Sustainable Transport since Rio+20

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Inter-American Development Bank
Presentation outline

1) Overview of Rio+20 Commitment

2) Progress since 2012
Details of the Rio+ 20 Commitment

• $175 billion of loans and grants for transport in developing countries over 10 years, with increasing focus on more sustainable transport

• Help developing countries develop ST policies, use of best practices, scaling-up mechanisms

• Ready to help in creating special financing facilities for ST

• Call of support for UN post-2015 agenda on ST – SG’s High Level Panel, SDG (Sustainable Development Goals)

• Measuring, monitoring and reporting on ST lending, with common annual reporting
Measuring sustainability of transport projects

Need to look holistically at:

- Economic effectiveness
- Social sustainability
- Environmental sustainability
- Risk to sustainability or project soundness

Overly simplified approaches such as:

- Roads = unsustainable
- Public transport = sustainable
Defining sustainability

- **Economic sustainability** reflects to both the expected economic impacts over the lifecycle of a project, and the efficiency with which economic resources are used to deliver them.

- **Social sustainability** describes the extent to which a project will benefit the poor, vulnerable and marginalized; contribute to creating safe and socially-inclusive communities; and minimize adverse impacts, such as resettlement.

- **Environmental sustainability** reflects the environmental impacts of a project, including transport emissions and pollution, impact on the natural and built environment, waste of natural resources, community resilience and adaptation to climate effects.

- **Risk to sustainability** refers to the risk that expected project benefits may not be realized or maintained due to political or economic feasibility, lack of financing, or uncertainty in the appraisal.
Sustainable Transport Appraisal Rating (STAR)

Risk to Sustainability
- 16. Design and evaluation risk
- 17. Implementation risk
- 18. Operational risk

Environmental
- 11. Greenhouse gas emissions
- 12. Transport-related emissions and pollution
- 13. Climate resilience
- 14. Natural and built environment
- 15. Resource efficiency

Economic
- 1. Efficiency: people
- 2. Efficiency: businesses
- 3. Quality & reliability
- 4. Fiscal burden
- 5. Wider economic benefits: regional, urban, rural

Poverty & Social
- 6. Basic accessibility
- 7. Employment
- 8. Affordability
- 9. Safety
- 10. Inclusion and social cohesion
STAR Principles

- Measures project’s contribution to delivering economic, social and environmental objectives
- Accounts for project’s risks
- Sustainable transport objectives
- Partly guided, qualitative
- Ratings
  - Independent rounds of evaluation, validation and comparison
- Outputs:
  - Aggregate rating of sustainability
  - Separate ratings by dimension of sustainability

<table>
<thead>
<tr>
<th>Score</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 to 10</td>
<td>Highly Sustainable</td>
</tr>
<tr>
<td>5 to 6</td>
<td>Sustainable</td>
</tr>
<tr>
<td>3 to 4</td>
<td>Moderately Sustainable</td>
</tr>
<tr>
<td>1 to 2</td>
<td>Marginally Sustainable</td>
</tr>
<tr>
<td>-1 to 0</td>
<td>Moderately Unsustainable</td>
</tr>
<tr>
<td>-2 to -4</td>
<td>Unsustainable</td>
</tr>
<tr>
<td>-5 to -10</td>
<td>Highly Unsustainable</td>
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</tbody>
</table>
### Scoring: Step 1

**SOC-1:** Does the project enhance access to basic social services?

<table>
<thead>
<tr>
<th>Score</th>
<th>Descriptor</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Very Strongly Positive</td>
<td>The project will lead to a major improvement in the accessibility of a large number of poor, vulnerable or excluded people to basic services</td>
</tr>
<tr>
<td>2</td>
<td>Strongly Positive</td>
<td>In between moderate and very strong</td>
</tr>
<tr>
<td>1</td>
<td>Moderately Positive</td>
<td>Transport users will perceive a step increase in the accessibility to basic services. The improvement is moderately positive because either: (i) few people benefit, (ii) the poor (poorest) will not benefit directly, (iii) the reduction in actual transport costs/times may be moderate, or (iv) accessibility is improved for secondary levels of services (e.g. higher education, large market etc.) but access to primary services is unchanged</td>
</tr>
<tr>
<td>0</td>
<td>Neutral/Marginally Positive</td>
<td>Neutral, or in between moderate positive and moderate negative</td>
</tr>
<tr>
<td>-1</td>
<td>Moderately Negative</td>
<td>A significant number of poor, vulnerable or excluded people will have somewhat lesser quality access to basic services</td>
</tr>
<tr>
<td>-2</td>
<td>Strongly Negative</td>
<td>In between moderate and very strong</td>
</tr>
<tr>
<td>-3</td>
<td>Very Strongly Negative</td>
<td>Accessibility to basic services for a large number of poor, vulnerable or excluded people will be severely impaired</td>
</tr>
</tbody>
</table>
Drawing from your ratings above and from your experience of similar projects, how would you overall rate ... (circle answer)

... the economic effectiveness of the project?

<table>
<thead>
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<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly Economically Ineffective</td>
<td>-3</td>
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<tr>
<td>Economically Ineffective</td>
<td>-2</td>
</tr>
<tr>
<td>Moderately Economically Ineffective</td>
<td>-1</td>
</tr>
<tr>
<td>Marginally Economically Effective</td>
<td>0</td>
</tr>
<tr>
<td>Moderately Economically Effective</td>
<td>1</td>
</tr>
<tr>
<td>Economically Effective</td>
<td>2</td>
</tr>
<tr>
<td>Highly Economically Effective</td>
<td>3</td>
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</tbody>
</table>

... the social sustainability of the project?

<table>
<thead>
<tr>
<th>Rating</th>
<th>Score</th>
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</thead>
<tbody>
<tr>
<td>Highly Socially Unsustainable</td>
<td>-3</td>
</tr>
<tr>
<td>Socially Unsustainable</td>
<td>-2</td>
</tr>
<tr>
<td>Moderately Socially Unsustainable</td>
<td>-1</td>
</tr>
<tr>
<td>Marginally Socially Inclusive</td>
<td>0</td>
</tr>
<tr>
<td>Moderately Socially Sustainable</td>
<td>1</td>
</tr>
<tr>
<td>Socially Sustainable</td>
<td>2</td>
</tr>
<tr>
<td>Highly Socially Sustainable</td>
<td>3</td>
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</table>

... the environmental sustainability of the project?

<table>
<thead>
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<th>Rating</th>
<th>Score</th>
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</thead>
<tbody>
<tr>
<td>Highly Environmentally Unsustainable</td>
<td>-3</td>
</tr>
<tr>
<td>Environmentally Unsustainable</td>
<td>-2</td>
</tr>
<tr>
<td>Moderately Environmentally Unsustainable</td>
<td>-1</td>
</tr>
<tr>
<td>Marginally Environmentally Sustainable</td>
<td>0</td>
</tr>
<tr>
<td>Moderately Environmentally Sustainable</td>
<td>1</td>
</tr>
<tr>
<td>Environmentally Sustainable</td>
<td>2</td>
</tr>
<tr>
<td>Highly Environmentally Sustainable</td>
<td>3</td>
</tr>
</tbody>
</table>

... the risk to the sustainability of the project?

<table>
<thead>
<tr>
<th>Rating</th>
<th>Score</th>
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</thead>
<tbody>
<tr>
<td>High</td>
<td>-1</td>
</tr>
<tr>
<td>Medium</td>
<td>0</td>
</tr>
<tr>
<td>Low</td>
<td>1</td>
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</tbody>
</table>
## Step 3

<table>
<thead>
<tr>
<th>Rating</th>
<th>Highly Unsustainable</th>
<th>Unsustainable</th>
<th>Moderately Unsustainable</th>
<th>Marginally Sustainable</th>
<th>Moderately Sustainable</th>
<th>Sustainable</th>
<th>Highly Sustainable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>-5 to -10</td>
<td>-2 to -4</td>
<td>-1 to 0</td>
<td>1 to 2</td>
<td>3 to 4</td>
<td>5 to 6</td>
<td>7 to 10</td>
</tr>
</tbody>
</table>
Presentation outline

1) Overview of Rio+20 Commitment

2) Progress since 2012
Reporting on progress

First Report
2012-2013

- First time for the 8 MDBs to report collectively on our transport work
- Provides an initial snapshot of our activities/progress in 2012

Second Report
2013-2014

- More detail on sustainability of approved projects by MDBs etc.
- Includes special section on climate adaptation and mitigation efforts

The two reports provide a baseline assessment of MDB efforts in first 2 years of the 10-year commitment.
Overall investment in transport on target

- **$20 billion** transport funding approved in 2012
- **$25 billion** funding approved in 2013
- **$20 billion** funding approved in 2014
Overarching patterns across the MDBs

- **Road projects** are placing more focus on sustainability issues (asset management, road safety, inclusive growth, climate proofing, etc.)

- **Urban transport** is a growing area of lending for almost all MDBs

- **Climate resilience** is explicitly being considered for many projects.

- Discussions on **harmonization of indicators** are ongoing to align with the SDGs and Targets.

- **Focus on sustainability** is leading to improvements in the quality of projects through:
  - Better project selection and design
  - Strengthening social and environmental outcomes
  - Strengthening resource efficiency and climate resilience
  - Ensuring operational sustainability
Projects showed similar sustainability levels, with a slight increase in the “sustainable” rating, and a slight reduction in the “moderately sustainable” rating.
Across all projects, the aspects of sustainability that were strongest were (i) economic, (ii) social and (iii) environmental, in that order.

Environmental aspects are the ones with higher potential for improvement, followed by social aspects.
A separate analysis of road and urban projects gives a different perspective on portfolio sustainability.

- Urban projects are mostly sustainable, while road projects are mostly moderately sustainable.
Urban projects tend to score well.
Most projects were assessed as sustainable in each of the three dimensions of sustainability.
Road projects are mostly moderately sustainable.

Across road projects, the economic aspect was the strongest one.

Environmental aspects are the ones with higher potential for improvement, followed by social aspects.
Improving Resilience to Climate Change

Bridges
24-hr precipitation, RCP 6.0 (medium)
2070 horizon, period of recurrence 100 years
Increment over actual intensity

Temperature > 29.5 C
2040 horizon, RCP 6.0 (medium)
Number of days
- 300 - 365
- 200 - 299
- 100 - 199
- 1 - 99
- 0

Sea level increment
RCP 6.0 (medium) 2040 Horizon
Increment [cm]
increment (cm)
- 20.01 - 21.42
- 19.01 - 20.00
- 18.01 - 19.00
- 16.83 - 18.00
Thank you!

Progress Report (2012-2013) of the MDB Working Group on Sustainable Transport
http://brik.iadb.org/handle/iadb/88354

Progress Report (2013-2014) of the MDB Working Group on Sustainable Transport
http://brik.iadb.org/handle/iadb/88353

Will be available after COP 21