



## CSD-9 HIGHLIGHTS: WEDNESDAY, 18 APRIL 2001

Delegates continued with the Multi-stakeholder Dialogue on Sustainable Energy and Transport in the morning, on sustainable transport planning – choices and models for human settlement designs and vehicle alternatives. The High-level Segment, including a panel on financing energy and transport for sustainable development, took place in the afternoon.

### **MULTI-STAKEHOLDER DIALOGUE: SUSTAINABLE TRANSPORT PLANNING**

**OPENING STATEMENTS:** The International Road Transport Union, for BUSINESS AND INDUSTRY, highlighted: innovation and improvement in, *inter alia*, vehicle fuels and technologies; infrastructure; and incentives to implement best practices in transport. The IUCN, on behalf of SCIENTISTS, urged reconciling sustainability with the need for transport services. He described barriers to successful transport systems and suggested innovative approaches to overcome them.

The Union of Autonomous Trade Unions of Croatia, for TRADE UNIONS, asked the CSD and other international agencies to evaluate the effects of liberalization on energy and transport services in transition countries, and emphasized that women are key users of household energy resources and services.

An alderwoman of the city of Chicago, for LOCAL AUTHORITIES, recommended that local governments be given the authority to implement land-use policies that reduce travel demand and improve urban planning. The mayor of Abuja noted that the rapid growth of communities in developing countries calls for land-use planning incorporating energy efficiency.

On behalf of NGOs, the Sustainable Transport Action Network for Asia and the Pacific raised the issue of alternative transport support for mobility via headloading and walking, recommending meeting accessibility needs through footpaths and footbridges as well as human-powered vehicles, not airports and roads. The World Council of Churches called for socially equitable and environmentally sustainable transport and reduction in car dependency, stressing that public health should not be compromised by transport policy.

**OPEN DIALOGUE:** POLAND called for integrated planning covering workplace and recreational infrastructure and use of OECD guidelines for sustainable transport. JAPAN cited local successes in improving fuel efficiency and recommended developing less polluting

vehicles, infrastructure to reduce traffic congestion, and a shift to rail and sea transport. SWEDEN stated that the public and business should be aware of the implications of their transport choices. She emphasized exploring the potential of, *inter alia*, integrated land-use planning and equitable access for women.

**STAKEHOLDER RECOMMENDATIONS:** Representatives from TRADE UNIONS, *inter alia*, highlighted the need for access to “global public goods” and described the Global Compact. They recommended: a focus on re-engineering human settlements; participatory decision making with workers in transportation planning; and the inclusion of an educational component in all initiatives.

NGO representatives: stated that cost-benefit analysis fails to account for environmental and social costs of transport; described gender inequities in transport access; and pointed out areas of consensus such as the global phase out of lead. They recommended, *inter alia*: reducing travel for routine activities; examining government centralization of services; strengthening local production and distribution; examining vehicle emissions, safety and air standards; democratizing investment decisions; relating accessibility to poverty; recognizing existing non-motorized vehicle technologies; creating bicycle master plans; participatory transportation planning aimed at moving people, not vehicles; and treatment of road safety as a public health issue.

Representatives from BUSINESS AND INDUSTRY highlighted initiatives in South African refineries to reduce diesel fuel emissions. They recommended: promoting effective instruments for economic, social and environmental goals; consolidating shipments in all modes of transport; preventing empty truck movement; and government action regarding rule of law and justice, integrity in administration, transparency and accountability, robust economic policies and legitimate authority to act.

Representatives of LOCAL AUTHORITIES noted that land-use plans have focused on reducing car use and promoting renewable energy, and recommended: local control over transportation investments; local government authority to enact and implement land-use planning policies; development of regional strategies for integrated and sustainable land use and transportation; use of local foods; and lifestyle changes.

Representatives from the SCIENTIFIC AND TECHNOLOGICAL COMMUNITY highlighted transportation challenges in Pakistan and advances in information and communication technologies to

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bring urban advantages to rural populations. They noted that transportation planning must recognize changing demographics and establish appropriate prices, regulations, practices, and standards. They recommended: research and development of technical inputs to ease the transition to more sustainable energy; integration of different types of technologies; decentralization of energy production; global partnerships that include the UN and vehicle manufacturers; and integration of resource planning, sustainable lifestyles, land use, transport systems and technology. Vice-Chair David Stuart (Australia) reflected that this was an auspicious beginning for scientific involvement in CSD.

### HIGH-LEVEL SEGMENT

CSD-9 Chair Bedrich Moldan (Czech Republic) opened the session, which started with a special panel on financing energy and transportation for sustainable development, and was facilitated by Under-Secretary-General for Economic and Social Affairs Nitin Desai.

**PANEL ON FINANCING ENERGY AND TRANSPORT:** In his opening remarks, Desai said that the session was timed to enable a cross-section of stakeholders to influence the High-level Segment, and was structured to encourage consideration of what financing there is now, what should be encouraged and how industry could participate.

**Heads of Financial Institutions:** The WORLD BANK Vice-President, Environmentally and Socially Sustainable Development: explained the Bank's funding shifts in energy and transport and new support to finance maintenance and road rehabilitation; gave reasons for declining energy lending; said sustainable rural development and infrastructure is a future growth area; and noted that country assessments and poverty reduction strategies drive financing.

The Chief Executive of the GLOBAL ENVIRONMENT FACILITY (GEF) highlighted five of the 155 clean energy projects it supports, which include establishment of commercial funds, credit to rural banks, and support to develop fuel cell buses.

The Managing Director of the GRAMEEN BANK of Bangladesh highlighted the synergy of information technology, renewable energy and micro-credit and described the use of micro-credit to fund rural solar and solar-powered mobile phones. He stressed the need for research and development to lower costs of solar technology and to make wind energy viable. In response to ANTIGUA AND BARBUDA, the World Bank said the reduction in large-scale energy lending was partly due to increased private sector lending.

**Government Officials:** Noting the economic burden associated with traffic congestion, the Governor of Jakarta, INDONESIA, emphasized the importance of public transportation systems and expressed concern with securing appropriate financing mechanisms. The Minister of Energy, UGANDA, identified various barriers to financing sustainable energy including: conditionalities imposed by multilateral financing institutions; risk aversion of commercial banks; high up-front costs associated with renewables; and high interest rates of micro-financiers. The Minister of Environment for the CZECH REPUBLIC highlighted the need to ensure sustainable transport systems through: appropriate financing mechanisms; improving pedestrian and bicycle routes; establishing public-private partnerships; applying the polluter-pays principle; ensuring appropriate land-use planning; and applying cost-benefit analysis.

In the discussion, AUSTRIA asked the panel how to ensure that energy considerations are effectively linked to poverty eradication targets. The Managing Director of the Grameen Bank underlined the importance of extending financial services to the poor and increasing their income-earning capacity. Uganda emphasized the benefits of rural electrification, and incentives for renewable energy projects. The GEF Chief Executive invited public and private financiers to join with the GEF in sponsoring rural solar projects aimed at closing the digital divide. Royal Dutch Shell said the best way to lower energy technology costs is to increase the volume by expanding developed

country markets. Responding to a query from CHINA, the World Bank representative briefly described the Bank's policy of screening projects for environmental impacts.

**Private Industry:** The Chairman of ROYAL DUTCH SHELL explained the rationale for and types of projects financed from shareholders, loans, export credit financing and its Foundation, and highlighted the types of projects that face funding constraints. The Regional Director of Americas of SCANIA BUSES AND COACHES described the firm's operations, maintenance, management and financial support to bus operators, and requirements from customers.

In the general debate, TUNISIA emphasized the need for a national solidarity fund for rural energy, rotating and service funds, and technology transfer to meet urban energy needs. MAURITIUS said information technology should also be sustainable. The CZECH REPUBLIC noted the low cost of cycling paths compared to roads, and the problem of price distortions, and UGANDA enquired about controls to curb these distortions. The GEF emphasized the need for proactive land-use planning in new cities, and noted their demonstration project for fuel-cell buses in four megacities. INDONESIA sought clarification on mass transit financing, and the US enquired about the potential for future sustainability of urban mass transit after initial financing. Responding, the World Bank said it had no policy on mass transit and was not financing the sector, noting the difficulty in developing financing instruments due to the complexity of urban transport.

Concluding this discussion, Desai said transport via mass transit needed attention by Ministers, as global and national policies favor mass transit, although public financing dictates otherwise. He also underlined the importance of rural electrification, roads, education, and poverty eradication.

### IN THE CORRIDORS

Attendance at Wednesday morning's Multi-stakeholder Dialogue session was noticeably affected by the parallel meeting of the Open-ended Intergovernmental Group of Ministers or their Representatives, on International Environmental Governance. Chaired by the Canadian Minister of the Environment, David Anderson, the meeting considered the report of the UNEP Executive Director (UNEP/IGM/I/2). During the discussion, there was broad agreement on the need to: strengthen UNEP's role and increase its funding, improve co-ordination between existing multilateral environmental agreements; and ensure the participation of stakeholders. Delegates also agreed that the process should be undertaken within the broader context of sustainable development, with the results to be fed into the preparatory process for the World Summit on Sustainable Development.

After the meeting, some observers commented on the contradiction surrounding the G-77/China's preference that the organization of work for the Intergovernmental Group should take place largely within New York, while some of its member countries wanted the meetings of the Intergovernmental Group to be held in Nairobi. Others said the session's outcome bodes well for UNEP, but casts a shadow over the CSD's future and regretted that the CSD's efforts in recent years to mainstream poverty and social issues were being overlooked.

### THINGS TO LOOK FOR TODAY

**HIGH-LEVEL SEGMENT:** The High-level Segment will continue from 10:30 am – 1:00 pm in Conference Room 3. Delegates will hear introductory statements and general debate. An interactive dialogue on energy will be held from 3:00-4:30 pm, also in Conference Room 3. The general debate will resume from 4:30-6:00 pm.

**SIDE EVENTS:** An informal meeting for Ministers and Heads of delegations will be held from 8:30-10:30 am. Diverse briefings on nuclear power, the Integrated Global Observing Strategy Partnership, regional approaches and public participation are planned. Consult the daily list of events for the updated schedule.