



## Report of the International Expert Workshop “Climate Finance for Sustainable Transport”

Pre-Event to ADB Transport Forum

Manila, September 14<sup>th</sup> 2014

#### **Background Information on the TRANSfer Project**

The TRANSfer project is run by GIZ and funded by the International Climate Initiative of the German Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB). Its objective is to support developing countries to develop and implement climate change mitigation strategies in the transport sector as „Nationally Appropriate Mitigation Actions“ (NAMAs).

For more information see: <http://www.transferproject.org>

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## 1 Aim and background of the workshop

This report documents the proceedings of a workshop held in Manila on 14 September, 2014. This workshop was held under the auspices of the German Agency for International Cooperation, the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, as part of the **Towards Climate-Friendly Transport Technologies and Measures (TRANSfer) project**. TRANSfer is a project of GIZ funded by the International Climate Initiative of the German Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB).

The objective of the TRANSfer project is to support developing countries develop and implement climate change mitigation strategies in the transport sector in the form of ***Nationally Appropriate Mitigation Actions (NAMAs)***.

### Box 1 - Nationally Appropriate Mitigation Action (NAMA)

NAMA refers to a set of policies and actions that countries undertake as part of a commitment to reduce greenhouse gas emissions. The term recognizes that different countries may take different nationally appropriate action on the basis of equity and in accordance with common but differentiated responsibilities and respective capabilities. It also emphasizes financial assistance from developed countries to developing countries to reduce emissions.

Source: [http://en.wikipedia.org/wiki/Nationally\\_Appropriate\\_Mitigation\\_Action](http://en.wikipedia.org/wiki/Nationally_Appropriate_Mitigation_Action)

The project follows a multi-level approach (see Figure 1):

- At the country level, it supports selected partner countries in developing and implementing NAMAs in the transport sector. The NAMAs supported by the project cover a variety of approaches in Indonesia, South Africa, Peru and Colombia.
- At the international level, it is closely linked to the UNFCCC process, and the project facilitates the learning process on transport NAMAs by organising events, trainings, and facilitating expert groups; including two international expert groups, one on Monitoring, Reporting, and Verification (MRV) of NAMAs and another one on Climate Finance for Sustainable Transport, that was launched during the workshop in Manila (see Figure 2).

Figure 1 - The TRANSfer Project

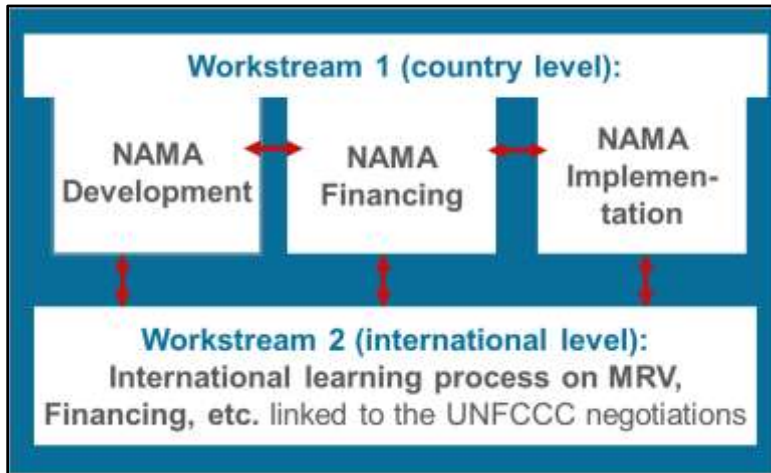


Figure 2 - Work-stream 2: International Learning on Transport NAMAs



The activities at the country and international level are related and designed to be mutually reinforcing. While specific country experience is brought to the international stage (bottom-up) to facilitate appropriate consideration of transport sector specifics in the climate change regime, recent developments in the climate change discussions are fed into the work in the partner countries (top-down).

One of the challenges in implementing NAMAs and other measures to accelerate a shift to low carbon transport is access to adequate financing. In 2009, industrialised countries committed to providing USD 100 billion/year in climate finance, from 2020 onwards, to developing countries. The term “international climate finance”(CF) is used to describe public and private funds available to developing countries for implementing activities which lower GHG emissions, including NAMAs as well as help countries adapt to climate change. There are multiple channels for international public climate finance; some are under the United Nations Framework Convention on Climate Change (UNFCCC), such as the Global Environment Facility, while others are not, such as the Climate Investment Funds and the German International Climate Initiative.

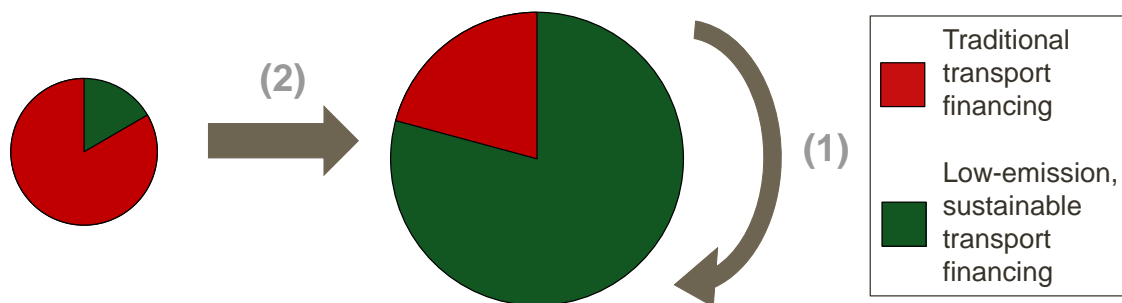
Global capital expenditures in the transport sector are estimated to be between 1.4 and 2.1 trillion USD per year<sup>1</sup>; however, investment needs to meet the rapidly growing demand for transport services, especially in the developing world are much higher and are expected to continue to grow. **Climate finance only has the potential to cover a very small portion of these investments.** The reported less than two billion USD transport related climate finance is very limited compared to yearly global capital expenditures in transport.<sup>2</sup> One of the key concerns is therefore how to shift the main sources of transport funding towards low carbon transport, and make the best use of all available funds, including funds available specifically for climate finance, to accomplish such a shift.

As part of its Workstream 2, the TRANSfer project has therefore created an interdisciplinary Expert Group composed initially of around 15 experts drawn from the fields of sustainable transport, climate finance, and transport finance.

The overall objective of the Expert Group process is to ensure that climate finance is increasingly used to accelerate the scaling up of sustainable transport in an effective way to realize the large greenhouse gas (GHG) emission reduction potential in the sector. Doing this requires an increased mutual understanding and cooperation among actors active in the areas of climate and transport finance. The TRANSfer project targets actors in both the transport and climate finance arenas and aims to realize its overall objective by:

- a. **Improving the understanding of transport finance** (along different types of sustainable transport measures/mitigation actions) of both sustainable and unsustainable forms of transport in order to derive recommendations how climate finance can be used most effectively;
- b. **Identifying the entry points for climate finance that may trigger a shift** of unsustainable transport investments to sustainable transport and thus helping to **upscale mitigation efforts** by leveraging public and private investments;
- c. **Identifying and making use of ways to address climate finance experts and institutions** and the transport community and disseminating the outputs of (a) and (b).

The **key question** for this Expert Group is:



- How can climate finance be used to
  - (1) shift traditional transport financing to low-emission, sustainable transport and
  - (2) to mobilize additional financing including from the private sector for low-emission, sustainable transport
- How to structure climate funds (such as the Green Climate Fund) to make them work for sustainable transport

<sup>1</sup>Lefevre, Benoit, David Leipziger. *Accessing Climate Finance for Sustainable Transport: A Practical Overview (Technical Document #5)*, January 2014

<sup>2</sup> Sakamoto, Ko, Stefan Belka, Dr. Gerhard P. Metchies. *Financing Sustainable Urban Transport, Module 1f*. July 2010

:

It is expected that the international expert process will last for approximately 1.5 – 2 years.

The Expert Workshop held in Manila on 14 September 2014 was the first formal meeting of the interdisciplinary Expert Group. For a list of the participants in the meeting see Annex 1. The **objectives of the workshop** were to:

- Review initial results of the background study on transport and climate financing undertaken by Cambridge Systematics;
- Develop initial recommendations for (i) using climate finance to leverage investments required to realize sustainable transport and (ii) how to structure international climate funds in a way that takes into account specific requirements of the transport sector;
- Suggest key outreach messages on transport and climate financing as well as key target groups for outreach and best channels to reach these groups; and
- Reach consensus on the work plan for the Expert Group and subsequent steps.



## 2 Workshop structure and outcomes

The Workshop structure consisted of a mix of background presentations on the TRANSfer project, by Andre Eckermann and the Climate Finance Expert group by Laura Wuertenberger; presentation of initial results of the Climate Finance study by Cambridge Systematics and interactive discussions by the Expert Group on the future of Climate Finance for Low Carbon Transport.

The workshop kicked off with an introduction by the participants in which they were also asked to state their expectations from the workshop. There was a broad consensus among the participants on the need for transformative or “out-of-the-box” thinking on the possible role of climate finance in promoting low carbon transport. Likewise, the participants agreed that the meeting should not focus its attention on stating the obvious that “climate finance has not worked for transport”.

The discussions in the Manila workshop were divided into two sessions, a morning session and an afternoon session (see Annex 1 for the list of participants and Annex 2 for the workshop program). The morning session looked at best practices and challenges in using climate finance for transport. The afternoon session focused on what role climate finance could play in leveraging other sources of finance with the goal of increasing the flow of funds to low carbon transport, and on key messages, regarding transport and climate finance and on how to structure climate funds, to include in a “policy brief” for decision makers.

### 2.1 Good practices in using climate finance

The format of this session was as follows. The moderator asked each expert to write down examples of “good practices” and “challenges” of using climate finance for low-carbon transport on cards. These cards were then stuck on a board. Once everyone had written down their “good practices” the moderator asked each expert to explain what they meant by each of the “good practices” they had written down and why they thought it was a “good practice.” This same procedure was repeated for the “challenges” in using climate finance for low-carbon transport to arrive at a list of “challenges.”

The list of “good practices” and examples with interesting lessons for the use of climate finance included:

- Supporting the development of **policy and programmatic approaches** (rather than financing projects).
- Stimulating **greater awareness** of low carbon transport options (by, for example, engaging in demonstration projects, or developing materials to highlight the emission reduction and other benefits resulting from implementing low carbon transport).
- Funding **capacity development at agencies responsible for planning and implementing** transportation projects. This is seen as a good way to leverage limited climate finance funds as often the project preparation is not as strong as it could be in developing countries, leading to less successful low carbon projects. The failure of such projects often becomes an excuse for not investing in similar, or other low carbon projects.
- Supporting the **measurement of emissions** through the development of a range of tools. Measuring emissions and emission reductions from investing in low carbon projects is an important element in creating awareness about the problems of emissions resulting from the functioning of the transport sector, and the potential benefits to be had from investing in low carbon transport.
- Facilitating taking more **risks** than what would normally be considered acceptable in a market setting, by taking away some of the risks that are the least acceptable to private investors.
- Financing transit (public transport) projects by capturing a portion of the increased value of housing and commercial real estate land around stations.



- Offering **differential interest rates** based on different policy objectives.
- Financing **demonstration projects** as a way to build experience and demonstrate the feasibility of untried concepts and technologies (this helps to reduce risks in the eyes of investors and makes a project more attractive).
- Supporting the development of simple **sketch tools** for measuring effects of transport projects.
- Requiring transport projects to be climate relevant as a condition of getting financing.
- Requiring analysis of carbon emissions from a project as a pre-requisite for obtaining climate finance funding.
- Emphasising the **co-benefits** (improved safety, improved quality of life, etc.) resulting from low-carbon transport.
- Helping to build political support for promoting and stimulating low-carbon transport by using NAMAs to create greater awareness about the problems and potential benefits of low carbon transport solutions.

The discussion during this session yielded a few points of unanimous consensus amongst the experts. First, the experts were unanimous in condemning the past; a clear view was expressed that the way the transport and climate finance communities have done things in the past has not been sufficiently successful to continue into the future. Second, there are credible examples out there that prove the possibility to make use of climate finance to leverage funding at a program level. Third, climate finance has contributed to a greater awareness of the need for, and potential of, low carbon transport. Fourth, because of climate finance requirements we have a much better handle now on how to measure carbon in the transport sector.

## 2.2 Challenges in using climate finance

The list of “challenges” identified by the participants included:

- The lack of marginal abatement costs (MAC) for the transport sector that fully reflect both technological and behavioural approaches to mitigate climate change in transport sector. The lack of such MACs makes it difficult to prioritise between and among specific activities within the transport sector, and across sectors. Thus, it is more difficult for governments to justify using climate finance for low-carbon transport projects.
- Public Private Partnerships (PPP) are a potentially attractive way to finance low carbon projects that would otherwise not be financed. However, for PPPs to work the risks have to be properly allocated between the public and private parties so that the party, which is best placed to bear certain risks, does so. All too often in developing countries, the private parties end up carrying a disproportionate share of the risks and this makes private investors reluctant to enter into PPPs.
- There is a general lack of understanding and clarity about accessing and using climate finance funds. This real and perceived complexity limits the use of these funds. Addressing the lack of understanding and clarity would help to bring climate finance into the mainstream of transport finance
- The transport sector in most developing countries is bedevilled by the lack of data. The lack of data makes it more difficult to reach conclusions about what is working and what is not working, hinders decision-making about cost-effectiveness of certain projects, and impedes sound project preparation.
- Institutional arrangements can sometimes be a barrier for certain forms of financing and using certain financing mechanisms.

- Blending of CF with other public and private funds is not easy as the cumbersome administrative and monitoring requirements of CF are unattractive for other investors as well as for those who benefit from CF.
- Not all projects are equally attractive in terms of reducing GHG emissions, and neither are they equally attractive from an investment point of view. This reality needs to be incorporated in the use of CF funds. Thus, one of the challenges for CF is to adopt a portfolio approach to investment rather than a project based approach.
- Funding in the transport sector comes from public, private, and international sources. One of the challenges is to align the environmental objectives of the different sources of funds and to get them to “move in the same direction.”
- There is a need to achieve a positive balance of benefits vs. costs of CF for users of these funds.
- There is a need to simplify the administrative burden for using CF.
- Measuring the reductions in GHG emissions from transport projects is a notoriously difficult exercise. The magnitude of these reductions (benefits) depends on what, how, and where these reductions are measured, and it is not always possible to isolate the effects of transport projects because of numerous confounding factors.
- Improving the quality, quantity and availability of data for monitoring, reporting and verifying the impacts of transport projects.

Overall, the view was that there is a general lack of clarity regarding climate finance funds, how to access them, and the uses to which these funds could be put. Another consensus view voiced by the group of experts was that, going forward, we should not get stuck in the, what is generally considered a narrow and small, climate finance box. Neither should we get stuck in the project approach. Finally, the experts noted that in the future it will be increasingly important to talk to the outside world that will need to make decisions to shift to low carbon transport in a language that they easily understand.

## **2.3 Interim results of the climate finance case study**

Also at the workshop, the interim results of the climate finance case study undertaken by Cambridge Systematics as part of the background study on transport and climate finance were presented, including the initial findings of the Lanzhou case study on a comprehensive approach to public transport. The subsequent discussion focused strongly on the criteria for, and selection of, other case studies to be included in the study.

## **2.4 Using climate finance for projects, policies, and programs**

The afternoon session focused on the question: What role can climate finance play to leverage sustainable transport financing? Building on the morning session, participants were divided into two groups. One group was asked to discuss the ideal scenario(s) on the use of climate finance in different phases of a project. The second group was asked to discuss the ideal scenario(s) on the use of climate finance in policy/program development and implementation. Both groups were asked how climate finance can best be combined with other funding sources (ODA, public and private sector funding).

### **2.4.1 Using climate finance for projects**

The central question for the group was: how can climate finance be best used in projects?

One thing that was clear from the start of the discussion was that climate finance could result in a better project. “Better” means a better prepared project that would result not only in lower GHG emissions, but also in an overall greater developmental impact.

The important points from the discussion in this group about how best to use climate finance for projects are listed below.

- The use of climate finance funds should be linked to the general financing of the project.
- The largest impact of climate finance would be in the identification/preparation of the project. However by emphasizing the importance of “low carbon” dimension in the design of the project expectations are created that in several cases would mean that climate finance should also be available during the implementation phase.
- Monitoring of results is important and climate finance ought to be used for this. This would open up the possibility of results-based climate financing for the implementation part of the project.
- In a number of existing urban transport projects the central government has taken the riskor actually (co)funded new experimental technologies. By doing this at scale, technology providers were enabled to set up appropriate production facilities. Climate finance, if available in large amounts, could be used for this as well.
- To draw in private sector investors into low carbon transport projects it is important to reduce their risk and/or the cost of capital. Climate finance could be used for this.

The overall outcome of the group discussion was that using climate finance to support project preparation and implementation of projects is not going to be a game changer in terms of increasing investment resources available for sustainable transport projects (such as public and non-motorised transport).

## **2.4.2 Using climate finance for policies and programs**

The central question was how climate finance can best be used for the development and implementation of policy and programs. The thinking behind this question was that climate finance represents only a small share of total investment needs of the transport sector and it would be worth exploring whether using climate finance to support the development of policy and programs would yield better results. This was a sentiment that was expressed repeatedly in the morning by participants in the discussion on expectations for the workshop as well as in the session on good practices and challenges.

The important points of the discussion are listed below.

- If used at the programmatic level, climate finance should be used to support the building of institutional capacity as this is essential for developing and realising better prepared projects.
- Programmatic climate finance for transport should also address the issue of land use and transport. Linked to this is the idea of capturing some of the increases in land values that result from investment and improvement of the transport system as a revenue source to enable additional investments. Climate finance could support the public sector in approaches for better capturing the benefits of land value increases, advertisement revenues along public transport corridors, etc., in order to improve the financial viability of public transport projects.
- National financing is and will probably remain one of the largest sources of financing for the transport sector. The example of PROTRAN in Mexico shows how climate financing can help to channel national funds to sustainable, low carbon projects and towards capacity building.
- In many cases, a programmatic approach depends on functioning financial intermediaries who channel funding to the local/project level and who may also have a role in aggregating international and national funding.
- In some cases, current structures for disbursing climate finance allow circumvention of non-functional national structures that sometimes can obstruct the flow of funds to sustainable transport projects.

- Existing arrangements between donors and partner countries, such as the country programming strategies of MDBs, could be used to strengthen programmatic approaches and support the set-up of new or use of existing financial intermediaries for programmatic approaches.
- Refinancing of loans was raised as being one of the potential uses of climate finance. If climate finance is available at a programmatic level this could be used to refinance or guarantee a series of programs, based on the assumption that not all would need to tap into the fund to pay out.
- Monitoring and evaluation of projects by independent evaluators was viewed as being an important element in learning about what works and what does not work, leading eventually to more successful projects.
- One of the objectives of CF funds should be to develop frameworks that stimulate national governments to behave in ways that are consistent with climate goals.

The most important take-away from the discussion in this group was that climate finance could be leveraged by focusing on developing institutional capacity, frameworks to stimulate national governments, and generating guidance on integrating land use and transport.

## 2.5 Recommendations on using climate finance

Based on the deliberations during the workshop there are a number of initial recommendations that can be made regarding the use of climate finance in transport projects, policies, and programs. These include:

- The availability of climate finance for low carbon projects needs to be advertised and communicated more broadly, and it is important to explain the manner in which these funds can be accessed.
- The language of CF needs to be adjusted so that it is easily understandable to the target audience and potential users of CF.
- The administrative procedures for accessing and using climate finance should be simplified.
- The lack of data in and about the transport sector needs to be remedied.
- Given that CF is only a small part of the total funding needs of the transport sector, there was general agreement that CF funds should be leveraged. This leverage could be achieved by using the funds for:
  - Supporting spatial planning and planning for sustainable transport, and building respective capacities within responsible government agencies
  - Improving project preparation
  - Financing demonstration projects
  - Reducing risks for private investors by combining CF and other sources of funds
- There needs to be a better understanding of “blended” finance. This refers to combining different sources of climate finance, e.g. GEF and CTF, but also combining climate finance with ODA as well as national financing. To promote effective “blending” approaches it is important to harmonize appraisal and reporting approaches.
- Using climate finance to finance low carbon transport is not going to be a game changer under the current arrangements for climate finance.
- Climate finance could be usefully leveraged by focusing on building institutional capacity, developing frameworks to stimulate national governments, and generating guidance on land use and transport.

## 3 Next steps for the background study and Expert Group

### 3.1 Finalizing the background study

The next steps in finalising the background study that will provide inputs to the Expert Group on best practices include:

- Finalising the list of case studies – to be discussed in a conference call with the Expert Group scheduled for the 8<sup>th</sup> of October
- Completing the case studies
- Completing the report
- Presenting results in Lima (December)

Cambridge Systematics, as contractor to GIZ, will lead these activities with input from GIZ and the Expert Group.

### 3.2 Preparing a Policy Brief

To contribute to the outreach of the Expert Group, an initial Policy Brief will be developed for dissemination at the Lima Climate Conference in December 2014 to provide initial recommendations for decision makers on the key questions of the expert group process. These will include how to use climate finance to shift traditional transport financing to low-emission, sustainable transport; how to mobilize additional financing (including private sector financing) for low-emission, sustainable transport; and how to structure climate funds (such as the Green Climate Fund) to make them work for sustainable transport.

An initial brainstorming of potential target groups of such a policy brief during the meeting suggested a number of target groups for this Policy Brief:

The participants suggested that in drafting the Policy Brief it is important to note the difference between

1. Groups - actors who influence decisions on the allocation of money to transport, e.g.:

- Boards of the multilateral development banks
- Regional institutions such as ASEAN (secretariat)
- Institutional investors
- Governments
- Boards of Climate Finance bodies

2. Groups – actors who decide how the money allocated to transport is spent, e.g.:

- Thought leaders on transport
- Transport planners
- Individuals and groups deciding on land use.

A more detailed identification of the target group and their characteristics will need to be carried out as part of the drafting of the Policy Brief itself.

The Expert Group was of the view that this Policy Brief should:

- Be concise and brief
- Include messages for different groups

- Not have too much jargon and technical language
- Include material on the issues, available options, solutions and potential benefits
- Its release should be accompanied by a well thought out media strategy and outreach activities

It was agreed that given the different audiences for such a policy brief, multiple versions should be prepared. These would include a 20 page version, and one or two shorter versions, such as a three or four page version for climate finance people and possibly a one-page version.

There was agreement that it would be best to have an active involvement of the Expert Group in the drafting of the Policy Brief. Volunteers came forward to develop an annotated outline of the Policy Brief that can be discussed in the conference call of 8th October. Having such a detailed annotated outline will also enable the members of the Expert Group to indicate what parts of the Policy Brief they can actively contribute towards.

### 3.3 Scoping the Expert Group

One of the issues discussed during the workshop was the composition of the Expert Group. It was felt that the current composition of the Expert Group was well represented in terms of transport expertise and expertise about climate finance, but the views and perspectives of **private investors and of the financial sector with expertise in project structuring and project finance** were inadequately represented in the Expert Group according to the participants of the expert group. These views and expertise, it was felt, are necessary in order to discuss issues related to the mainstreaming of climate finance, and to discuss ways to increase the “leverage” of CF in financing low carbon transport projects.

In addition, an initial brainstorming with other suggestions for potential additional members of the Expert Group included representatives from:

- The car industry
- World Business Council for Sustainable Development
- A former minister of finance
- Recipients of climate finance (e.g., Indonesian Government representative)
- International Energy Agency
- International Transport Forum

Potential additional members for the Expert Group will be contacted by TRANSfer and SLoCaT over the coming weeks. TRANSfer and SLoCaT will also continue to jointly facilitate the expert group process.

A short discussion was conducted on the functioning of the Expert Group in which the main question was whether the Expert Group is mainly a reactive group that responds to, or comments on certain proposed recommendations or guidelines, or whether it is a pro-active group, which actively takes part in the development of such recommendations and guidelines. Not enough time was available for this discussion in the Manila meeting. There was an acknowledgement however that the success of the Expert Group will depend heavily on active contributions by the participating experts.

Further thinking will need to be done between the Manila meeting and future meetings on how to ensure the active character of the Expert Group.

To clarify, the TRANSfer project team explained what support it can give to the Expert Group. It will provide support in the form of contracting consultants, e.g. for the on-going background study and for the planned policy brief as well as for the facilitation by SLoCaT. In addition, the TRANSfer project can cover costs for venues and catering for meetings, and can consider support for travel expenses for attendance at Expert Group meetings in selected cases, predominantly for developing country



participants. It was made clear that GIZ does not see itself as the exclusive “owner” of the Expert Group and that it very much welcomes other organizations to provide inputs and support to the Expert Group.

It was agreed with the participants that the TRANSfer project team will document the existence of the Expert Group, its members and its functioning on the TRANSfer website.

### 3.4 Expert Group initial work-plan

Next steps for the Expert Group are listed below.

What	Who	By When
Short note on case study selection as input for Expert Group conference call on October 8th	Adnan Rahman, Cambridge Systematics	3.10.2014
Agree who can support which case study	All	8.10.2014 (during the conference call)
Develop an annotated outline of the Policy Brief	Phil Sayeg / Cornie Huizenga	3.10.2014
Contact potential additional members	GIZ / Cornie Huizenga	15.10.2014

The next meetings of the Expert Group are planned at the following occasions:

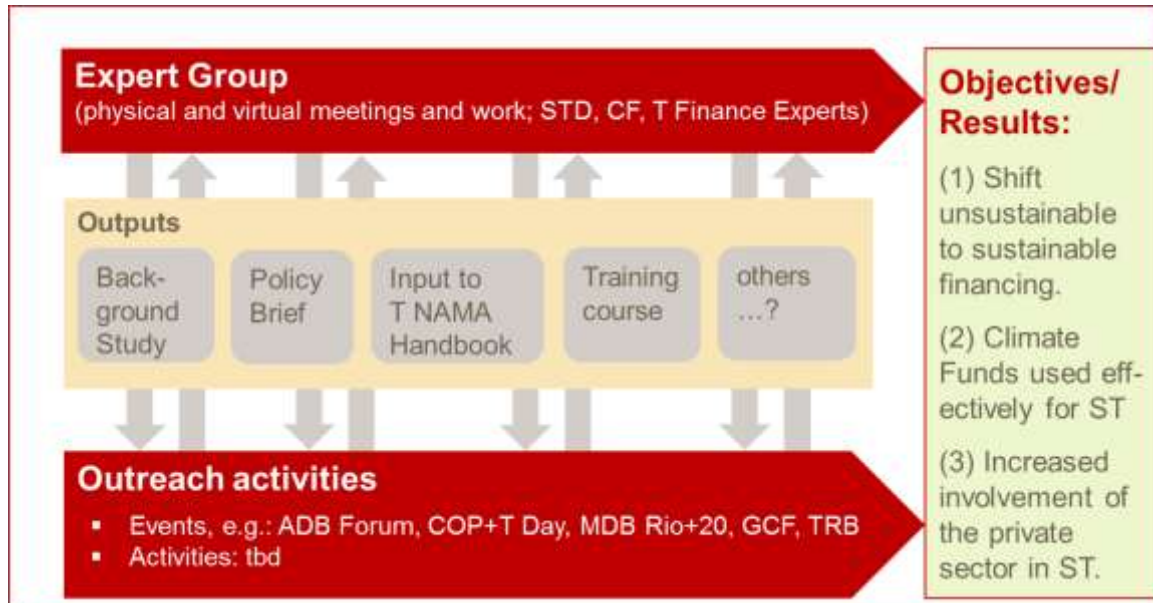
- Conference call on October 8<sup>th</sup>;
- In-person meeting at COP 20 in Lima on December 4<sup>th</sup>, from 9am-4pm at the Hotel Sonesta

In addition, the following opportunities for outreach can be used (see also Figure 3):

- Dissemination of the Policy Brief and background study during side-events and the Transport Day at the COP in Lima
- Public presence of the group on websites of GIZ TRANSfer, SLoCaT, BtG etc.;
- Active presence on social media, e.g. Twitter messages on meetings and key outputs
- Planned conference on Financing Sustainable Transport in London in Spring 2015
- Potential development of a training course (to be confirmed)



Figure 3 – The Process within the Expert Group (1.5 – 2 years)



### 3.5 Overall Conclusions

The expert meeting concluded with a vote of thanks by GIZ to the experts. It was commented that the meeting was successful in achieving its objectives of not getting stuck in old thinking and to make a start with coming up with new approaches. The discussions during the day made it clear that there are still a large number of open questions on what we will find once we fully move out of box. It is clear, however, that the widespread willingness of Expert Group members to engage in such thought processes gives hope for the future.

## Annexes

### Annex 1 - List of participants

Name	Organisation
Stefan Bakker	GIZ
Cornie Huizenga	Facilitator of the workshop and Secretary General of SLOCAT Partnership
Sean Kidney	Climate Bonds Initiative
Jürg Grütter	Grutter Consulting
Adnan Rahman	Cambridge Systematics
André Eckermann	GIZ
Julian Lenk	KfW
Woo-Hyun Kwon	Department of Public Works and Highways, Philippines (Korea Expressway Corporation, Korea)
Laura Wuertenberger	GIZ
Sudhir Gota	Clean Air Initiative
Phil Sayeg	PAS
Ko Sakamoto	Asian Development Bank
Michael Replogle	Institute for Transport and Development Policy
Jane Romero	Asian Development Bank

## Annex 2 - Workshop program

Time	Activity	Responsible/Speaker
09:00	<b>Arrival &amp; coffee</b>	
09:30	<b>Welcome</b>	André Eckermann (GIZ) / ADBTBC
09:45	<b>Objectives and programme of the meeting</b>	Cornie Huizenga (Facilitator), André Eckermann (GIZ)
10:00	<b>Self-introductions of all participants</b>	Participants
10:15	<b>Discussion on good practice and major challenges for using climate finance for sustainable transport</b> <i>Structured discussion on what participants regard as successful/good examples of the use of climate finance in transport, either in the form of good programs, projects or practices. Linked to that what are key challenges according to participants that have prevented a wider uptake of the use of climate finance in the transport sector.</i>	Cornie Huizenga (Facilitator), all
11:00	<b>Setting the scene on climate finance and sustainable transport</b>	Laura Wuertenberger (GIZ)
11:30	<i>Definitions and current state of Climate Financing and (Sustainable) Transport Financing</i> <b>Initial results of the study “Shaping the role of climate finance for sustainable transport – What are the levers and how to make them work?”</b> <i>Objective, scope and methodology; list of case studies, and initial results for 1-2 case studies.</i>	Adnan Rahman (Cambridge Systematics)
12:30	<b>Lunch</b>	
13:30	<b>What role could climate finance (CF) play to leverage sustainable transport financing?</b> <i>Building on analysis from the morning participants will discuss ideal scenario(s) on the use of Climate Finance in different phases of project and/or policy development and implementation as well as how Climate Finance can best be combined with other funding sources (ODA, public and private sector funding).</i>	Facilitator, participants
14:30	<b>Coffee break</b>	
14:45	<b>Development of a Policy Brief on Climate Finance for Sustainable Transport?</b> <i>Moderated discussion on key messages for policy makers on transport and climate finance, and on how to structure climate funds such as the GCF to work for sustainable transport (e.g. with respect to types of measures to be supported, requirements for MRV, weighing of co-benefits, etc.)</i>	Facilitator, participants
15:45	<b>Creating a common understanding of the tasks of the expert group</b> <i>Products, outreach, roles &amp; responsibilities, next steps, with an emphasis on the period up to June 2015. This includes planning of next steps of the Study on Transport and Climate Financing and the Policy Brief</i>	Facilitator, participants
16:45	<b>Closing</b>	

17:00 **Cocktail reception**

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