

Collaboration to Promote Climate Friendly Development

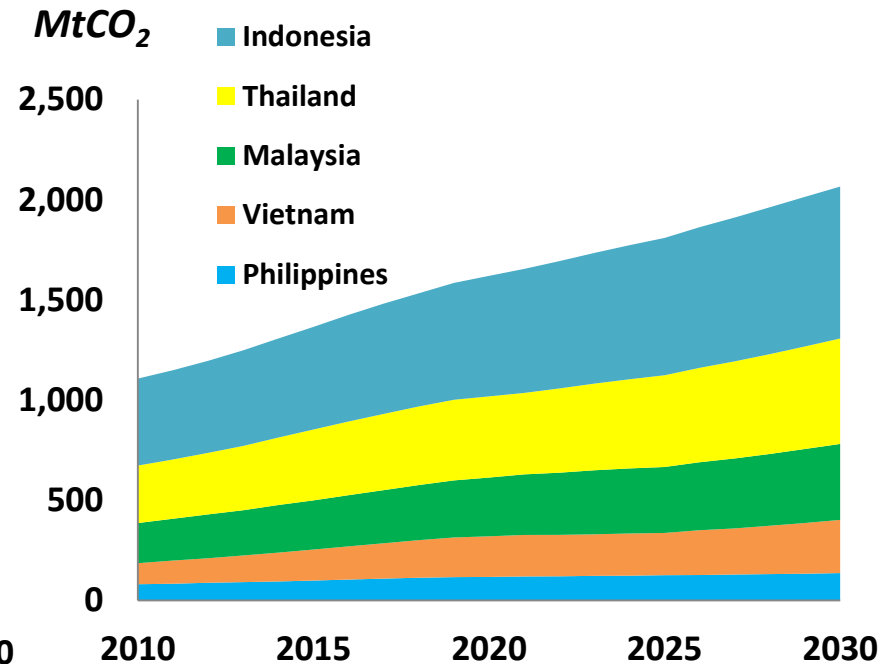
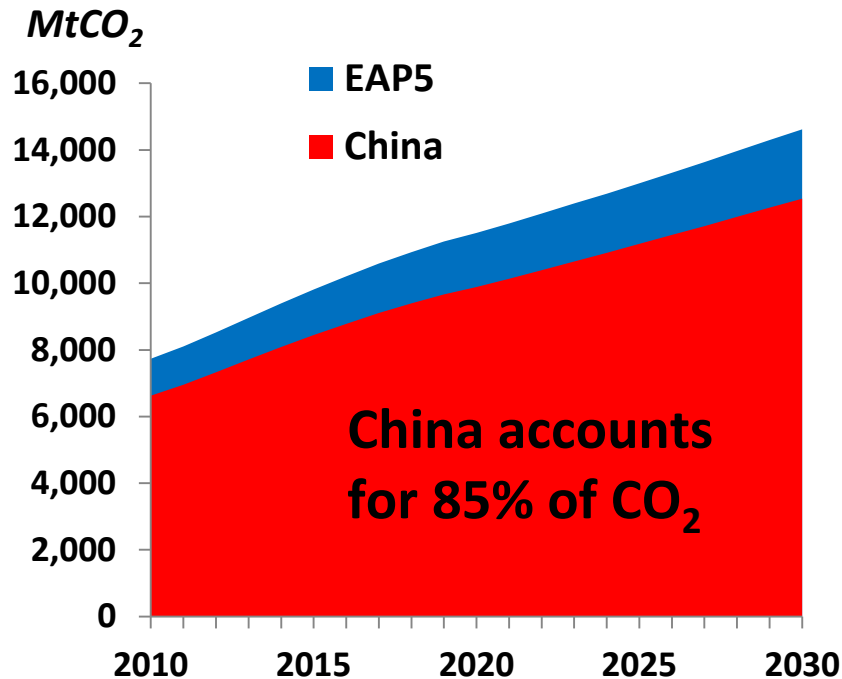
N. Vijay Jagannathan
Secretary General CITYNET

Outline

- Lessons Learned so Far
- Is there a New Paradigm?
- Priorities and Opportunities

Rapid Increase in Carbon Emissions is focusing attention on Financing Strategies

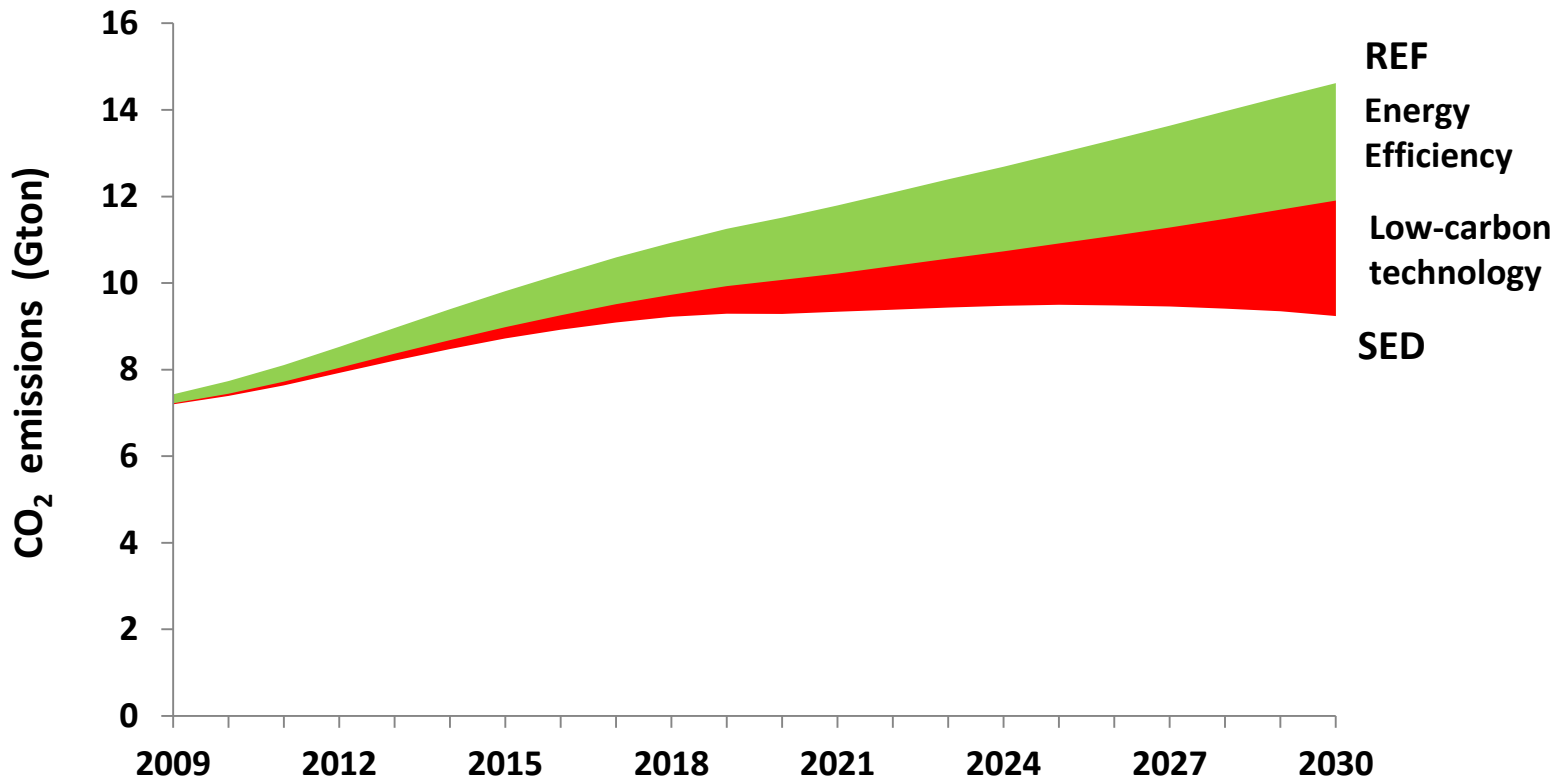
CO₂ emissions will double for all countries by 2030



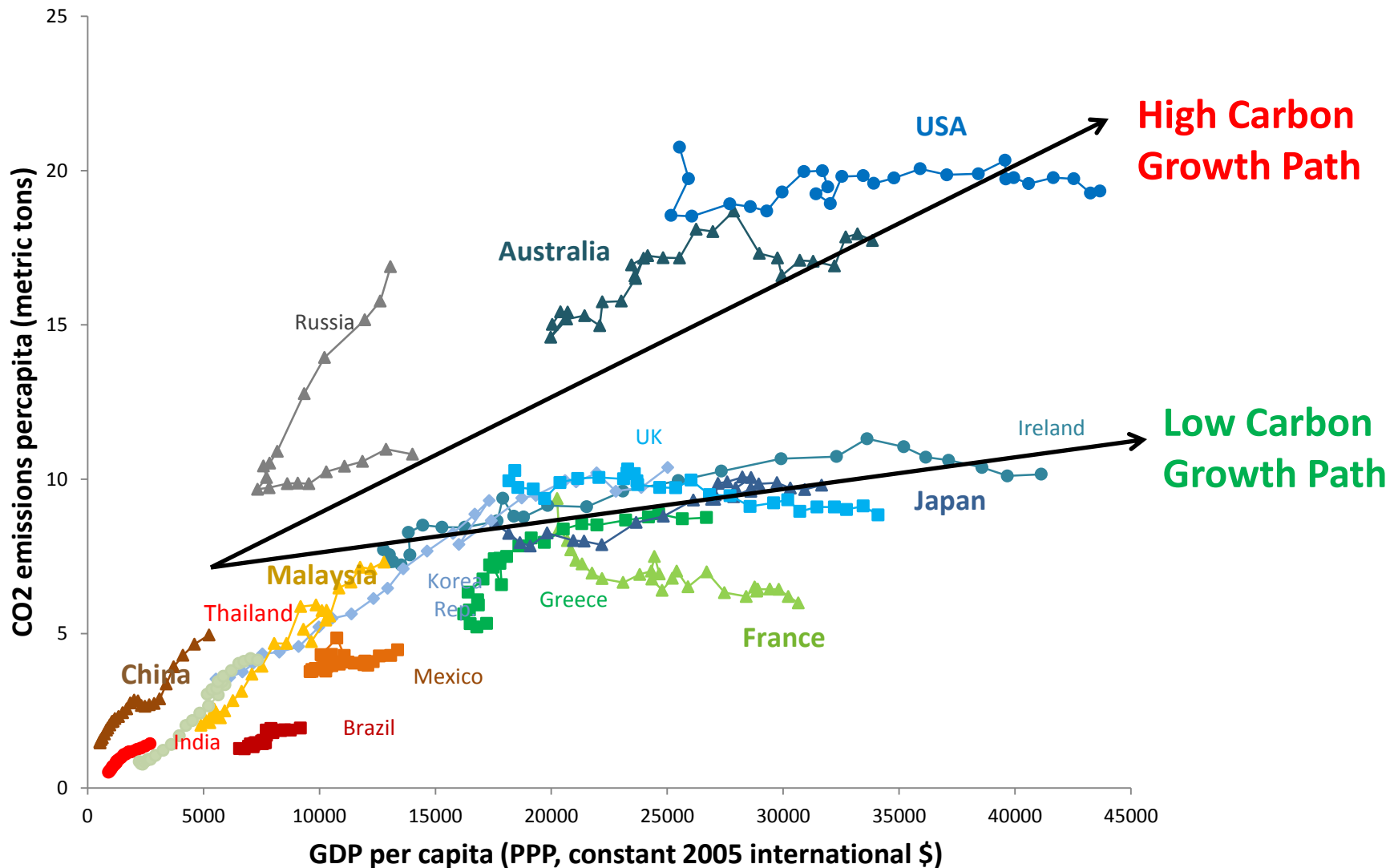
Local air pollutants will also double by 2030

Technologies that abate Carbon are Costly + Have Upfront Costs

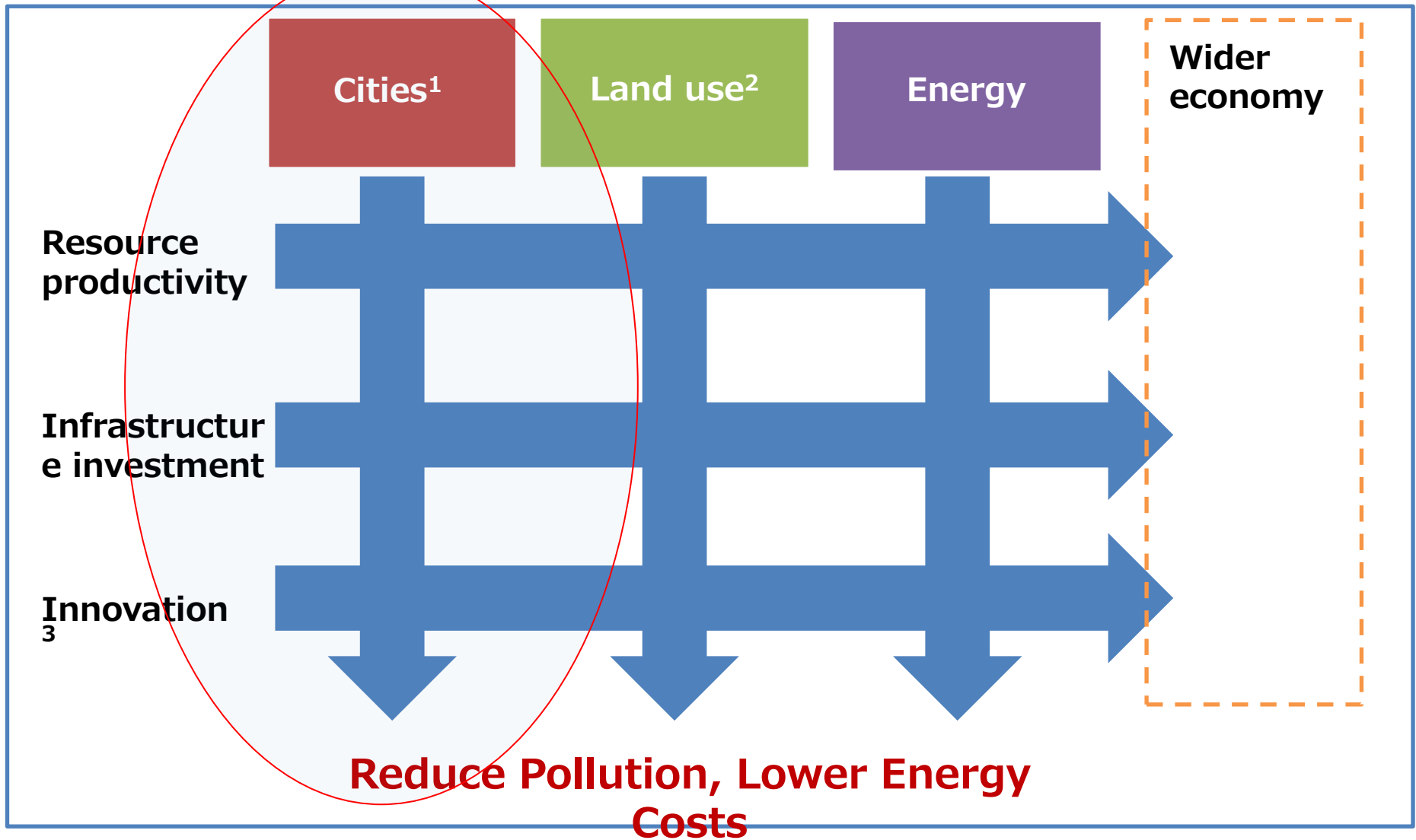
- Energy efficiency makes the largest contribution
- Major expansion of low-carbon technologies also needed



Cities have incentives to join Low Carbon Pathways because of **Pollution + Congestion**



Co-benefits is a Significant Part of the Narrative



1 Includes urban transport

2 Includes forests

3 Includes economy-wide innovation

Local Air/Water Pollution have Global Consequences



- Growing middle class aspires for better infrastructural services
- The urban poor demand improved living standards

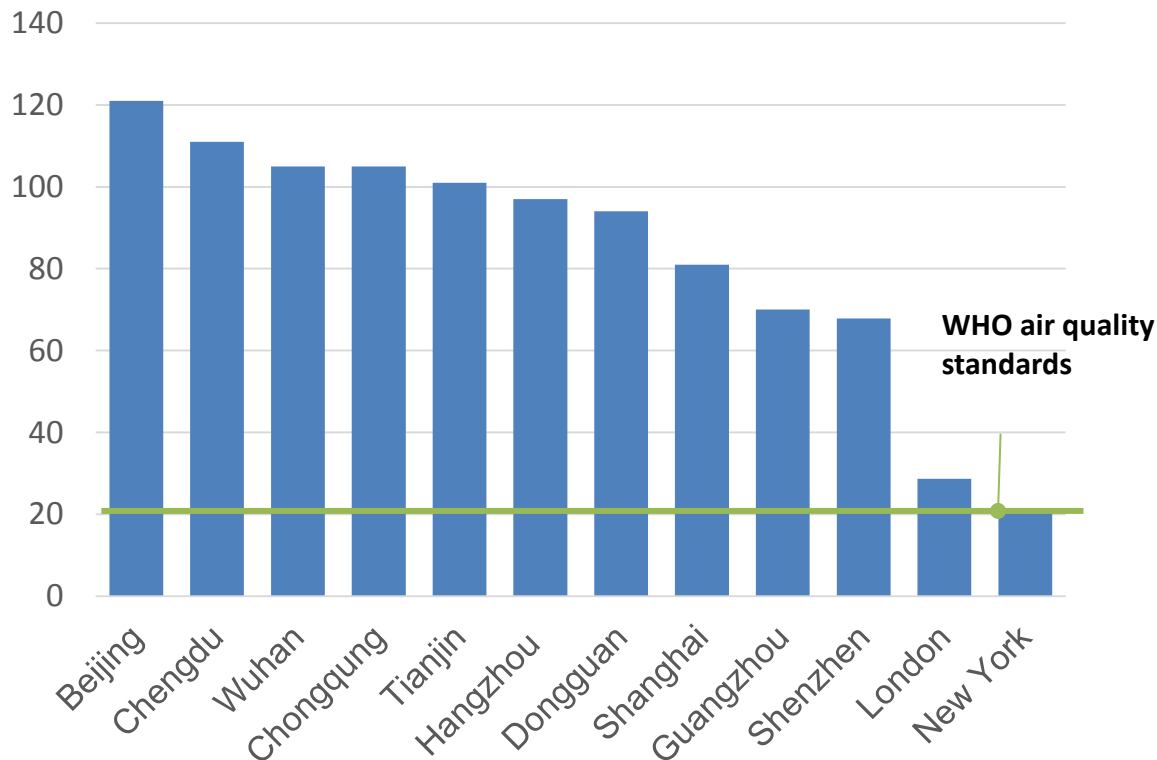
The Good News

- Technology to tackle local air pollution also leads to GHG abatement
- Improved Water Management also insures against natural disasters

Pollution Symbolizes Governance Failures

Particulate matter concentrations in air for selected cities

Annual mean PM10 $\mu\text{g}/\text{m}^3$



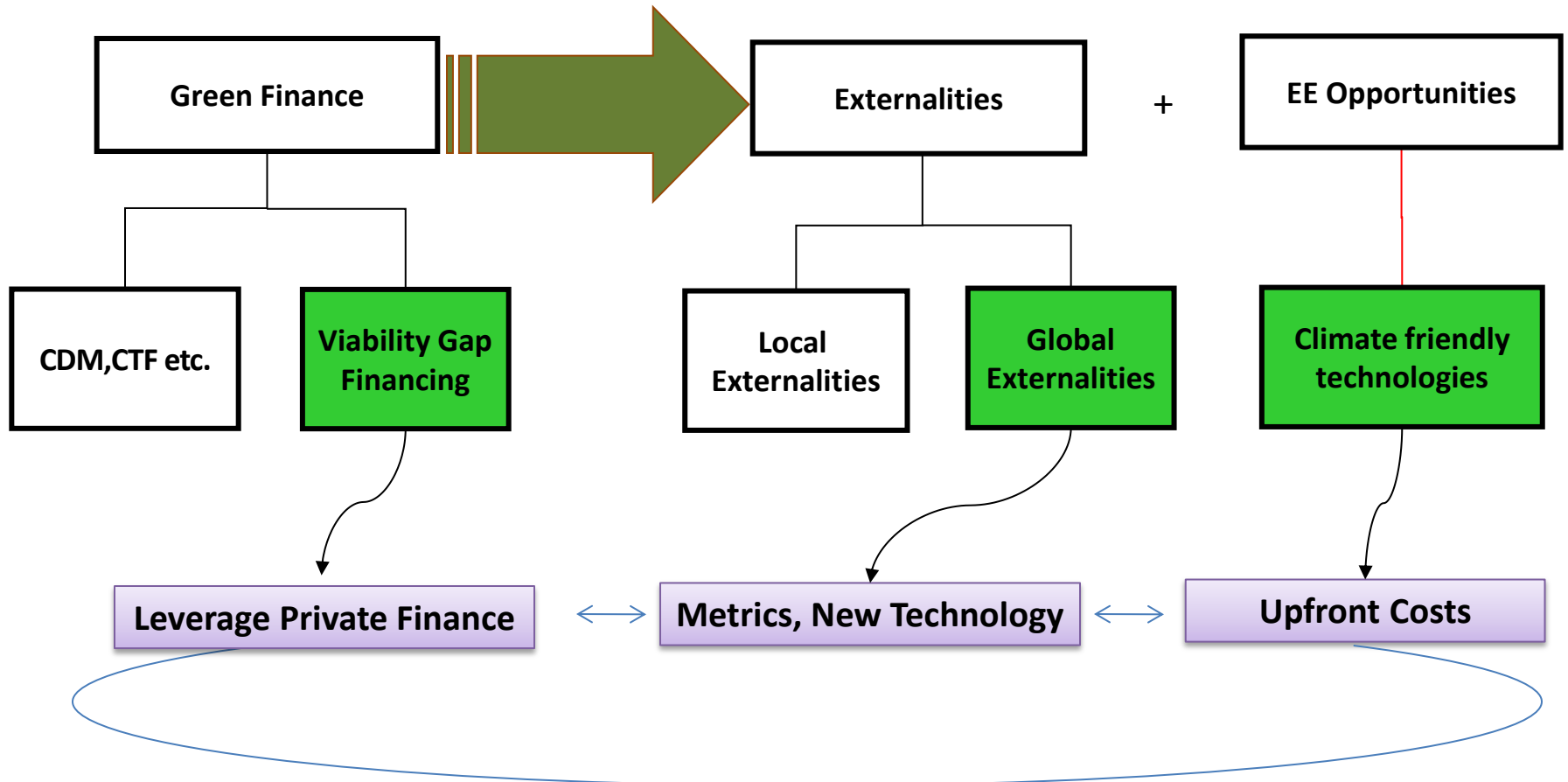
Chinese PM: “Nature’s red-light warning against inefficient and blind development”

Indian PM: “We need more Governance and Less Government

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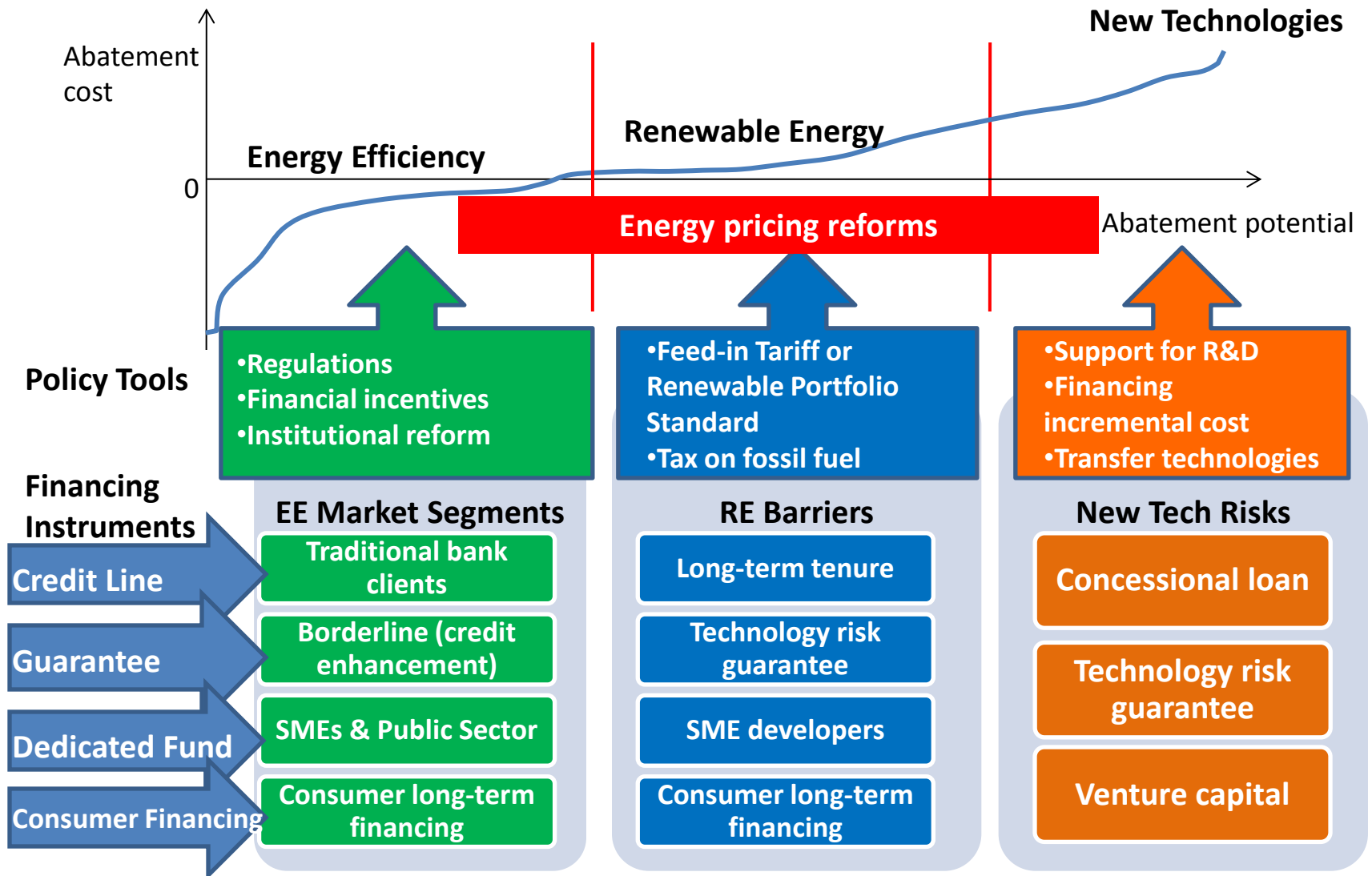
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The Analytical Framework



Policy Tools → Technology Maturity and Costs

Financing Instruments Tailored to Market Segments and Barriers



New Model of Urban Development: The NCE View

Compact urban growth

Managed expansion, mixed-use urban form, good quality urban design

Connected infrastructure

Smarter transport systems, smarter utilities, smart grids

Coordinated governance

Integrated land use and transport authorities, integrated planning, PPPs

Strategic planning
and regulatory
reform

Subsidy reform
and new pricing
mechanisms

New financing
mechanisms

Effective and accountable
institutions

Invest in Smart Planning

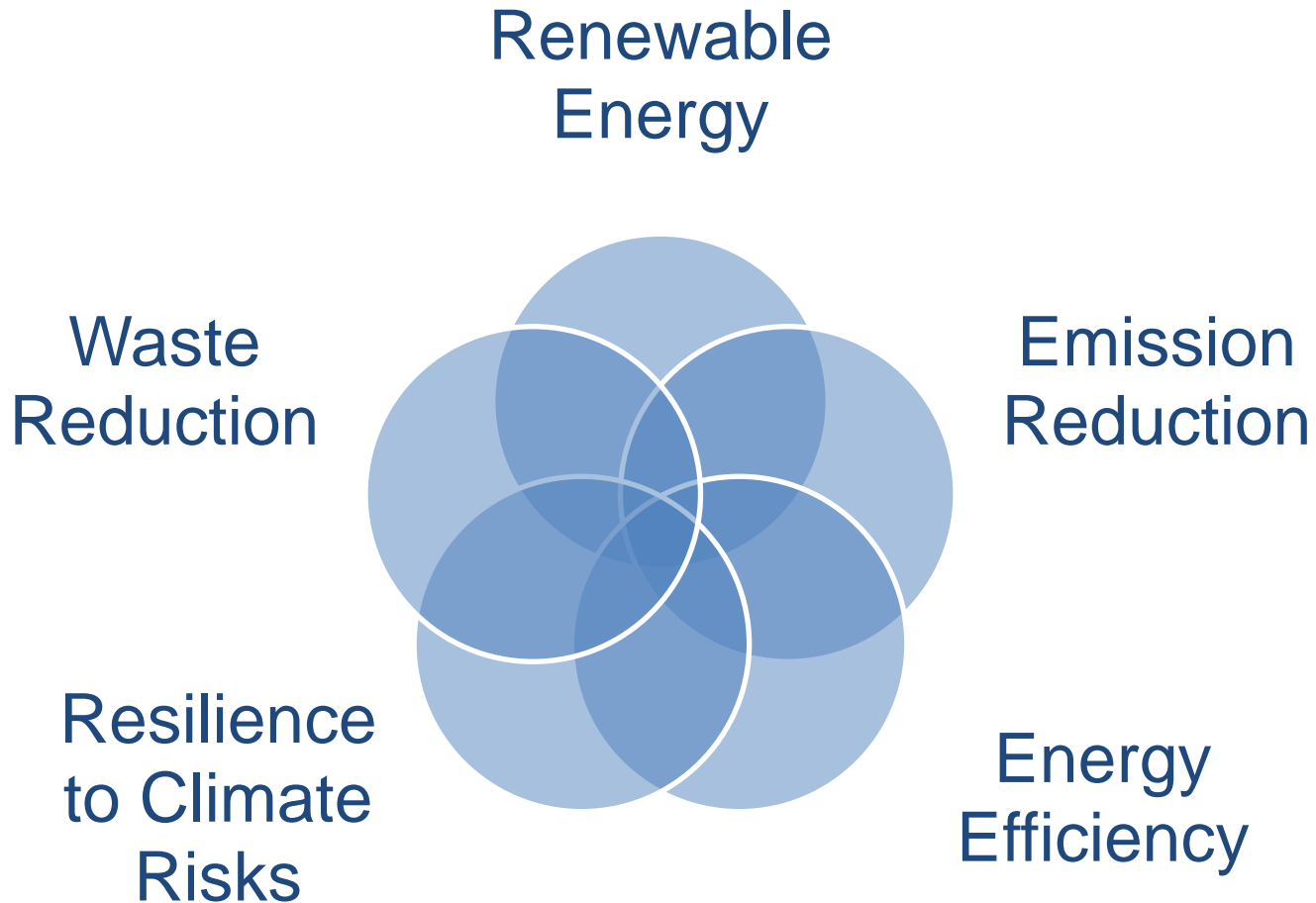


- From Moving Cars to Moving People Efficiently
- Re-develop Brownfield sites to Compact Low Carbon Cities
- Build PPPs

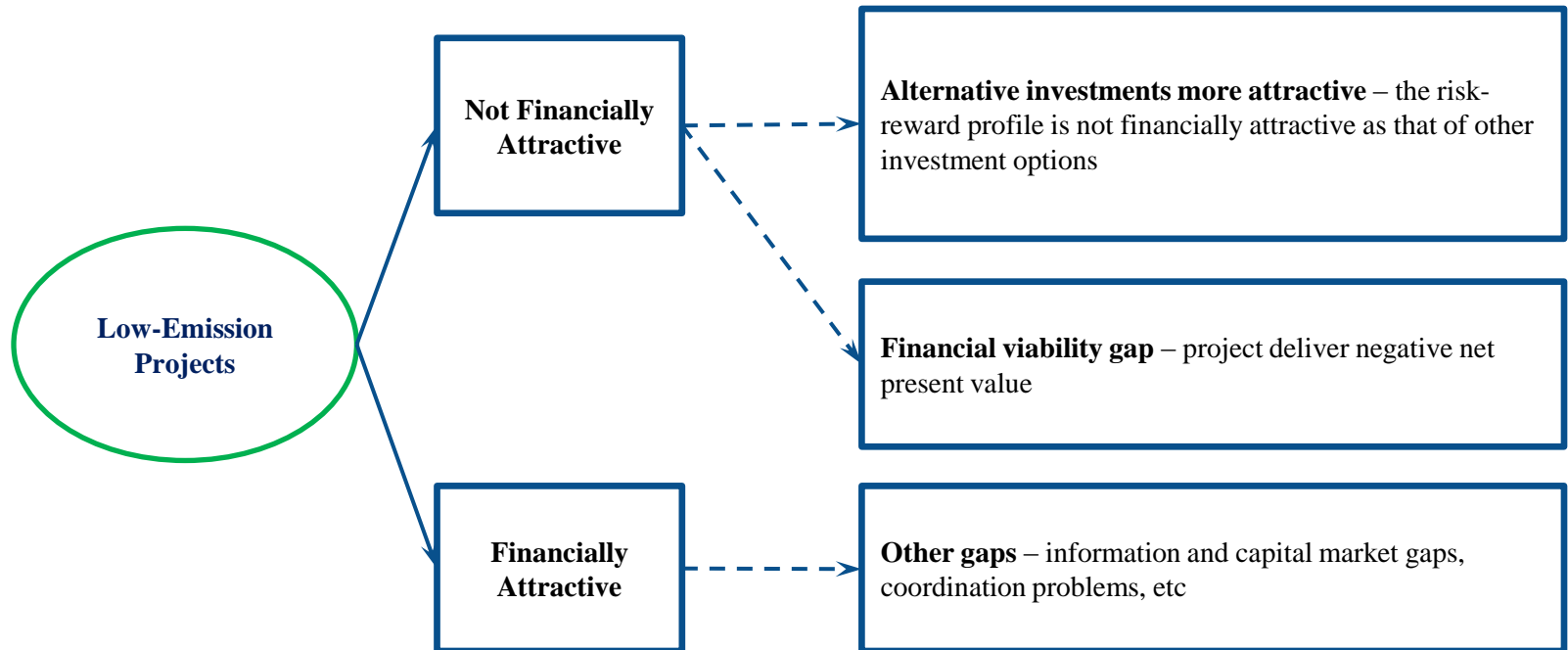
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Focus on Reducing Costs and Risks to Citizens



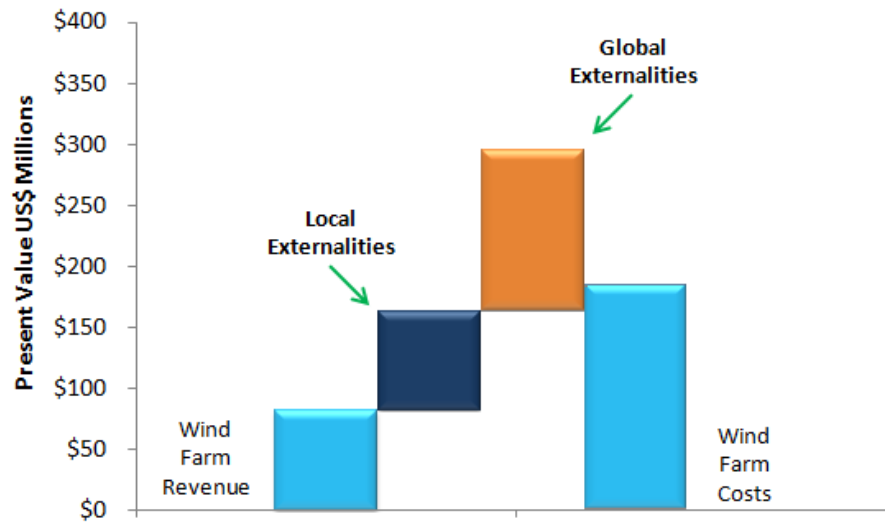
With Support from Green Finance



So that short term Viability Gaps are bridged

The goal of Green Finance's is to bridge the financing gap and improve the attractiveness of low emission investments

- Rebalancing distortions
- Monetizing the externalities benefits



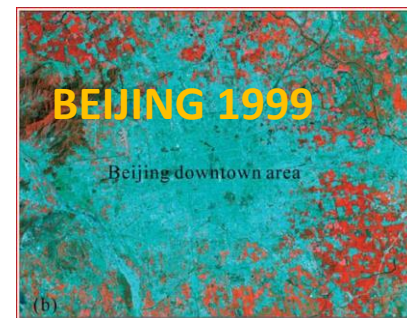
Build in Objective Metrics

- Validate outcomes or observed changes in GHG Emissions, along with long term “lock-in” trends:



By current energy users throughout the economy

Construction practices and urban sprawl monitoring



Set Indicators to Measure Performance

Why/ What?

- Local governments respond directly to indicators
- Identify appropriate carbon intensity indicators
- Include indicators in local government performance evaluations

Examples of Possible Indicators:

- **Carbon Emissions:** Emissions/ capita, emission intensity
- **Energy:** Energy consumption/capita, share of renewable energy
- **Green Buildings:** Energy consumption per m2 in commercial and residential buildings
- **Sustainable Transport:** Share of green transport mode trips
- **Smart Urban Form:** Population density and mixed land use

Summing Up: Link Finance to Sustainable Outcomes



Resilient

Sustainable Management of
Existing & Future Risks

Vulnerable Populations
adequately safeguarded

Prepared for Cascading Failures