

Ernesto Monter, Lead Transport Specialist, Inter-American Development Bank, **“Supporting Decarbonization Efforts in the Transport Sector in Latin America and the Caribbean,”**

In recent years, the Inter-American Development Bank group (IDB), along with the world’s other multilateral development banks, has committed itself to a significant reorientation of its climate change-related lending targets. Recently achieved levels of climate-related finance from the IDB are to be doubled – to 30% of the total by 2020 – to an average of US\$4bn per year. This is roughly in line with the recently committed reorientations of development finance to climate-related goals at the other multilaterals.

Table 1. Expansion of Climate Finance at Multilateral Development Banks

Institution	Increase in Climate Finance	Target: % of Portfolio	Absolute Amount	Timeframe
Asian Development Bank (ADB)	doubling	30%	US\$6 billion	By 2020
African Development Bank	tripling	40%		By 2020
European Bank of Reconstruction and Development (EBRD)		Approximately 40%		By 2020
European Investment Bank (EIB)		25% minimum of total lending in Europe; 35% minimum to developing world		Starting in 2020
World Bank Group (IBRD)	33% increase	Approximately 28%		By 2020
Inter-American Development Bank Group (IDBG)	doubling	30%	US\$ 4 billion	By 2020

Source: Ernesto Monter, Inter-American Development Bank, 2017.

Within the context of this expansion of lending and reorientation of finance to climate goals, the IDBG has been successful in accessing CF resources from numerous climate funds, as presented in Table 2.

Table 2.

Fund	CF Mobilized Since 2008 (US\$ Million)	Areas Benefited
Climate Investment Funds (CIF)	608	Forestry, sustainable energy
China Co-Financing Fund for LAC	391	Energy efficiency, renewable energy, financial markets, transportation
Green Climate Fund (GCF)	257	Geothermal energy, energy efficiency, capital markets (green bonds)
Canadian Climate Fund for the Private Sector in the Americas (C2F)	177	Sustainable energy
Global Environmental Facility (GEF)	137	Sustainable energy, transport, sustainable cities, climate change technologies
Norway International Climate and Forest Initiative	80	Forestry
Nordic Development Fund (NDF)	55	Circular economy, sustainable energy, ecological restoration, agroforestry, capacity building (including for local communities, indigenous and African descendant peoples)
Korea Infrastructure Development Co-Financing Facility (KIF)	33	Geothermal energy, capacity building
NAMA Facility	11	Sustainable energy (biomass)
International Climate Initiative (IKI)	5	Capital markets

Source: IDB, 2017.

The IDB has also engaged with a number of transportation-specific global initiatives. The most important include:

- **ITF Decarbonization Project:** a comprehensive project to help decision makers meet their objectives to decarbonize transport and help close gaps between commitments and delivery on climate change mitigation.
- **Sustainable Mobility for All (SuM4All):** a collective effort of the sustainable transport community to develop a common narrative and global tracking framework on sustainable transport.
- **Marrakech Partnership – Global Climate Agenda Transport Initiatives:** a partnership grouping of a range of multi-stakeholder-initiatives, developed to take action on transport and climate change. Collectively, the 15 participating initiatives, if widely supported by state-and non-state actors, and implemented at scale, can reduce the carbon footprint of an estimated half of all the passenger and freight trips made by 2025.

- **United Nations High Level Advisory Group on Sustainable Transport:** A strategic grouping of 15 high-level transport actors, both public and private) which was established by UN Secretary General in 2014 for a period of 3 years, and is supported by a Technical Working Group comprised of 50 organizations. This group is working with governments, transport providers, businesses, financial institutions, civil society and other stakeholders to promote sustainable transport systems and their integration into development strategies and policies, including in climate action. The group’s report was released in New York in October of 2016, and formed the basis for the first UN Global Conference on Sustainable Transport (Ashgabat, Nov. 26-27, 2016). Among their recommendations to the UN Secretary General are:
 - To develop a “**coalition or partnership network**...among the United Nations organizations and actors outside the UN system,” and
 - To establish monitoring and evaluation frameworks for transport.

Finally, the IDB itself has established a number of priorities for the decarbonization of the transport sector in Latin America and the Caribbean. These priorities include:

- **Support for large mass transit systems** (including buses, trams, metros and ferries)
- **Promotion of cleaner technologies** in transportation systems (e.g. clean buses)
- **Support for transportation demand management measures** dedicated to reducing GHG emissions (e.g. speed limits, high-occupancy vehicle lanes, parking management, and license plate auctioning); and supporting transit-oriented development
- **Enabling of planning to complement transportation systems** with green infrastructure, including the maximization of non-motorized transportation (e.g. pedestrian and bicycle space, bike-sharing).
- **Promotion of vehicle fuel efficiency** (through a shift to low-carbon fuel and more efficient vehicles).
- **Promotion of technology for vehicle sharing**, ride-hailing, and carpooling.
- **Support for multi-modal transportation systems** and the **promotion of a modal shift** of freight and passenger transportation from roads to railways and waterways, which have lower per-mile (or per-km) emissions.
- **Incorporation of adaptation criteria into infrastructure and operation**, taking climate scenarios into consideration to design climate-resilient infrastructure capable of withstanding more negative scenarios (e.g. bigger drains and higher bridges).