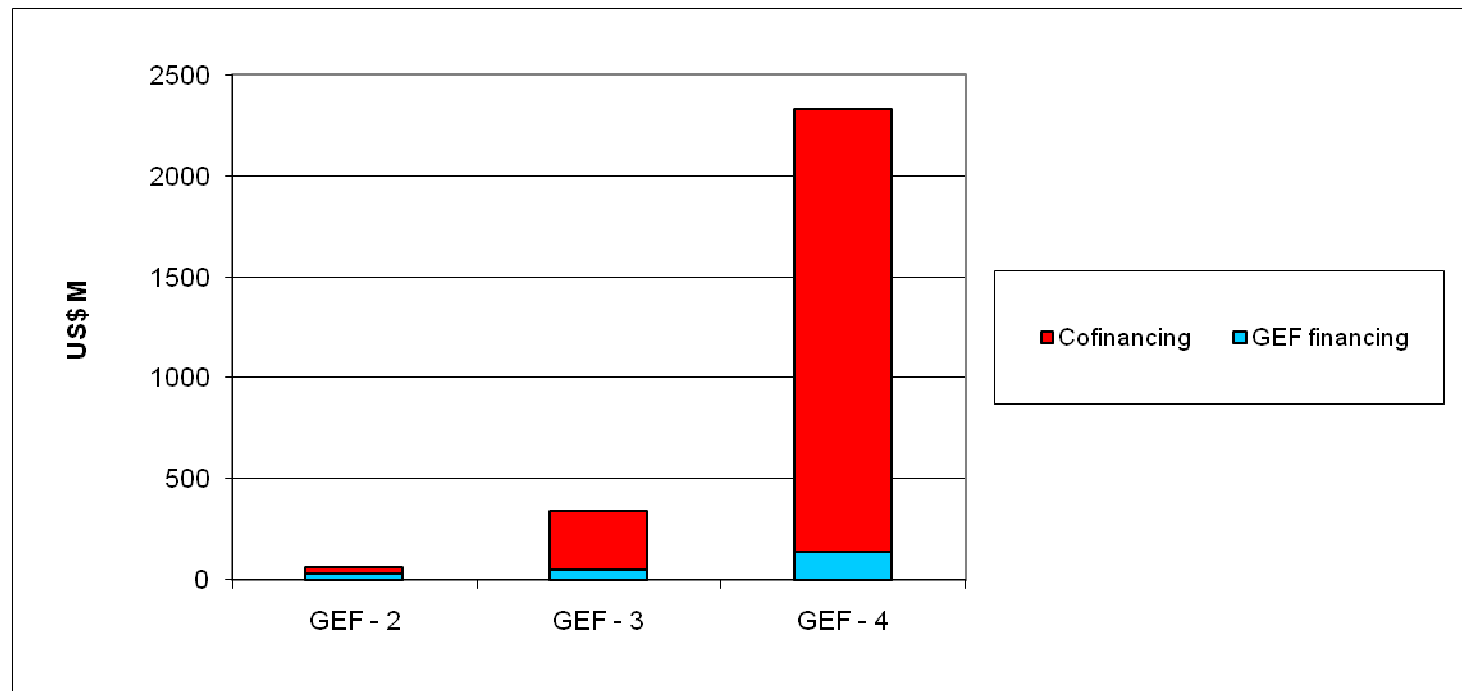
- Supported sustainable urban transport projects since 1999.
- In 2000, the GEF Council approved Operational Program #11 (OP 11 - “Promoting Environmentally Sustainable Transport”)
- GEF-4 (2006.7~2010.6) has a program on “sustainable innovative systems for urban transport.”





# Investment on Sustainable transportation(2)

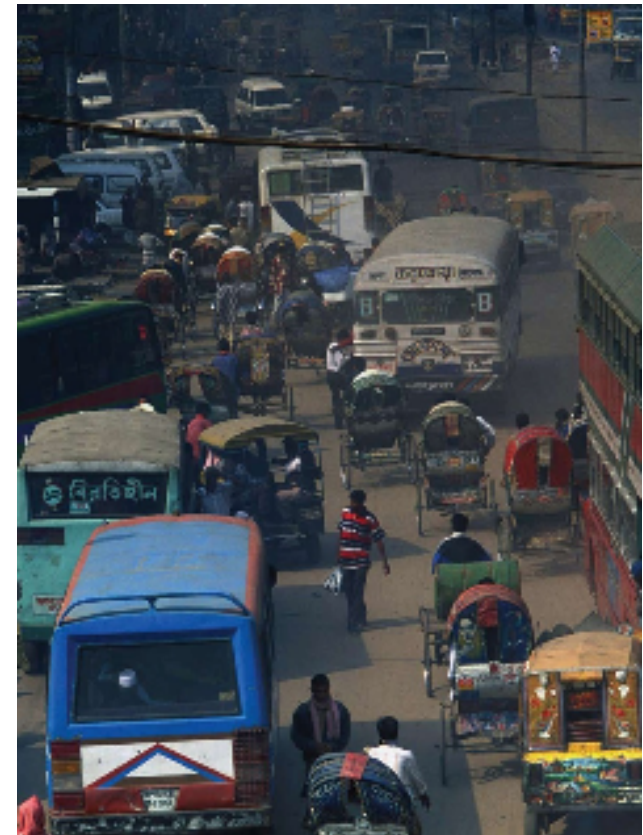
- \$210 million allocated, \$2.5 billion leveraged
- A emerging focus among the GEF portfolio





# Investment on Sustainable transportation(3)

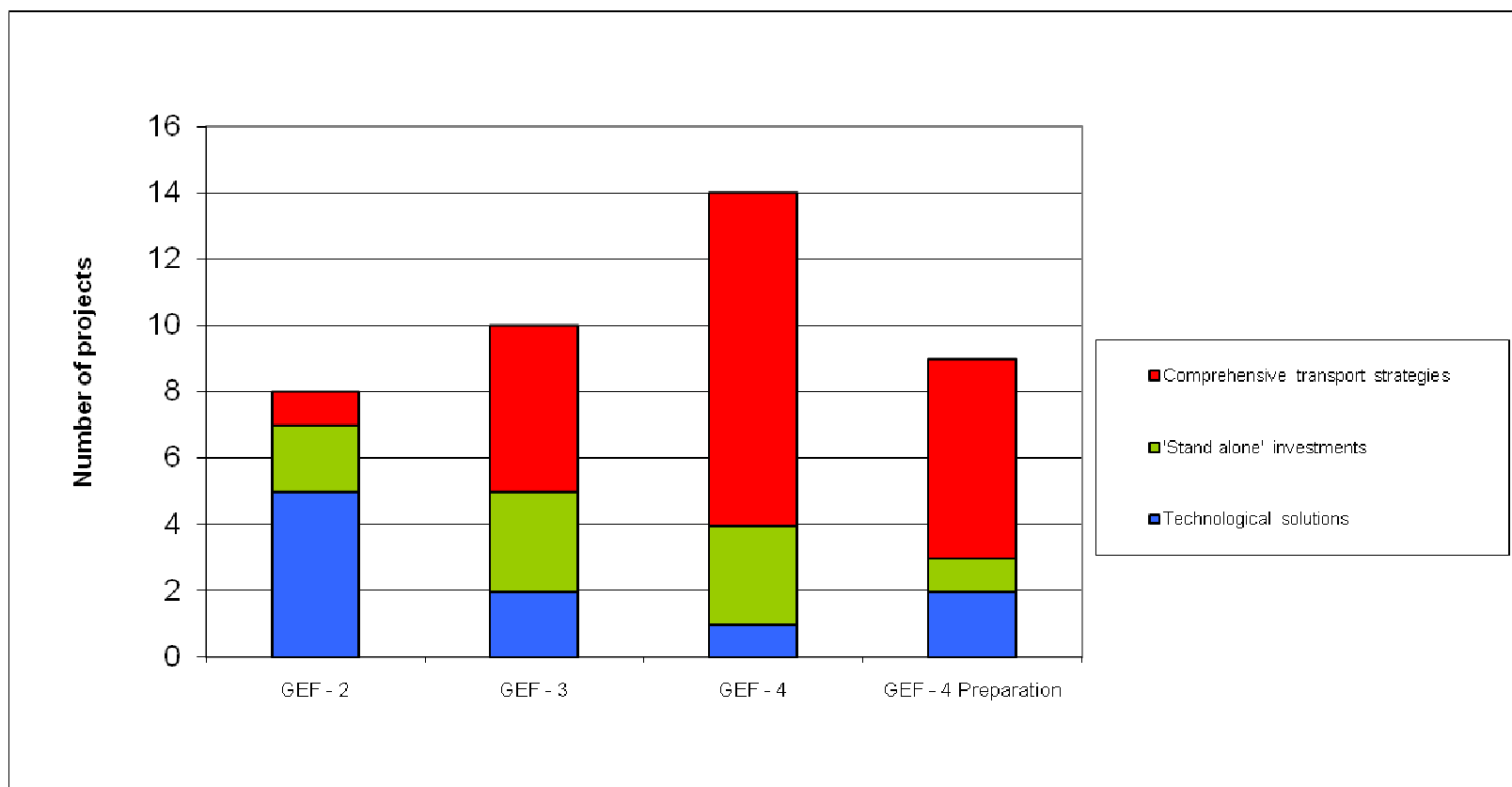
- Initially, GEF support to the transport sector focused on technological solutions.
- GEF-4 (2006–10) emphasizes “nontechnology” options, such as planning, modal shift to low-GHG intensive transport modes, and promotion of better managed public transit systems.





# Investment on Sustainable transportation(4)

## Trends in GEF Interventions





## Investment on Sustainable transportation(5)

Type of Interventions	# of projects
Transport Plan	46
TDM	23
Rail	3
BRT	33
Public Fleet Improvement	15
NMT	45

- (among 80 cities covered by “Stand alone” Investment and Comprehensive Transport Strategies)
- In addition many projects have components such as implementing new legislations, capacity building and public awareness campaign



# Context of GEF 5 Replenishment

- The GEF Trust Fund gets replenished every four years by donors.
- GEF-5 replenishment will fund the operations of the GEF from July 1, 2010 to June 30, 2014 (FY2011-2014).
- The GEF-5 replenishment negotiation is expected to conclude next month.







# Unique nature of GEF intervention in Sustainable Urban Transport

- The GEF as an operating entity of the financial mechanism of UNFCCC
  - Focusing on GEB (GHG reduction)
  - Methodology for GHG benefit assessment with STAP
  
- Emphasis on catalytic role
  - direct/indirect impact (replication)
  - leveraging co-financing
  
- Country –driven
  - Consistency with National Priorities
  - Importance of co-benefits
  - Under RAF (STAR) system
  
- Different role from CDM



# Objectives for GEF-5 (CC)

- **Demonstration, deployment, and transfer of innovative low-carbon technologies (could address transport)**
- Market transformation for energy efficiency in industry and the building sector
- Investment in renewable energy technologies
- **Energy efficient, low-carbon transport and urban systems**
- Conservation and enhancement of carbon stocks through sustainable management of land use and forestry
- Enabling activities and capacity building





## GEF Expected Achievements: \$5.5 billion Scenario

	Output and Outcome Targets \$1.96 billion for Climate Change Mitigation
1. Innovative low-carbon technologies (\$400 million)	Demonstration and deployment of 4-5 innovative technologies in 15-20 countries
2. Energy efficiency (\$400 million) <i>(So far allocated \$ 850 million)</i>	25-35 countries adopting EE policies and initiatives \$2.2 billion investment mobilized
3. Renewable energy (\$425 million) <i>(So far allocated \$ 1 billion)</i>	25-35 countries adopting RE policies and initiatives \$1.7 billion investment mobilized 1 gigawatt new RE capacity installed
4. EE, low-carbon transport and urban system (\$350 million) <i>(so far \$200 million)</i>	35-45 cities adopting low-carbon programs \$1.6 billion investment mobilized
5. LULUCF (\$100 million, plus \$185 million to SFM)	25-35 countries adopting good management practices and implementing projects
6. Enabling activities (\$100 million)	100% of eligible countries receiving GEF funding in accordance with COP guidance



# GEF-5 Strategy on SUT

## **Objective 4: Promote energy efficient, low-carbon transport and urban systems**

- The focus will remain on transport
- But comprehensive interventions through integration of transport, energy, water, and housing sector activities will be encouraged
- Address not only climate change mitigation but also local air pollution, traffic congestion, etc.
- Greater attention to measuring and quantifying GEB, which will provide a basis for choosing the best sets of interventions to deliver maximum global and local benefits



# Summary

- GEF as the financial mechanism of UNFCCC
- Sustainable urban transport (SUT) is an emerging focus of the GEF.
- Play catalytic roles with leveraging significant co-financing
- Country-driven approach (role of the local and the national governments)
- SUT and urban system will be a key objective of GEF 5 with wider scope
- More focus on measuring GEB in the future





# Thank you!!

Osamu Mizuno

Project manager

Climate Change Mitigation

GEF Secretariat

Email: [omizuno@thegef.org](mailto:omizuno@thegef.org)

Tel: 202-458-2789

Website: [www.TheGEF.org](http://www.TheGEF.org)