

## SUMMARY REPORT

### Secretary-General's Global Sustainable Transport Conference

Ashgabat, Turkmenistan 26-27 November 2016

#### **Part I. Summary of Plenary**

The United Nations Secretary-General's Global Sustainable Transport Conference was convened on 26 to 27 November 2016 in the Complex of the International Forums and Congresses in Ashgabat, Turkmenistan. The two-day Conference was attended by four Heads of State, one Head of Government, 6 Deputy Prime Ministers, 2 Foreign Ministers, 42 Ministers and Vice-Ministers of transport and infrastructure. Some 200 business and civil society representatives, along with representatives of over 20 intergovernmental organisations and UN entities participated in the event.

H.E. Mr. Gurbanguly Berdimuhamedov, President of Turkmenistan, and Mr. Ban Ki-moon, the Secretary-General of the United Nations, attended the opening session and made remarks. President Berdimuhamedov welcomed participants to this inaugural global conference on sustainable transport, and expressed support for the efforts of the United Nations to make transport systems more sustainable. He emphasized the need for cooperation and partnerships among Governments, the private sector and other relevant organizations to address and overcome common challenges to achieving sustainable transport systems, which are important to the overall realization of the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs).

The UN Secretary-General characterized the transport sector as a tremendous source of jobs and an engine of economic growth, and expressed concern that current transport systems are not meeting the needs of the poorest and most remote communities, where many people do not have access to transport systems. He called upon conference participants to confront the challenges to sustainability inherent in many transport systems, including the need to control greenhouse gas emissions, improve road safety and curtail air pollution, so that transport systems can become environmentally friendly, affordable, and accessible. He shared ideas on how integrated policy frameworks for sustainable transport systems could foster resolution of interlocking transport problems, address needs of vulnerable countries, promote better transport systems in cities, make transport systems more safe and secure, address environmental impacts, enhance financing, and mobilize partners by putting people at the center of transport planning.

The plenary session was co-chaired by H.E Rashid Meredov, Minister for Foreign Affairs of Turkmenistan, and Wu Hongbo, Under-Secretary-General for Economic and Social Affairs.

Among the speakers at the plenary session were Mohammad Ashraf Ghani Ahmadzai, President of Afghanistan; Giorgi Margvelashvili, President of Georgia; and Muhammad Nawaz Sharif, Prime Minister of Pakistan. Deputy Prime Ministers, Ministers and other highlevel Government officials also addressed the plenary session, including representatives from Austria, Azerbaijan, Belarus, Bolivia, China, Czech Republic, Guinea, India, Kazakhstan, Kyrgyzstan, Latvia, Libya, Malaysia, Mongolia, Namibia, Republic of Korea, Russian Federation, Serbia, Sudan, Swaziland, Tajikistan, Tanzania, Thailand, Turkey, Ukraine, Uzbekistan, Zambia, as well as the European Union,

Representatives from the following entities and organizations also attended the plenary and made statements: the Economic Cooperation Organization (ECO), Commonwealth of Independent States (CIS), South Asian Association for regional Cooperation (SAARC), World Health Organization (WHO), World Trade Organization (WTO), United Nations Industrial Development Organization (UNIDO), the United Nations Economic Commission for Europe (ECE), the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS), the United Nations Economic Commission for Asia and the Pacific (ESCAP), the United Nations Commission on International Trade Law (UNCITRAL), the Statistical Economic and Social Research and Training Centre for Islamic Countries (SESRIC), The International Civil Aviation Organization (ICAO), the World Bank Group, Office of the President of the United Nations General Assembly, the Organization for Security and Cooperation in Europe (OSCE), and Mr. Jean Todt, United Nations Secretary-General's Special Envoy for Road Safety.

#### Key messages and policy recommendations

#### Sustainable transport, SDGs, and the 2030 Agenda

Sustainable transport is a key driver of sustainable economic growth, and a prerequisite and core component for sustainable development. There is no possibility to achieve the SDGs without sustainable transport. It boosts cross-border trade and stimulates economic integration and co-operation, strengthening development and creation jobs while protecting ecosystems. It connects rural areas to urban centres, and economic hubs to regions with less attractive business climates. It allows the safe and efficient movement of people and goods from production areas to industrial centres for value addition, distribution and consumption.

The Conference forged consensus on the role of sustainable transport to realize the SDGs. Special consideration should be given to the needs of developing countries. It is critical to realize the transport sector transition to green transport, to strengthen connectivity in all modes, to achieve basic equity on provision of transport and to leave no one behind.

Many recognized the important impact of transportation systems on peace and security. Investment in transport can transform zones of conflicts in zones of cooperation, which can accelerate the achievement of the SDGs. Efforts to harness the potential contribution of the transport sector to sustainable development must ensure that transport is accessible, affordable, efficient, financially sustainable, environmentally friendly and safe.

#### Rural transport challenges and opportunities

Transport is critical for both rural and urban development. Strengthening rural-urban linkages through development of sustainable transport systems can improve the lives of the rural poor, particularly those in remote areas, and increase connectivity to education, employment and

health care opportunities. Commercial farmers and small-scale farmers in rural areas in developing countries require better transport infrastructure to bring their products to national, regional and global markets with competitive prices.

#### Sustainable urban transport solutions

Urban mobility is a basic social need and pre-requisite for sustainable development. Quality of life in cities depends on how to deal with safeguarding mobility and ensuring the sustainability of the transport system. Key for success is a package that combines policies related to transport and land use. In that connection, transport policies should prioritize public transport, walking and biking, and alternative systems and new solutions for improving mobility. There is a need to optimize the interactions of all users and modes of transport in cities. Common goals to include are safety, efficiency and environment protection.

In the air transport sector, important current priorities include how to enhance airport capacity in increasingly dense urban environments, how to improve the efficiency of air navigation systems so that more aircraft can safely share a finite airspace, and how to mitigate emissions from expanding air traffic so that aviation retains its status as a leading global industry in the fight against climate change. Solutions to these challenges are mainly associated with awareness, political will, partnerships and commitments. States are strongly encouraged to assess their airport and air traffic management infrastructure needs as part of their overall national development planning. More integrated transport system planning is also essential to balance the needs of multiple transport modes with urban development.

The Conference recognized that mobility is an enabler for urban life in large and small cities alike. A key dimension in urban planning and city level industrial development is the creation of affordable reliable and low emission transportation for people, which is efficient and economical for freight and business. The provision of sustainable mobility requires policymakers and planners to understand and incorporate the needs of different societal stakeholders into policy frameworks for providing both public and private transport. It is imperative that all partners work together to promote effective urban planning and institutional structures, targeted policy and legal frameworks, sustainable economic growth, appropriate funding streams, robust collaboration mechanism and cutting-edge knowledge and data.

## Sustainable transport solutions to the climate crisis

The establishment of new sustainable transport infrastructure and networks should take into account resilience to climate change and other natural and economic shocks, in line with the Paris Agreement. De-carbonization of transport is a priority, through higher vehicle efficiency, low emission sources of transport, and low- to zero-emission vehicles.

Conference participants stressed the need to continue promoting integration of science, technology and innovation (STI) in transport systems, including for the promotion of green transport, to ensure sustainable transport and assist to achieve of the SDGs. Innovation continues to bring new technologies to improve the economic and operational efficiency as well as sustainability of transport systems, but there is a need to be prepared to quickly assess and adopt these latest advances to truly optimize their benefits. Particular attention should be given to efficient and clean technology and innovation for transport sectors, with particular support to landlocked developing countries (LLDCs).

## Energy and transport

Renewable energy resources should be used in order to promote sustainable transport. Some countries are emphasizing the use of alternative fuels and electric and hybrid vehicles to ensure sustainable transport systems. Technology should be at the centre of efforts to build sustainable transport systems.

#### Public transport

The importance of public transport was underscored by a number of speakers, who highlighted that public transport systems can be more efficient and cost less than other transport systems, and supported the expansion of public transport systems using newer, smarter technologies. Bus rapid transit systems, for example, can serve as the centre of multi-modal systems in many areas while contributing to reduced  $CO^2$  emissions.

### Countries in special situations

Sustainable transport is crucial to the development of countries in special situations, including LDCs, LLDCs and SIDS. Many of these countries face extreme difficulties linked to transit, inadequate transport infrastructure, missing links, infrastructure gaps, limited capacities, traffic-related air pollution and road fatalities. However, such countries also have an enormous potential for sustainable transport development.

LLDCs in particular face special development challenges associated with lack of direct territorial access to the sea, remoteness and isolation from world markets. High transport costs including tariffs and delays in movement of goods across borders of transit countries further contribute to global trade exclusion for this group. The Vienna Programme of Action (VPoA) prioritizes transport and transit infrastructure and identifies it both as a means of facilitating regional integration and as an enabler of sustainable development of LLDCs.

Many recognized the transformative potential of transport for structural economic change in the LLDCs. They called for enhanced partnerships to support integration of sustainable transport into regional and national development plans, including through the establishment, expansion and improvement of national sustainable transport systems for movement of the people and goods of LLDCs.

Close cooperation and partnership with transit neighbors on transport is critical for enhancing connectivity. Indeed, LDCs, LLDCs, SIDS, as well as transit countries, can benefit from the harmonized international regulatory frameworks for transit cooperation.

The African Union's Agenda 2063 integrates issues of sustainable transport through development of high-speed rail networks and maritime transport. The UNECE Euro-Asian Transport Links project and key conventions such as the TIR (Transports Internationaux Routiers or International Road Transport) Convention and the Convention on the Harmonization of Frontier Controls of Goods are essential to allow LLDCs access to markets.

## Multi-modal sustainable transport and transit solutions: connecting rail, maritime, ferry, road and air

Multi-modal transport networks support sustainable development, trade and economic growth, and link areas of production and consumption. Many countries emphasized that they are working to develop the best multi-modal logistics solutions possible. Many emphasized intermodality as a key feature of integrated transport systems and policy and underlined the need for the cooperation among different transport operators to ensure that intermodal

interfaces are smooth and efficient to optimize connectivity, whether it is going from a bus to a ferry or airplane to a car or train.

Others stressed that closing infrastructure gaps for States requires continuous improvement of their soft infrastructure, namely the legal, regulatory and governance frameworks applied to international transport. One speaker noted that container transport accounts for the movement of over 90 per cent of the world's manufactured goods.

The UN Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea established a uniform regime governing the rights and obligations of shippers, carriers and consignees under a single door-to-door contract of carriage. The Convention enhances legal certainty and improves efficiency and commercial predictability in multimodal door-todoor carriage of goods, which could enhance stakeholders' ability to create a sustainable transport system.

### Financing sustainable transport

Experts estimate that US\$ 90 trillion is needed for investment into energy, transport and urbanization over the next 15 years. This will demand a combination of public and private investment with public investment used strategically to help crowd-in or leverage further private investment.

One speaker stressed that enhanced transport mobility and connectivity underpin vital investments necessary for overcoming geographical constraints of land-lockedness, and highlighted a tolling initiative implemented in 2013 to ensure financing for roads.

Several speakers called on development partners, the UN system and other international organizations, international financing institutions, development banks and the private sector to enhance financial and technical assistance to LLDCs and transit developing countries for sustainable and inclusive development of transport. They advocated for dedicated funding and special facilities for infrastructure development and maintenance for LLDCs that includes transport. Technical assistance and capacity building support to LLDCs with regard to establishing comprehensive monitoring and evaluation methodologies for sustainable transport in the context of the SDGs and the VPoA are necessary.

One developing country underscored that countries with emerging economies should invest equally as much as developed countries in transport. Yet only 4.2 percent of annual ODA financing is currently earmarked for air transport development. Efforts are underway to forge strong, long-term partnerships among States, international and regional organizations, financial institutions, industry and the donor community to help Member States to take pragmatic steps toward more transparent, stable and predictable investment climates, and to forge the global partnerships needed for sustainable aviation development.

One important way to enhance connectivity, particularly for LLDCs, is by reducing bureaucratic procedures that hamper international trade and discourage foreign investment, creating high transaction costs and delays in cross-border movement of goods and services. In this regard, some stressed the need to invest in inclusive growth and infrastructure, with a strong role for the private sector to meet financing needs.

## Road safety

The 2030 agenda recognizes that road safety must be a key consideration in transport, which cannot be sustainable if it is not safe. Every year 1.25 million are killed and around 50 million are injured in road traffic accidents. Joining and implementing the key UN conventions on traffic rules and signs, vehicle regulations, inspections and transport of dangerous goods can help significantly to improve road safety. Member States were encouraged use and implement norms, standards, and conventions in support of sustainable transport.

Many speakers advocated for more action to reduce the number of traffic accidents, and underscored that international cooperation should be strengthened to ensure safe transport. National efforts are being made in some countries to achieve the SDG target of reducing the death and injury rate by 50 percent by 2020, enhance road safety education, and introduce technological devices to control reckless driving. Education, engineering and enforcement are key elements of road safety programs, and safety should be included in all infrastructure investments. Road safety funds have been established in some areas to meet financing needs.

## Regional integration and connectivity

Regional integration and connectivity is a key pillar of many governments' policies. It enables people to join hands in pursuing the common objective of bolstering peace and development. The impact of holistic transport systems can potentially transform conflict zones into zones of cooperation, and solve disputes over access to passage. Transport corridors are being developed through collaboration among Southern African countries to link landlocked countries to the Indian and Atlantic Oceans.

To achieve the SDGs, there is a need for increased regional transport integration and cooperation among neighbouring countries; many countries are already working together in partnership to implement sustainable transport systems within Central Asia and South Asia, Southern Africa, and Latin America. Several speakers highlighted ongoing efforts to advance regional connectivity initiatives such as "One Belt One Road" initiative and recognized the need to revive the ancient Silk Road with modern technology and advanced management of transit corridors. A number of speakers called on Heads of State in South Asia and other regions to take integration of transport as a high and urgent priority. One said that this year, "economic connectivity" has been a central theme of the German Chairmanship of the Organization for Security and Cooperation in Europe (OSCE), underscoring OSCE engagement in the area of transport to promote security and stability and cooperation among different regions.

Many statements highlighted the particular situation and challenges to integration and connectivity faced by different sub-regions and country groupings. Barriers identified for integration include the inefficiencies in rail operation, difficulties at border crossings, the use of dated transport and information technologies, safety related issues and lack of harmonization of regulatory provisions.

Connectivity is also important to the overall development of the South Asian region, one of the least integrated regions of the world. Lack of transport connectivity and poor infrastructure has resulted in high cost of trade transaction and low volumes of intra-regional trade in the sub-region.

Members of the Organization of Islamic Cooperation (OIC) have low road and rail density, stagnant rail line infrastructure, low number of air infrastructure facilities, and underdeveloped sea transport infrastructure, which hinder their ability to increase trade and tourism.

## Transport and trade

Trade and transport are inherently linked, and both are essential drivers of economic growth and sustainable development. The conference was considered an important first step to realize the many synergies between a cleaner, more sustainable global transport sector and a vibrant, development-oriented trading system.

Many welcomed ongoing efforts to ensure that trade related transportation is more sustainable, highlighting major sector-specific multilateral cooperation achievements to minimize environmental impacts that have been made, including a recent agreement on a new carbon offsetting scheme, as well as work to tackle maritime transportation pollution.

However, many also recognized that more must be done to ensure that trade-related transportation is greener and contribute to an inclusive and sustainable growth. Trade stakeholders, including government, private sector and international organization, have an important role to play in supporting the shift towards a more sustainable transport sector. Efforts to reduce tariffs on green goods and technologies can accelerate the diffusion of those technologies and ultimately make the transport sector more efficient. Removal of certain customs barriers that may impede trade flows could reduce the environment burden of certain aspects of transportation. Removal of restrictions in transport and logistics services can also play a role in reducing the environmental impact of the sector by allowing operators to choose the most efficient routes, thus minimizing their energy consumption. Liberalization needs to be accompanied by the development of appropriate regulatory mechanisms to remedy market failure, protect consumer interest and environment, and to ensure the safety of goods and services supplied.

#### Transport and health

Finally, sustainable transport policies were also linked to health, with some emphasizing that sustainable transport policies integrated with healthy and sustainable urban planning could deliver multiple benefits, turning challenges into opportunities. Huge benefits could be accrued from the reduction of emissions of greenhouse gas and noise, as well as from the opportunity of reintegrating or maintaining physical activity, a major protective factor for non-communicable diseases (NCDs).

#### Part II. Summary of Thematic Discussion

#### **Thematic Discussion 1**

#### Sustainable Transport at the Heart of the SDGs

#### **Co-Chairs**

**Mr. Muhametgeldi Atayev,** Director of the Strategic Planning and Economic Development Institute, Turkmenistan

**Mr. Mahmoud Mohieldin,** Senior Vice President for the 2030 Development Agenda, UN Relations, and Partnerships, World Bank Group.

## Panelists

H.E Mr. Arkhom Termpittayapaisith, Minister of Transport, Thailand
Ms. Elizabeth Jones, Department for International Development (DFID), United Kingdom
Dr. Liu Fang, Secretary General, International Civil Aviation Organization (ICAO)
Mr. Kamel Ben Naceur, Director of the Sustainability, Technology and Outlooks
Directorate, International Energy Agency (IEA)

Mr. Gyan Acharya, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States Dr. Walid Abdelwahab, Director Infrastructure, Islamic Development Bank (IsDB) Mr. Garry Neu, Senior Manager, Cargolux Airlines International

### Key messages and policy recommendations

Mobility and connectivity through sustainable transport is an important enabling factor for the achievement of the SDGs. Although there is no specific goal on sustainable transport, it is directly linked to almost all goals, including through its impact on poverty eradication (SDG1), road safety (SDG 3), transport energy efficiency and SDG 7, how it contributes to decent work and inclusive growth (SDG8), how resilient and low-carbon transport contributes to SDG 9 and SDG 13, how access to transport and expanded public transport and urban-rural linkages are closely linked to sustainable urbanization (SDG 11), how sustainable transport could be strengthened through incentives for sustainable fuel consumption (SDG 12).

Unsustainable high-carbon transport has generated huge social, health, environmental, and economic losses associated with traffic congestion, pollution, noise, and road accidents. The pursuit of sustainable transport requires efforts at all levels, including standards and aspirations at the global level, collaboration and coordination at the regional level, strategies and plans at the national level, and people-centred connectivity at the local level. It needs a comprehensive approach, taking into consideration funding, hard and soft infrastructure, legal instruments, and technological leapfrogging. It was mentioned that public financing might not always meet the need for infrastructure, therefore innovative sources of financing and partnerships need to be explored.

Sustainable transport as an enabler in countries in special situations was specifically highlighted, including the impact on urban-rural divide, the importance of regional connectivity for the development of LLDCs and the special role of aviation industry for the connectivity of people in SIDS. Panellists pointed out a number of enabling factors including the collaboration between countries in areas of documentation requirements and the connectivity among different modes of transport. Access to sustainable transport for all should be at the forefront, including ensuring access for vulnerable groups such as women, children, persons with disabilities and the elderly.

With passenger and flight volume doubling every 15 years, air transport could be a major catalyst for sustainable development. Recently adopted market-based measure of the International Civil Aviation Organization shows that the sector is at the forefront for combating climate change. It was also mentioned that incentives could be designed for airlines to increase the use of biofuels and that improving air traffic management can potentially lower fuel consumption.

The energy sector is closely linked to sustainable transport. It was emphasized that data on energy usage in transport systems as well as analytics of relevant trends could facilitate more

effective real world solutions for sustainable transport. In this regard, the Global Tracking Framework as part of the Secretary-General's Sustainable Energy for All (SE4All) Initiative could share useful lessons. It was recommended to push GHG emission standards with financial instruments to effectively transition to low-carbon energy consumption. Among others, panellists also called for the removal of fossil fuel subsidies and highlighted the importance of smart urban energy planning, especially for mega-cities.

## Concrete commitments and partnerships

- ICAO has recently adopted at its 39<sup>th</sup> Assembly a Carbon Offset and Reduction Scheme for International Aviation (CORSIA). It is a global market-based measure to stabilize emissions with carbon neutral growth and the first ever scheme covering the activities of an entire industrial sector globally.
- At Habitat III in Quito, Ecuador, ICAO and UN-Habitat signed an agreement to enhance the contribution of airports to sustainable socio-economic development of urban areas. ICAO and UN-Habitat have kicked-off their collaboration with a joint pilot project to foster increased cooperation between civil aviation, land, planning and urban development authorities, as well as international organizations, airlines and aircraft manufacturers.
- Thailand has launched a 20-year Strategic Plan for Transport, covering efficiency, green and safe transport, inclusivity, as well as technology innovation.
- China has incorporated sustainable transport in its 13<sup>th</sup> Five-Year Plan, including clear targets of 7% reduction of emission in transport and 5% reduction of traffic accidents.

### **Thematic Discussion 2**

#### Reaching the most remote: rural transport challenges and opportunities

#### Chair

Mr. Shantanu Mukherjee, Chief, Policy Analysis Branch, Division for Sustainable Development, UN-DESA

#### **Panellists**

Mr. Abayomi Babalola, Transport Sector Manager, African Development Bank Ms. Laura Capobianco, Global Policy Focal Point, Safe Cities and Safe Public Spaces Global Flagship Initiative, UN Women

Mr. Stephen Cahill, Global Logistics Cluster Coordinator, World Food Program

Ms. Chikako Takase, Director, UN Centre for Regional Development, UN-DESA

#### Key messages and policy recommendations

The 2030 Agenda for Sustainable Development highlights "inclusion" and "leaving no one behind". Perhaps the most striking example of being "left behind" comes from rural areas, where those who live in the more remote areas find it difficult—if not impossible—to access reliable, timely, and affordable transport. The effects of this deprivation is apparent in all aspects of their lives—from difficulty in getting their goods to market, in accessing essential services, and being connected to a wider community. Depending on the context, road, water and air links can all be vital for rural areas; however, both coverage and quality tend to be poor. Indeed, over a billion people worldwide lack access to roads, principally in rural areas. But creating the infrastructure is only part of the solution.

Transport itself needs to be accessible and affordable; and other conditions or interventions need to be in place so that their full benefits can be realized. For example, if social custom restricts the mobility of women, or credit facilities remain out of reach, improved physical connectivity will only deliver part of its full potential for human development. Sometimes these complementary interventions can make a huge difference. For example, a reimbursable bus voucher used by pregnant women in Ghana to get to a medical centre for delivery has dramatically decreased the number of women who were not receiving medical attention during childbirth.

Improved rural transport contributes to economic development and poverty eradication, increases access to basic utilities and services, improves livelihoods and resilience of communities, reduces inequality, and improves gender equality. Governments must engage with development partners at the local level to identify local activities and develop road networks. Development partners must recognize that inclusive growth goes beyond trunk roads to include schools, water projects, and health aspects of transport. The lack of rural road interventions is a challenge for transport systems, and road safety issues are magnified if rural roads are not in good shape. Vehicles such as public buses will not take risks to travel on unsustainable rural roads, which are often constructed of gravel and are unsustainable.

Initiatives for safe cities and safe public spaces through partnerships for evidence-based, human rights-based programs are a proven success, sharing a common vision that women and girls have a right to safe passage. While such initiatives began in urban public spaces, they developed links to rural settings, including women vendors in rural markets, where women and girls transit between rural and urban areas for business, health and other reasons. Fear of violence in public spaces impacts choices that women and girls make in education, employment and health care, and is a challenge for sustainable transport in the most remote rural areas.

The new urban agenda recognizes that women and girls are disproportionately affected by violence in cities, and points to the need for safe public transport. In Quito, Ecuador, for example, one study found that 68 per cent of women had experienced a form of public violence in and around public transportation, and had experienced harassment and other forms of violence in rural areas. Opportunity can be found in support from the private sector and charitable foundations, as well as from expertise that can be applied to safe public spaces and safe transport planning.

Rural transportation should not be addressed in isolation—it is also linked to global supply chains, transporting 3.6 million tonnes of food per year that must be quickly delivered to isolated areas. Yet remote areas are often linked to poor road conditions and high freight rates, and entail numerous risks. Movement of people in Africa is linked to training and awareness for drivers, fuel availability, repair of trucks in remote areas and requirements for infrastructure.

Sustainability and maintenance are just as critical as building roads—mechanisms to improve roads through maintenance and building can face challenges in areas with a lack of peace and security such as South Sudan. Regional connectivity is critical in connecting rural and urban areas, and can be negatively affected by challenges such as terrorism, migration, immigration, human trafficking, and political rivalries that affect development of global sustainable transport systems. Engagement of all stakeholders, including the private sector, can help to ensure that national, regional and international networks are compatible.

## Concrete commitments and partnerships

- The African Development Bank's "Sirari Corridor Accessibility and Road Safety Improvements Project" in Kenya adopts an integrated approach to address rural transport challenges. The project cost is USD 280 million, out of which 25 per cent (US\$ 69 million) is earmarked for rural feeder roads and related social infrastructure.
- UN Women's "Safe Cities and Safe Public Spaces" initiative is a global prevention framework for ending violence against women and girls in public spaces.
- The Asian EST Initiative is a regional example of a high-level policy dialogue forum focusing on integrated regional development planning that is holistic and can transcend sectors and administrative boundaries, address needs at the local level, empower communities, and integrate the three dimensions of sustainable development.
- The 10<sup>th</sup> regional EST forum in Asia will take place in March 2017 with 24 countries participating, with the theme of a 2030 roadmap for sustainable transport to achieve the SDGs.
- UN Women, the African Development Bank, and DESA are launching a partnership entitled "Safe and Sustainable Public Transport in Rural Communities".

### **Thematic Discussion 3**

### Sustainable Transport solutions to the Climate Crisis

#### Co-chairs

Mr. Batyr Ballyyev, Head, Department of Environment Protection State Committee on Environment protection and Land Recourses, Turkmenistan

Mr. Kaveh Zahedi, Deputy Executive Secretary for Sustainable Development, ESCAP

#### Panellists

H.E. Mr. Li Xiaopeng, Minister of Transport, China

**Mr. Sergey Aleksandrovich Andreyev,** Deputy Director, Department for International Cooperation, Minister of Transport, Russian Federation

Dr. Liu Fang, Secretary General, ICAO

**Mr. Jesper Loldrup**, Head, Executive Office of the SG and Policy and Planning, IMO **Ms. Regina Asariotis**, Chief, Policy and Legislation Section, Division on Technology and Logistics, UNCTAD

#### Key messages and policy recommendations

Sustainable and resilient transport systems were critical for achievement of progress on the 2030 Agenda for Sustainable Development as well as the Paris Agreement on climate change. While the ambition has been set and solidified in the SDGs and climate goals, the true testament to their success would be timely and comprehensive implementation at the country level, and in particular through transformation of the transport sector which contributes a quarter of global greenhouse gas emissions from fuel combustion. Also highlighted in this context was the importance of enhancing climate resilience of transport infrastructure as recognized by the Addis Ababa Action Agenda (AAAA), as well as improved transport operations.

A transformation of the transport sector would imply improving integrated transport systems development and management; modernized and institutionalized administrative systems; implementation of new technologies, as well as investment and capacity building. It was further noted that cooperation to share knowledge and un-used capacity had the potential to make a significant difference.

Climate induced weather conditions and their impacts on transport infrastructure throughout global supply chains were recognized as having potentially significant implications for transport and trade, which in turn has strong implications for economic growth and development prospects, affecting in particular LDCs, LLDCs and SIDS. Enhancing climate resilience and developing effective adaptation measures were seen as important in this regard, as was a good understanding of risks and vulnerabilities in order to put in place well-designed adaptation measures. The need for targeted capacity building and finance was highlighted, especially for SIDS, which depend on their ports and airports for food and energy needs, external trade and tourism, as well as for LLDCs, and transport infrastructure along international transport and transit corridors on which these countries depend for their external trade.

Technology and innovation, intermodal links and systems, and a robust commitment to public transport form a vital part of a low-carbon transport future.

Shipping was the most cost-effective and energy-efficient mode of mass cargo transport, and a key pillar of the development of a sustainable global economy. With air transport expected to double in the next 20 years, the importance of recent ICAO agreement to curb greenhouse gas emissions from international aviation was highlighted.

Overall, identifying sustainable transport solutions, including enhanced measures to reduce emissions and enhance adequate and effective adaptation, was seen as central to meeting the ambitious goals of the Paris Agreement, as well as the SDGs.

Based on the experience of China, the development of an efficient and sustainable modern integrated transport system would be strategically important for combating climate crisis in countries. The system optimizes the transport infrastructure layout to form a safe, efficient, intelligent, green and interconnected modern infrastructure network. It should bring full play to the comparative and combined advantages of different modes of transport to increase operational efficiency and promote low-carbon freight transport. The system should also promote the sustainable urban transport system with priority of the development of green travel patterns and consumption patterns, public transport, integrated passenger transport hub and transfer system, and rapid transit commuter network. A long-term mechanism should be established to achieve green traffic management system and modernization of management capacity.

The experience of the Russian Federation demonstrated the effectiveness of using natural gas in reducing emissions of CO2 and toxic substances. The increased use of new fuel efficient vehicles, quality fuels and electric vehicles could also be effective solutions, though the traditional fossil fuels will continue to be used. The pilot projects in Kazan and Kaliningrad, the Russian Federation, showed a success in improving urban transport through the implementation of a comprehensive urban transport plan and the development of an integrated scheme for urban public passenger transport. Such experience was being replicated to other cities in the Russian Federation and might be also used in other countries in combating climate crisis.

## Concrete commitments and partnerships

- At its 39th Assembly, ICAO established a carbon offsetting and reduction scheme, which will become mandatory by 2027. However, in a landmark commitment to implementation, many states representing 86 per cent of traffic have volunteered to participate by 2021.
- IMO has adopted mandatory measures to regulate energy efficiency, which entered into force on 1 January 2013. Two sets of regulations for the energy efficiency of internationally trading ships are noted: 1) the Energy Efficiency Design Index (EEDI) for new ships. By 2025 ships will therefore have to be 25% more energy efficient. The EEDI is a non-prescriptive, performance-based regulation that leaves the choice of technologies to use in a specific ship design to the industry; and 2) a Ship Energy Efficiency Management Plan (SEEMP) for all ships, as an operational tool to monitor and improve the energy efficiency of a ship in a cost-effective manner.
- With financial support from the Global Environment Facility (GEF) and UNDP, project "Transforming the global maritime transport industry towards a low carbon future through improved energy efficiency" (GloMEEP Project) IMO countries are supported in taking a fast-track approach to pursuing relevant legal, policy and institutional reforms to support the effective implementation of IMO's energy efficiency requirements.
- IMO is working to establish a global network of Maritime Technology Cooperation Centres (MTCCs) with support from the European Union, to promote the uptake of low-carbon technologies and operations in maritime transport.
- UNCTAD, as the UN focal point for the integrated consideration of trade and development issues, has been working on the implications of climate change for maritime transportation since 2008, with a particular focus on impacts and adaptation needs of seaports and other coastal transport infrastructure. Relevant research and analytical work, as well as the outcomes of a series of expert meetings have helped to raise awareness and advance the international debate. Ongoing work includes a technical assistance project, with a particular focus on climate change impacts and adaptation for coastal transport infrastructure in Caribbean SIDS.

#### **Thematic discussion 4**

# Public Transport in the 21<sup>st</sup> century: moving passengers and freight in a sustainable manner

#### Co-chairs

**Mr. Bambang Susantono**, Vice President, Knowledge Management and Sustainable Development, Asian Development Bank

#### Panellists

Mr. Leonardo Castro, Secretary, Belo Horizonte, Brazil
Mr. Irakli Lekvinadze, Vice Mayor, Tbilisi, Georgia
Mr. Philip Turner, Sustainable Development Manager, International Association of Public Transport (UITP)
Mr. Paul Apthorp, Vice-Chairman and Founding Director, Greater Mekong Sub region, Freight Transport Association

#### Key messages and policy recommendations

Public Transport in the 21st century that moves passengers and freight in a sustainable manner is highly dependent on the provision of safe, accessible, convenient and green public transport systems. The improvement and expansion of sustainable public transport systems,

including bus rapid transit, metro, light rail systems and ferries, should be at the forefront. Short and long-term mobility solutions that embrace the potential of information and communication technology, and incorporate active mobility as well as the new options stemming from the "share economy" will allow for passengers to fulfill their need for movement and for goods to be transported in a more sustainable way.

Enhancing sustainable public transport in the 21<sup>st</sup> century is a challenge that needs strong political leadership and commitment. Solutions can be built around providing good quality, affordable public transport and changing cities to make biking and walking safe and convenient as well as streamlining the way freight is moved around. The expansion of the public transport sector requires a shift that among others takes into account; multi-model transport systems, cooperation among stakeholders, policy integration, (local) transport authorities, digital mobility, building capacity and a redirection of finance.

A specific challenge placing pressure on the development of sustainable public transport solutions is the rapid growth of cities. Enhancing sustainable mobility in cities require policies and programs that are supported by public participation, investment in long term green solutions technology and frequency optimization in public transport systems.

Many solutions that can enhance sustainability in the public transport sector are embodied by the opportunities provided by ICT. ICT is considered as having substantive potential for improving the convenience, service quality and efficiency of public transport i.e. on-demand services, ride-share, smart cards, mobile apps for tracking traffic conditions and route options, or monitoring systems.

With regard to freight transport, the potential for carbon reduction is significant in the truck sector. In this context; attention is called for the environmental consequences of the transfer of used trucks from developed to developing countries. Recommendations that address the environmental consequences of these transfers are; to initiate management/programs that reduce the utilization of old trucks; directing aid at the utilization of newer trucks by SME's as well as reviewing the import duty system in developing countries.

## Concrete commitments and partnerships

A number of concrete commitments and partnerships aiming at expanding the public transport system within the context of achieving sustainable development were highlighted. The initiatives address the role of cities in enhancing sustainable transportation, long-term policy commitments aimed at the enhancing sustainable public transport as well as efforts by the private sector that provide green solutions to public transportation.

- Tbilisi's "Urban mobility plan" is being developed in partnership with the Asian Development Bank. The plan is a part of "Making Tbilisi a Green City" by 2030 and emphasizes the use of energy saving technology, the role of the private sector and installing infrastructure for so-called electro mobility.
- The Green Bus Fund in London, co-sponsored by the European Union, is directing USD 150 million to reducing carbon emissions, provides an example of a national initiative that can contribute to enhancement of sustainable transportation at the local level.
- A long-term commitment to initiating policies that will double the market share of public transport by 2025 was highlighted by the International Association of Public Transport.
- Alstrom Corporation highlighted the progress made in Germany on enabling full green solutions and efforts to eliminate electronic dependency, including a high-speed hydrogen train to be unveiled in 2017, as an example of public-private partnership.

## **Summary of Thematic Discussion 5**

#### Sustainable transport and transit solutions in countries in special situations

### **Co-Chair and Moderator**

**Mr. Gyan Chandra Acharya**, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

### Panelists

**H.E. Mr. Brian Mushimba**, Minister of Transport and Communications of the Republic of Zambia and Global Chair of the LLDC Group

**H.E. Mr. Milton Claros Hinojosa**, Minister of Public Works and Housing Services, Bolivia **H.E. Mr. Seiuli Ueligitone**, Associate Minister for the Ministry of Works, Transport and Infrastructure, Samoa

**Mr. Mahmoud Mohieldin**, Senior Vice President for the 2030 Development Agenda, United Nations Relations, and Partnerships, World Bank

Mr. Tyrrell Duncan, Technical Advisor (Transport), Asian Development Bank

#### Key messages and policy recommendations

The 2030 Agenda acknowledges that countries in special situations face particular development challenges and deserve special attention. Least Developed Countries (LDCs) do not have sufficient access to safe, affordable, and efficient transport networks; Landlocked Developing Countries (LLDCs) typically face high transport costs, primarily attributed to their long distances to the sea and burdensome border-crossing procedures; and Small Island Developing States (SIDS) often suffer from limited air services for passengers and cargo due to their remoteness and small sizes, exacerbating their vulnerabilities to climate change.

The importance of developing effective, sustainable and resilient transport and transit infrastructure was highlighted, including domestic and cross-border transport networks, transit corridors, connecting seaports and airports through rail and road networks, waterways, with improved inter-modal connectivity.

The magnitude of infrastructure development requires increased regional and sub-regional integration, enhanced institutional capacity including the development of relevant legal frameworks, improved access to technology, as well as adequate and sustainable funding, including through ODA, South-South Cooperation and establishing partnerships with the private sector. Multilateral development banks have assisted countries in special situations in this regard through various bankable projects.

Simplified, harmonized and standardized transport and transit procedures, coupled with improved inter-modal connectivity, will go a long way in boosting economic development, sustainable tourism, and trade for countries in special situations, building or enhancing regional and global value chains, and contributing to sustainable development in general for LDCs, LLDCs, SIDS, as well as transit countries.

Energy efficiency and social responsibility of the transport sector will play an important role in the implementation of the 2030 Agenda. It was stressed that environmental sustainability and climate resilience should be integrated in the planning, design, construction and maintenance of transport systems. The issue of safety and security of the transport systems was also underscored as a crucial element in the implementation of the 2030 Agenda, particularly in relation to road safety. To this end, international and national safety and security standards could be developed and enforced.

### Concrete commitments and partnerships

• The ADB is funding the Central Asia Regional Economic Cooperation (CAREC) Programme, a partnership among Central Asian countries. CAREC has adopted a Road Safety Strategy and a CAREC Railway Strategy to enhance road safety and the development of railway networks among countries in Central Asia.

### **Thematic Discussion 6**

### **Energy and Transport**

### Chair

**Mr. Pradeep Monga,** Special Representative of the UNIDO Director General on Energy and Director of Energy Department

### Panelists

**H.E. Dr. Ahmed Mohammed Salem Al-Futaisi**, Minister of Transport and Communication, Oman

Mr. Kamel Ben Naceur, Director of the Sustainability, Technology and Outlooks, IEA Mr. Jean Pierre-Loubinoux, Director General, International Union of Railways Mr. Holger Dalkmann, Director, Strategy and Global Policy, World Resources Institute Ms. Branislava Balac, international consultant on urban transport issues

#### Key messages and policy recommendations

Sustainable energy is a precondition for sustainable transport. One critical challenge is how to strike the right balance between assuring access to energy and transport for this generation and preserving the planet for the next. In that connection, coherent transport and energy decisions are needed at the local, national and global levels to achieve sustainable development. Strategy, policies and implementation in these two areas should be aligned towards sustainability. There is the need to rethink organization structures, to make them based on functions and roles, and to foster the integration of the energy and transport sectors.

Sustainable development requires a significant decarbonisation of transport sector. There is also a need to increase efficiency of energy and transport systems, and end-user sectors. Therefore, there should be a shift towards high- carbon efficiency and low-carbon modes of transport. Gains in energy efficiency would entail the adoption of new technologies, and efficient management of energy and transport systems. There is also the need to support renewable energy and promote the increase in the use of electric cars. That requires increasing effort and investment in science, technology and innovation.

Cities are also essential to carbon abatement. They represent 70 per cent of the cost-effective  $CO^2$  abatement potential by 2050. The way we build cities highly influences the way we travel and the way that we use energy for transport. For example, a denser city will use less energy for transport. The session emphasized that the way that cities grow and develop will

influence how energy and transport will be used. In that connection, national governments are encouraged to set frameworks to fostering efficient cities in terms of land use, transport, and energy coherent policies. The carbon footprint of cities can be reduced significantly in relation of energy use by transforming the transportation sector. In that connection, it is important to pay attention to mass transit and public transport.

The implementation of the solutions highlighted will require investment and multistakeholder action. All sources of finance, public and private, domestic and international, will be required to initiate a true transformation of the transport sector towards the resilient and low-carbon path. There is also the need for systems approaches, which look sustainable transport in a holistic way. The Paris Agreement and new action climate plans constitute an opportunity for shifting to sustainable transport.

## Concrete commitments and partnerships

- The UNIDO project "Integrated adoption of New Energy Vehicles in China" will facilitate and scale up the integrated development of New Energy Vehicles (NEVs) and Renewable Energy (RE) in China, with USD 9 million from a GEF grant and USD 117 million in co-financing.
- "Energy Efficient Low-carbon Transport in Malaysia" will catalyse and accelerate widespread use of electric vehicles (EVs) as part of energy efficient low-carbon transport and low-carbon cities initiatives of Malaysia through a USD 2.5 million GEF grant and USD 28 million in co-financing.
- "Sustainable-city Development in Malaysia" will address energy, transportation and buildings segments within Melaka city planning activities using a USD 3 million GEF grant and USD18 million in co-financing.
- "Abidjan Integrated Sustainable Urban Planning and Management in Cote d'Ivoire" aims to improve mobility planning, resilient transport infrastructure, and various initiatives to improve the urban air quality, with a USD 6 million GEF Grant and USD 21 million in co-financing.

## **Thematic Discussion 7**

## Multi-modal Sustainable Transport and Transit Solutions: Connecting Rail, Maritime, Road and Air

## Co-Chair and Moderator

**Ms. Frida Youssef,** Chief, Transport Section, Trade and Logistics Branch, Division on Technology and Logistics, UN Conference on Trade and Development (UNCTAD)

## Panelists

**Mr. Donat M. Bagula,** Executive Secretary, Northern Corridor Transit and Transport Coordination Authority

**Mr. Pablo Ortiz,** Director of International Relations, Ministry of Transport and Telecommunications of Chile

Mr. Diaz Iskakov, President, KTZ Express Multimodal Company

Mr. Igor Rounov, Under Secretary General of International Road Transport Union (IRU) Mr. Menno Menist, Director of International Transport and Mobility, Panteia

## Key messages and policy recommendations

Integrated inter-modal/multi-modal transport systems and transit solutions that are economically viable, environmentally friendly, energy efficient, socially inclusive and that optimize the comparative advantages of each mode of transport—maritime, road, rail, waterway and air—are crucial for achieving sustainable transport of passengers and freight within and between countries with maximized efficiency. It reduces transportation costs, facilitates trade and improves market access.

The transport sector is currently responsible for one fourth of global  $CO^2$  emissions and 50 per cent of global fossil fuel consumption. Global freight transport volume is expected to grow fourfold by 2050, driven primarily by developing countries. With the expanding world economy and growing population, the sector is demanding greater efficiency while at the same time exerting additional pressure on the environment and climate.

To realize the potential of multi-modal transport corridors, countries need to improve infrastructure, develop intermodal terminals, address missing links including last-mile connections, streamline border-crossing procedures, improve logistics services, and base transport planning and infrastructure investment on prospects for economic growth, social development and environmental impacts. Countries along the corridors need to enhance regional and international cooperation and work together through partnerships.

There is no uniform legal regime at the international level governing liabilities arising from multi-modal transportation, although such regimes exist at national and regional levels to a certain degree, such as the Northern Corridor Transit and Transport Agreement, the Agreement on International Land Transport (ATIT) in South America. Many called for enhanced international standards and legal frameworks for multi-modal transport systems and transit solutions.

Joining existing United Nations Conventions such as the TIR Convention can help countries move goods across international borders, saving time and money for transport operators and customs authorities. Promoting sustainable transport technologies will also increase the capacity of transport infrastructure and improve coordination along supply chains.

## Concrete commitments and partnerships

- The Northern Corridor Initiative promotes multi-modal sustainable transport systems encompassing maritime, rail, road, pipeline, and inland waterways. It is the busiest corridor in East and Central Africa, handling over 30 million tons of cargo per annum. It links the Great Lakes LLDCs of Uganda, Rwanda, Burundi, South Sudan and Democratic Republic of Congo to the Kenyan seaport of Mombasa. It also serves Northern Tanzania, Ethiopia and Somalia.
- The European Union Trans-European Transport Network (TEN-T) corridors are focusing on multi-modality, cross-border, interoperability, decarbonisation and resilience.

## Thematic discussion 8

## Global vision zero: a new era in road safety

*Chair* **Ms. Eva Molnar**, Director of Sustainable Transport Division, UNECE

## Panellists

Mr. Koichiro Kakee, Assistant Vice-Minister for International Affairs, Ministry of Land, Infrastructure, Transport and Tourism

**Mr. Ion Cotruta**, Senior Advisor, Road Transport Division, Ministry of Transport and Roads Infrastructure of the Republic of Moldova

Mr. Matej Zakonjsek, Head of Cabinet of Transport Commissioner, EU

Mr. Jean Todt, UN Secretary-General's Special Envoy for Road Safety

Dr. Bahtygul Karriyeva, Head of the WHO office in Turkmenistan

Mr. Christian Friis Bach, Under Secretary-General and Executive Secretary of UNECE

Mr. Michael Gschnitzer, Global Head of Sales, Kapsch Trafic Com. AG

### Key messages and policy recommendations

With 1.3 million people killed and up to 50 million people injured every year in road accidents, road safety has to be a top priority for the global community. The establishment of adequate legal frameworks, the expansion of safe public transport systems, the transport of freight by modes that are less harmful to humans, and the creation of national road safety strategies and plans will be of critical importance in the coming decades.

Information and data pertaining to the history of national traffic safety measures is highly valuable, as showcased in the national laws and strategies for safe road transport in Japan and Moldova, including in traffic safety measures taken by the Japanese government to reduce road fatalities through rules enforcing the use of seat belts and helmets. Priorities for road safety included installation of road signs and road markings, improved road infrastructure, and installation of web cameras for monitoring road transport, technical inspection stations, and new vehicle regulations. Efforts to establish standard road safety measures could be used in other countries through partnerships.

With the objective of halving the number of road deaths by 2020, the EU region reported progress in reducing them substantially, with a focus on improving infrastructure for safety, and a solid knowledge base for road safety measures. Civil society and the private sector should be involved with the work of UN agencies. Latin America and West Asia have decoupled economic growth from road fatalities.

The Decade of Action for Road Safety has been successful in promoting a culture of safety: safer vehicle standards, safer roads, consistent traffic rules and road signs are all effective, but not all countries have adopted these measures. In India and Colombia, implementation of bus rapid transit systems has been successful. A safe system approach to road transport is important, and should be supported by governments.

Access to timely and effective emergency care is also essential for road safety and sustainable transport, and for reducing fatalities. Universal health coverage is important for identifying needs and providing emergency care, especially where services are limited. Legislation should enact access to emergency care systems and services, which should be available, affordable and accessible, and of good quality. Heath and transport are increasingly connected, and institutional changes are needed to ensure that technology is also available and accessible. Technology can improve road safety through wireless communications that allow vehicles to receive information on weather, traffic conditions, and emergencies. There are also co-benefits for safety, noise pollution, and traffic management.

Global road safety is contained in SDG 3 (health) and SDG 11 (sustainable cities). Key UN Road safety conventions include the 1949 and 1968 conventions on road traffic (Vienna

convention); the 1968 convention on road signs and signals, the 1958 and 1998 agreements on technical vehicle regulations, the 1997 agreement on periodic and technical vehicle inspection, and the 1957 agreement on transport of dangerous goods.

## Concrete commitments and partnerships

- "Vision Zero and the Safe System Approach", addresses drivers, roads, vehicles, and emergency response systems in the EU.
- The "Safer Africa" project aims to establish dialogue among different groups toward road safety.
- A proposal for establishing a Road Safety Trust Fund has launched full consultations, and a proposal for the fund has been distributed, which would come from voluntary contributions. Seed funding of USD 7.7 billon could leverage necessary investments to save 5 million lives and avert 50 million injuries.
- The Belarusian Research Institute of Transport has undertaken a methodological study on effectiveness of regional passenger transport systems.

## **Thematic Discussion 9**

## Financing Sustainable Transport: domestic resource mobilization, international cooperation and public-private partnerships

### Chair

**Mr. Bambang Susantono**, Vice President, Knowledge Management and Sustainable Development, ADB

#### Panelists

Mr. Walid M. Abdelwahab, Director, Infrastructure Department, Islamic Development Bank

**Ms. Ekaterina Miroshnik**, Director for Infrastructure, Russia, Central Asia and Mongolia, European Bank for Reconstruction and Development (EBRD)

**Ms. Jannat Salimova-Tekay**, Head, Project Finance and Infrastructure, Central Asia and Caucasus, Ernst and Young

Mr. Holger Dalkmann, Co-chair, SLoCaT

## Key messages/Policy recommendations

Most countries have very large financing needs for transport. Major investments are needed to improve transport and adjust toward more sustainable and lower carbon types of transport. Although large in absolute terms, transport finance needs are small compared with the level of finance available to governments and financial markets, including long-term investments such as pension funds and insurance companies. The shortage of well–prepared, bankable projects to attract finance from these sources is the main challenge.

While some smaller countries still depend on development assistance, in most countries the government is the main source of transport finance. Governments can do a lot to expand financing for transport: they can prioritize transport, particularly sustainable transport, in their policies and budgets. They can rein in unsustainable types of transport spending such as fuel subsidies, expand cost recovery through user charges, better maintain their existing assets so they will last longer, and transfer commercial roles that can be better undertaken by the private sector.

In some developing countries, domestic capital markets have the potential to be expanded as a funding source. There is potential for issuing national, municipal and project bonds. LLDCs and other countries in special situations face greater challenges to attract international investment, and greater support is required to overcome their economic, geographical and infrastructure gaps, to attract investment.

To develop and foster public private partnerships (PPPs) a supportive policy, legal and regulatory framework is needed, paired with domestic capacity to procure and administer the PPP, and sufficient market interest among capable firms. The multilateral development banks (MDBs) can help countries to scale up financing for transport, assist in developing policies that free up financing for transport, support capital market development, and assist in building the framework for PPPs.

Population growth and related rising demand for transport will necessitate massive investment in new transport and infrastructure projects. Transport investment needs are estimated to be between US\$ one and two trillion per year. Of the current total annual investments worldwide, less than 40 per cent is received by developing countries, where the needs—and opportunities—are greatest.

At present, transport is responsible for 23 per cent of global energy-related greenhouse gas emissions as a result of global dependency on motorization. It will be impossible to address climate change without addressing challenges in the transport sector. The development of appropriate funding frameworks will be a key step in aligning different sources of transport funding and financing, and encouraging a significant scaling-up of financing for sustainable transport.

Funding of transport services must be addressed before financing, bearing in mind the issue of supply and demand. At the global level, MDBs provide limited financing: in 2015, of the USD 75 billion allocated to infrastructure, only one fourth went to financing transport. The importance of enabling environment for private sector engagement was also underlined.

Finding a balance between public and foreign investment is also important, including support to local clients through technical assistance to address a range of challenges such as permits, land acquisition, state approval processes that often hinder private sector interest. Among the most important considerations for investors are quality, risk assessment and the possibility of user fees. Investors also base their decisions on the capacity of authorities to guarantee a minimum revenue level.

Investors look for attractive investments that lead to stable and predictable contracts, with economically justifiable and attractive tariffs, and risk sharing in terms of tariffs. Specific challenges to drafting PPPs in the Central Asia Region include risk sharing related to environmental issues, as reputable investors are adverse to such risks. Generally, investors want affordable local currency available, and predictable contracts including passenger user fees and shared risks. While the borrowing capacity of development banks is an important element, it is crucial to strengthen the lending ability of local banks, enabling projects to be funded in local currency.

Attracting private investors to projects that benefit large numbers of users is also important for success. The capacity of local authorities and the pivotal role of national governments as enablers are both essential for sustainable transport projects. Financing has a crucial role in

implementation of the SDGs, but there is a large gap between needs and available resources. LLDCs face special challenges due to their geography and development status, paired with increased bottlenecks to access for international financing.

## Concrete commitments and partnerships

- Before 2050, USD 2.5 to 3 trillion should be invested in transport every year, with half in non-OECD countries.
- While the USD 175 billion commitment made by the MDBs at the 2012 UN Conference on Sustainable Development (Rio+20) to advance sustainable transport is on track, MDBs, as well as governments, must tap the private sector to fill financing gaps in the infrastructure sector.

## Part II. Summary of the Closing Plenary

The closing Plenary of the Conference convened at 17:30 on Sunday 27 November 2016.

Mr. Igor Runov, Under Secretary General, International Road Transport Union, provided a summary of the Transport Business Summit held on 27 November 2016, which was organized by the Government of Turkmenistan, the Chamber of Commerce and Industry of Turkmenistan, and the Global Partnership for Sustainable Transport (GPST). It addressed a wide range of issues related to the development status and perspectives of all types of transport (air, motor, railroad and marine). Discussion covered a wide range of topics, from investments in basic and auxiliary infrastructure to environment and safety issues.

H.E. Mr. Rashid Meredov, Foreign Minister of Turkmenistan, and Mr. Wu Hongbo, Under-Secretary-General of the United Nations attended the closing session and made remarks. In his closing statement, Mr. Wu noted that the Conference has reinforced the importance of sustainable transport for sustainable development and has shown it is a shared global task. Sustainable transport is key to leaving no one behind, securing economic prosperity, enabling access to services and protecting the environment. He emphasized that all stakeholders must commit and engage to make policy decisions necessary to meet the transport needs of all in a low-carbon manner. That would require integration of all modes of transport, capacity building, and STI to bring about transformative changes in transport systems. He noted that the Conference has identified concrete actions to move towards sustainable transport, and that the outcomes of the Conference will inform the 2017 High-level Political Forum on Sustainable Development. Mr. Wu recognized the leadership and commitment of the president of Turkmenistan and thanked all participants for their active engagement.

H.E. Mr. Meredov in his remarks emphasized the relevance of the establishment of broad dialogue on sustainable transport at the global level. A sustainable transport sector is a strategic part of sustainable development. It requires modernization, new technology, and calls for coherent policy approach and harmonizing actions in all regions. He noted the recommendations and proposals made during the Conference to as well as actions and projects that are practical steps to achieve sustainable transport. The outcome of the Conference, the Ashgabat statement, provides a framework for implementation of transport-related targets of the 2030 Agenda and will be issued as a General Assembly document.