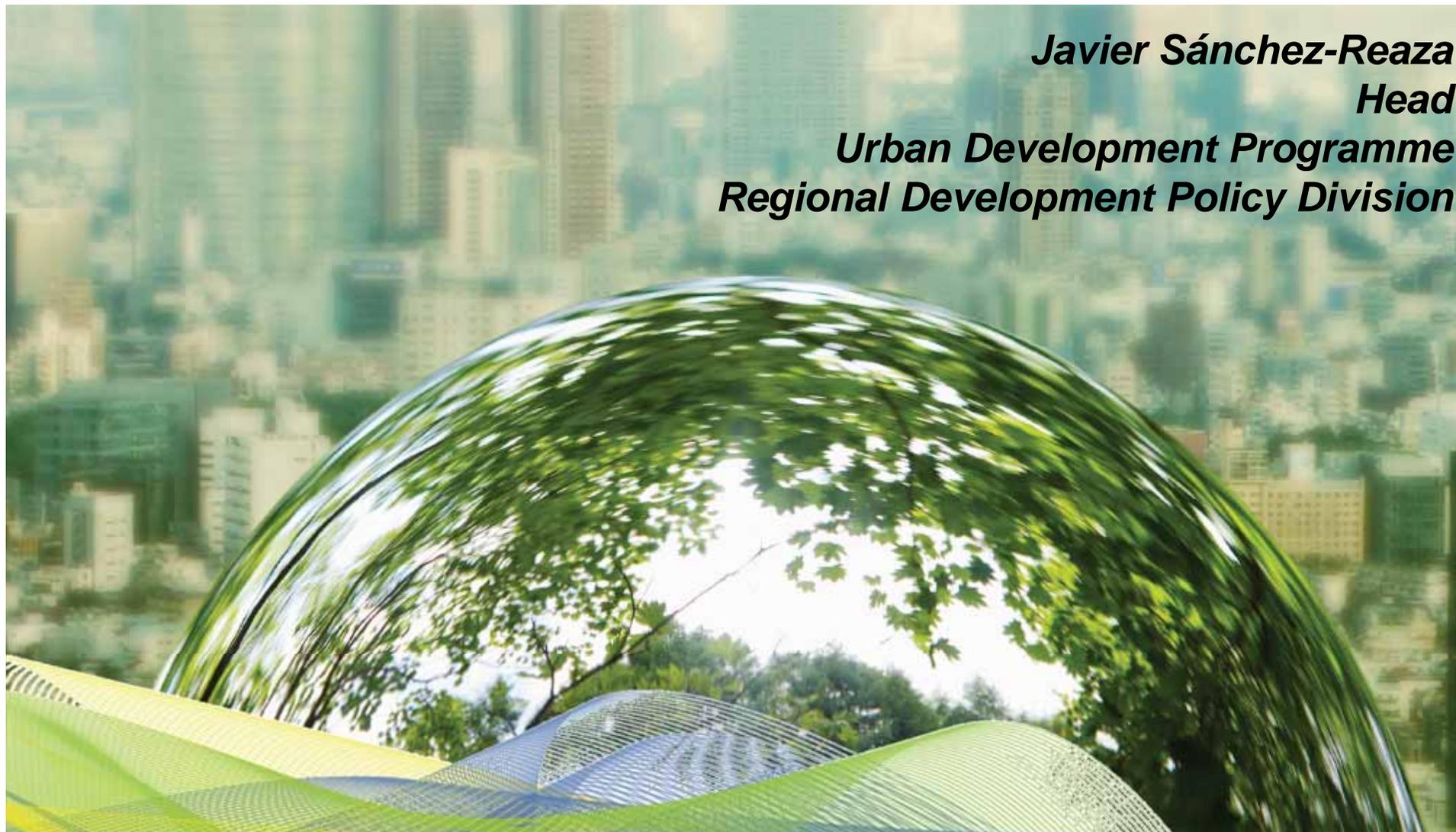




# Cities and Green Growth

*Javier Sánchez-Reaza*  
*Head*  
*Urban Development Programme*  
*Regional Development Policy Division*

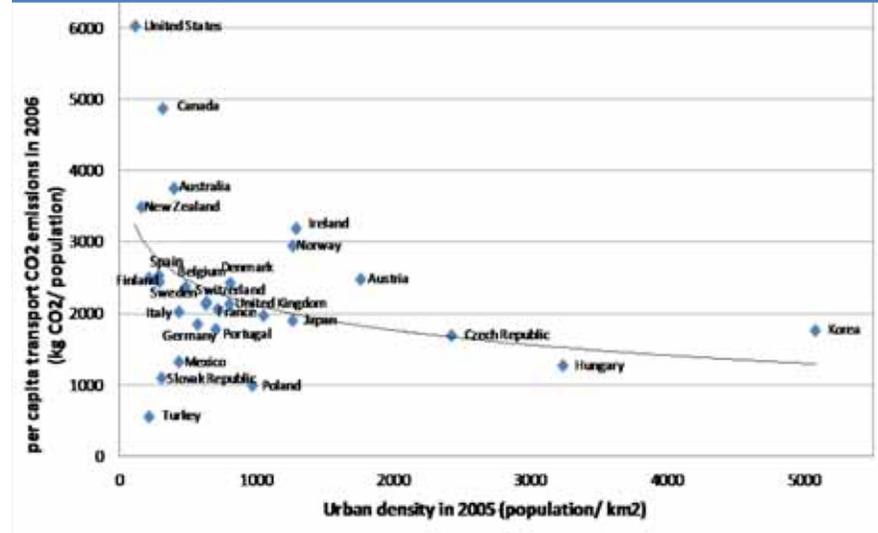


# The logic of city-scale action

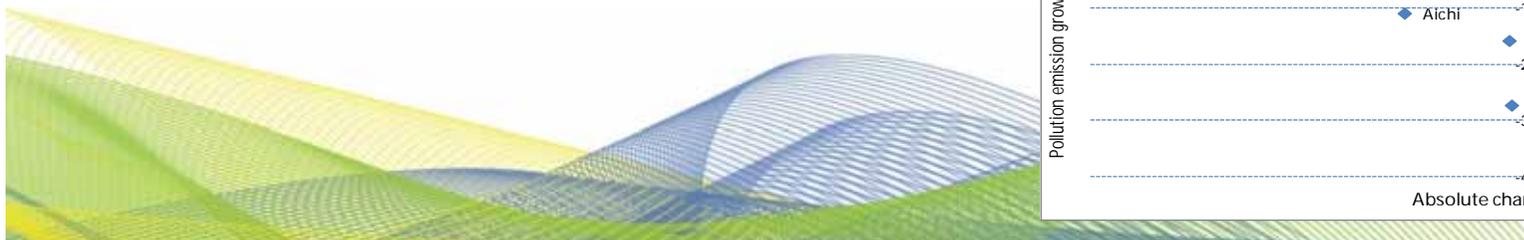
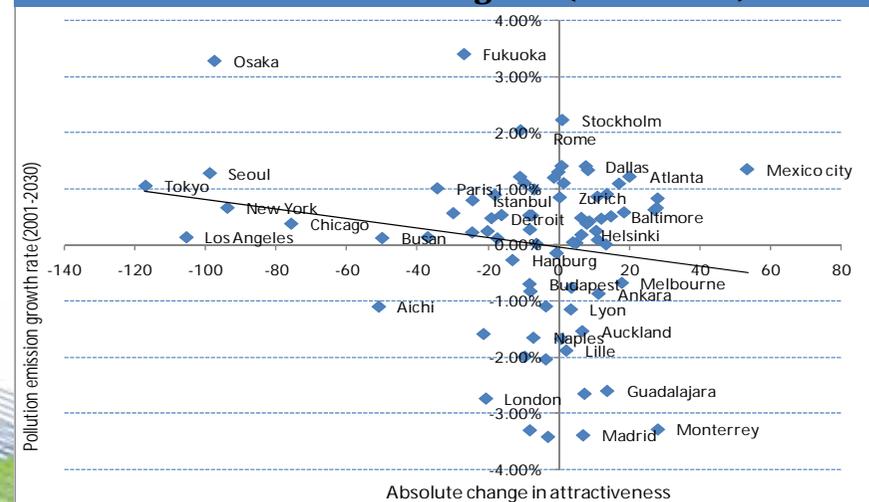
- ***Economic role of cities***  
(urbanisation and income)
- ***Negative externalities***  
(congestion, pollution, sprawl)
- ***Contribution to climate change***
- ***Vulnerability to climate change impacts***

➤ ***Opportunities for synergies and complementarities***  
(attractiveness)

**Correlation between per capita CO2 emissions in transport and density in predominantly urban areas**



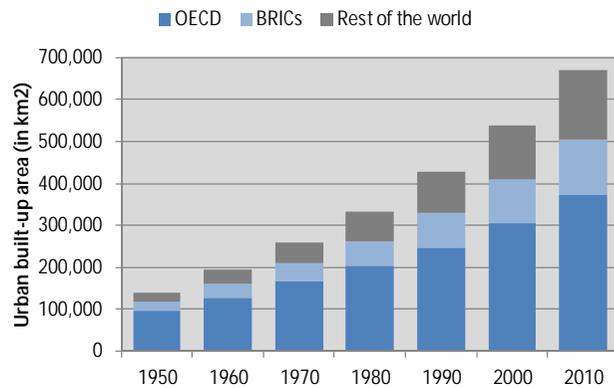
**Change in attractiveness and pollution emissions across OECD metro-regions (2001-2030)**



# However, the trend has been towards sprawl

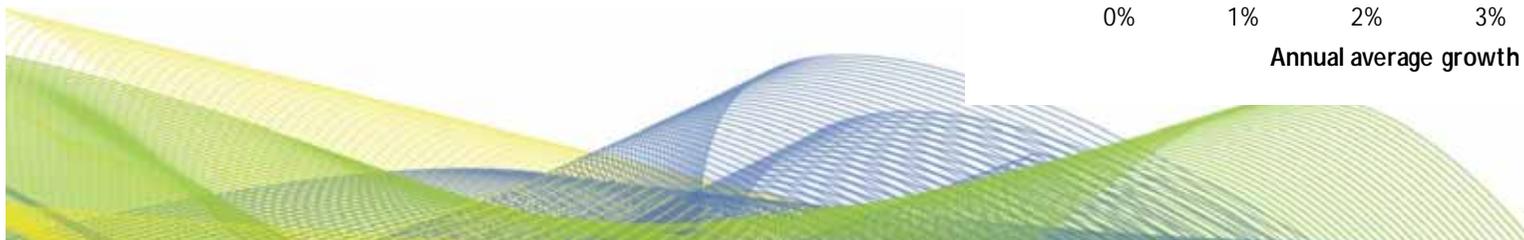
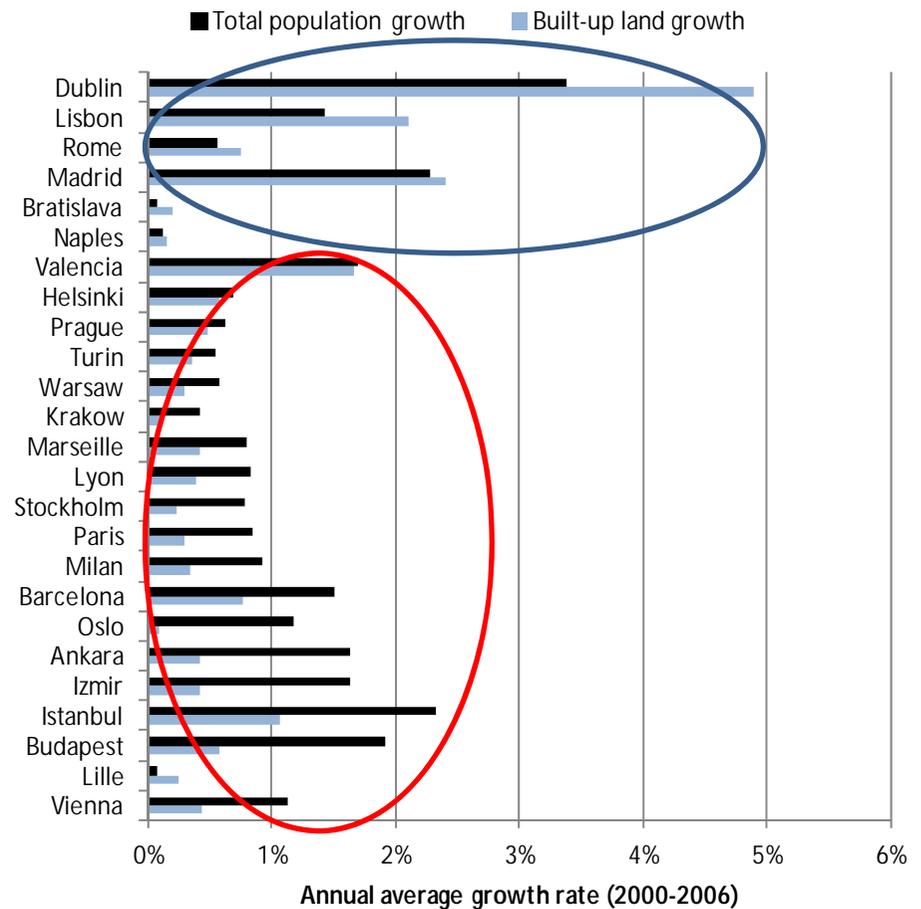
- Land consumption has increased more rapidly than the population growth in most OECD countries.

Changes in built-up area (1950-2010)

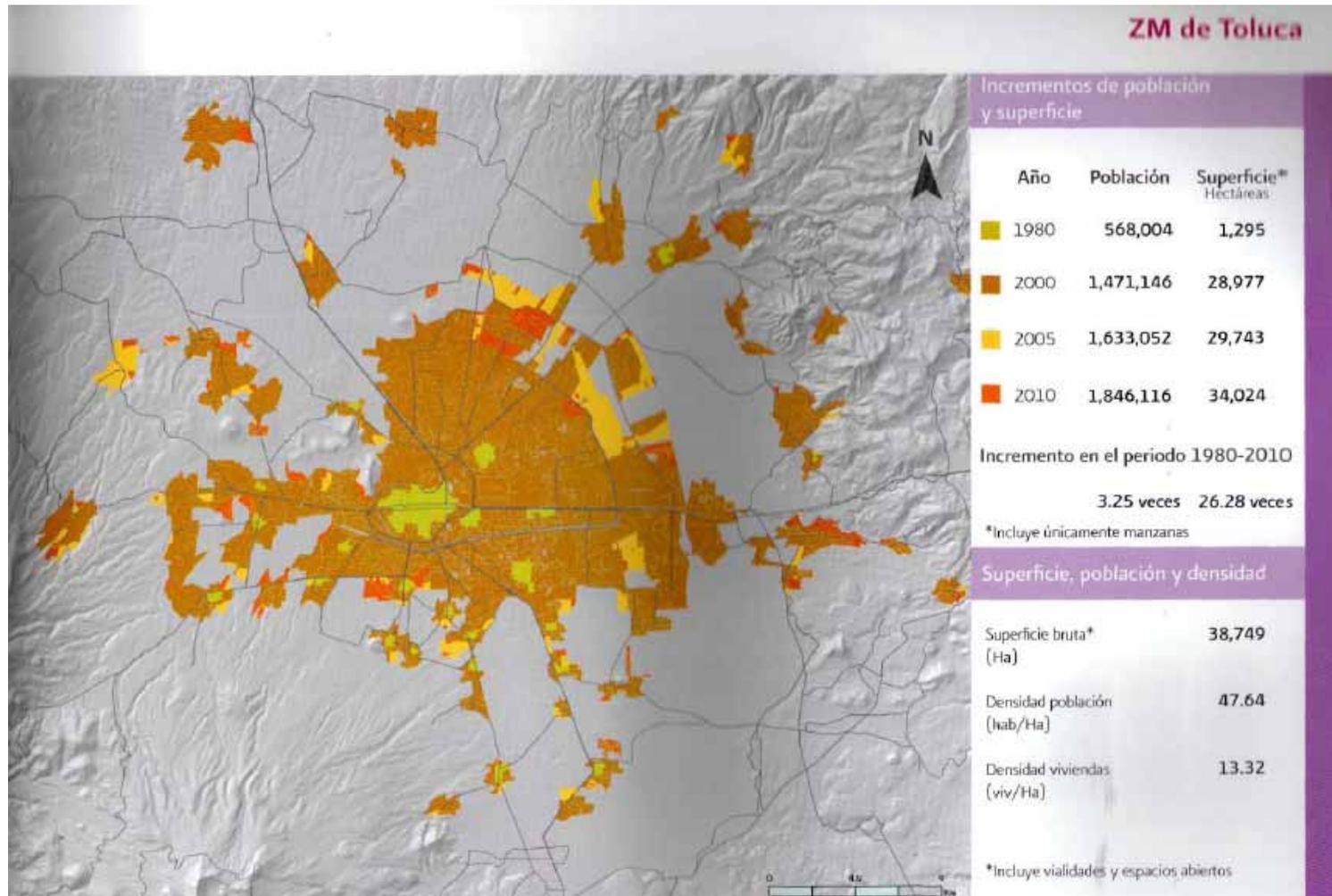


- There are cases of urban population growth that outpaces land consumption.

Population and built-up area growth rate in selected European regions (2000-06)



# This is a particular challenge for developing countries



81% of the growth of energy use will come from developing countries. The form they give to their cities now is crucial for determining the energy use.

# Green Cities' Case-Studies:

- Paris, France
- Chicago, USA
- Stockholm, Sweden
- Kitakyushu, Japan

# Reducing Urban Sprawl - International best practices

- **Preferential property tax rate for multiple dwellings** (Copenhagen; Sweden)
- **Two-rate property tax system** (Sydney, Hong Kong, Pittsburg, Denmark, Finland)
- **Special Area Tax**
- **Development fees**



**Ending the incentives to urban sprawl.** Property taxes and fees related to urban development can be reformed to incentivise compact development. But the rate structure must truly differentiate between desirable (compact, transit-oriented development) and undesirable (single-family auto-dependent sprawl) outcomes to be effective.

# Promoting public transportation and green mobility

## International best practices

- **Bus Rapid Transit BRP**  
(Curitiba, Bogotá Transmilenio, Mexico City Metro Bus)
- **Public Bicycle Services** (Paris, Lyon, Barcelona, Mexico City)

### Cultural Change

Marked better quality services and time savings gradually promote a cultural change in favour of public transportation and cleaner mobility. Linkages to other modal transportation are an important feature

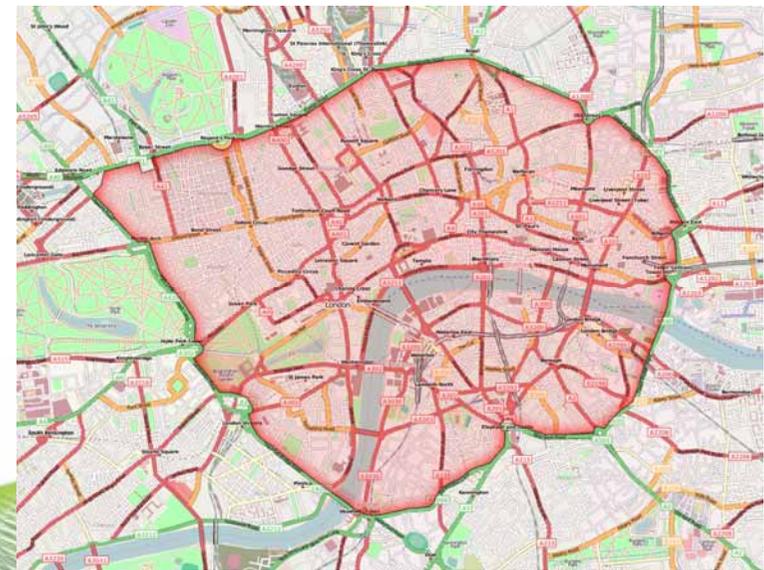


# Financing public transit

## International best practices

- **Value capture tax** (Hong Kong, Miami, Milan, Bogota)
- **Congestion charges** (Singapore, London, Stockholm, Milan)
- **High-occupancy toll lanes**
- **Parking charges and fees**

Transportation-related fees and taxes can also be used to fund public transit and create disincentives for auto use.



# Facilitating the development of green tech clusters

## International best practices

- **Paris Enterprise Region (France)**
- **Lahti Cleantech Cluster (Finland)**
- **i6 Green Challenge Programme (US)**



Tax incentives and funding for green tech industrial zones and incubators drive entrepreneurship, innovation and commercialisation



# Increasing demand for green tech firms' products

## International best practices

- **Helsinki public procurement centre (Finland)**
- **Hamburg hydrogen fuel buses (Germany, Spain, UK)**
- **Calgary's renewable energy purchasing (Canada)**
- **Public-private-partnerships**



City governments can green regional growth by the purchase of or the investment in construction, transportation, ICT, renewable energy, etc.

