

PRESS RELEASE

Joint Statement by the Multilateral Development Banks on Sustainable Transport and Climate Change

December 2, 2015



MDBs Join Forces to Ramp up Climate Action in Transport

We, the group of eight multilateral development banks (MDBs),^[1] commit to supporting countries implementing sustainable transport solutions. We will do so by providing critically needed financial and technical support to assist countries in responding to rising aspirations for greater mobility and connectivity, in a sustainable way. This will include stimulating and supporting **increased global climate action** through transport.

We believe that **climate change** is a defining challenge of our time. Actions to reduce greenhouse gas (GHG) emissions and stabilize warming at 2 degree Celsius will fall short if they do not include the transport sector. Reversing the trend in emissions growth will require action on mitigation to decouple GDP growth from GHG emissions. Action is also needed to adapt transport systems to better withstand the impacts of climate change—access to safe and reliable transport services is woven into the fabric of economies and communities so natural disasters and other climate related service disruptions can have drastic consequences.

To date, over 160^[2] Parties to the United Nations Framework Convention on Climate Change have expressed their intention to take enhanced action on climate mitigation and adaptation through national plans or **Intended Nationally-determined Contributions** (INDCs). Many INDCs highlight the need for investment in sustainable transport systems and services to support the transition towards low-carbon and climate-resilient growth.

At the United Nations Rio+20 Conference on Sustainable Development in 2012, our eight MDBs committed to invest in more sustainable transport in developing countries. We are on track to meet our pledge of **\$175**

billion of loans and grants for more sustainable transport in developing countries by 2022—with **\$65 billion** committed so far. We have also developed common arrangements for measuring and monitoring our support for sustainable transport—with our third joint annual progress report published this week.[3]

Going forward, we recognize the need to integrate climate change considerations into transport planning, design and investment, and support action that embraces climate mitigation and adaptation with both public and private sector across all transport modes. We also expect to take part in the process of deciding on indicators to be used for tracking progress on the transport-relevant **Sustainable Development Goals**.

Climate Finance[4]

In 2015, the MDBs committed to significantly ramp up climate finance for adaptation and mitigation by 2020, and transport is expected to play a key role.[5]

With the aim to increase transparency of climate finance flows and to better coordinate and improve support to countries adapting to and mitigating climate change, the MDBs have developed a harmonized approach to **track climate finance flows**. Over 2011-14, when we began jointly tracking climate finance flows, we have delivered over US\$100 billion in financing for climate action in developing and emerging countries.[6] This includes \$19 billion for adaptation and mitigation in the transport sector.

Low-carbon Transport Solutions

We will accelerate our efforts to increase the sustainability of existing and new transport systems. There are significant opportunities to shift policies and investments through public transport system design, vehicle efficiency improvement, demand management, regional development policies, and land-use planning.

To improve transparency on the climate impacts of our investments, we have now agreed on joint **principles for GHG accounting** in transport, and will continue to work towards harmonizing our approaches for estimating GHG emissions.

More Action on Adaptation

We recognize the importance of improving the **climate resilience of transport systems**. We commit to building awareness of the need to protect transport services so that they can continue to deliver social and economic benefits under current and future climate change scenarios. We will work towards building a more systematic approach to mainstreaming climate resilience in transport policies, plans and investments through developing improved tools and methodologies, capacity building and project financing. To this end, we have been working with other international financial institutions to **screen** potential climate risks in our project pipelines.

The case for climate action has never been stronger. We are committed to work with the **UN Secretary-General's High-level Advisory Group on Sustainable Transport** and the international community to continue making sustainable transport a priority sectoral focus for climate action.

[1] African Development Bank, Asian Development Bank, CAF–Development Bank of Latin America, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, Islamic Development Bank, and the World Bank.

[2] As of November 19, 2015. See: http://unfccc.int/focus/indc_portal/items/8766.php

[3] See [Progress Report \(2014-15\) of the MDB Working Group on Sustainable Transport](#).

[4] With respect to climate finance the MDBs referred to are African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, and the World Bank Group.

[5] See [Joint MDB statement on Climate Finance](#).

[6] See [2014 Joint Report on Multilateral Development Banks' Climate Finance](#).