TRANSFORMATIONAL NAMAS: THE COLOMBIA TOD EXAMPLE

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CENTER FOR CLEAN AIR POLICY

Dialogue. Insight. Solutions

MITIGATION ACTION IMPLEMENTATION NETWORK

Goals:

Build national Create regional Impact the **Facilitate** networks of capacity to financing for design of bipolicymakers identify, design /multilateral implementation involved in NAMAs and develop of early NAMA finance financeable (Asia, Latin NAMAs programs, GCF NAMAs America)

Components:

- 1. Regional dialogues of policymakers, experts, potential funders
- 2. Video conferences with policymakers
- 3. Harvesting of best practices, case studies, policy analysis, policy papers
- 4. On-the-ground support for NAMA design, in-country workshops
- 5. Global dialogues, policy lunches for negotiators

Federal Ministry for the Environment. Nature Conservation and Nuclear Safety based on a decision of the Parliament of the Federal Republic of Germany



DANISH MINISTRY OF CLIMATE, ENERGY AND BUILDING



Environment Canada Environnement Canada

Supported by:

Host country-driven & incorporate both GHG mitigation & sustainable development goals

- Move countries/sectors toward a low-carbon pathway
- Sustainable development and poverty reduction benefits attract political and public support, and advance national goals
- Measurement of development benefits facilitates continued domestic support for actions when international funding ends
- NAMA finance should be structured to help meet these multiple goals, as opposed to focusing solely on GHG reduction

Strive to be sector-wide and national in scope, with the potential for local elements

- Move beyond project-level mitigation efforts to remove existing barriers, thereby transforming sectors
- May have components implemented at the local level
- Fill the void created by the CDM's decline, maintain policy momentum in developing countries, and scale up climate actions

ELEMENTS OF A TRANSFORMATIONAL NAMA

Policies and financial mechanisms targeted to address key barriers to mitigation activities

- Finance should focus on eliminating barriers or changing risk-return equation to create a pipeline of investment opportunities
- Policies can drive private investment through mandates and by influencing the risks and returns of investment choices
- New paradigm for ODA: linking policy changes and financing mechanisms to reduce investment barriers so as to attract private investment

Support for NAMAs (grants/concessional finance) should mobilize additional climate finance

- Leverage international funds to catalyze funding from:

- bilateral institutions
- international and domestic development banks
- international and domestic financial institutions
- private sector
- Developing countries should determine the best instrument to effectively use NAMA funds to overcome financial barriers
- Engaging stakeholders early is key to designing successful policies and financial mechanisms

INTERACTION OF NAMA FINANCE WITH OTHER FINANCE SOURCES

NAMA finance uses public funds to leverage private investment



GERMANY-UK NAMA FACILITY

- Germany-UK NAMA Facility is first to earmark funding specifically for mitigations actions called NAMAs
- Ambition Criteria used to select NAMAs for implementation
 - 1. Transformational change
 - 2. Ambitious emission reductions
 - 3. Leveraging of significant financing from private sector, development banks, financial institutions, and other sources
 - 4. Sustainable development benefits

- Colombia TOD NAMA one of first NAMAs selected by the facility

- 5 in total pre-selected for funding EUR70mn committed
- Looking for additional donors
- Experience will be important input to the operationalization of the GCF

COLOMBIAN TOD OPPORTUNITY

- Ministry of Transport has 13 integrated sustainable transit system projects in pipeline
- FINDETER Sustainable Cities
 Initiative is looking to invest \$500
 million in urban infrastructure
- Ministry of Housing has committed to provide 100,000 free housing units
- New Public Private Partnership law offers increased options to private sector investment





BENEFITS OF BRT AT RISK



TOD focuses public and private development around transit stations to create neighborhoods where people can safely walk, live, work, shop and play.

TOD LOWERS GHG EMISSIONS: CURITIBA, BRAZIL



TOD NAMA WILL TRANSFORM URBAN DEVELOPMENT IN COLOMBIA

- Shift where & how public and private investments are made
 - Increase enviro, economic & social returns
 - Barranquilla: save \$1 billion in infrastructure
- Taps new PPP legislation
- Leverage and mobilize private, national & international funds
 - \$8 billion: transit, social housing
 - \$1.5 billion FINDETER Sustainable Cities
 - Public investments in TOD can attract up to 20 times their value in private investment (e.g., NoMa, Portland, Arlington, Hong Kong, Tokyo)



TOD BENEFITS FOR COLOMBIA



COLOMBIA TOD NAMA: ACTIONS

- NAMA creates a Center within FINDETER
- Fosters innovative Transit Oriented Development projects in cities in Colombia
- Provides targeted investments and technical assistance



BROADER APPROACH TO MEASUREMENT & EVALUATION

Implementation Progress

- Zoning changes, PPPs, policies (CONPES, Decree, PPP guidance...)
- Land Development and Travel
 - Land use: % of development in TOD areas
 - Travel: VKT/capita, mode share, trip length

– GHGs

- Estimate upfront, measure over time
- Economic (household, business, governments)
 - Investment in TOD areas, travel costs, infrastructure, tax revenues, property values, retail
- Social
 - Household travel time, spending on transportation, health
- Robust measurement can enhance policy performance.
 - If address local priorities, it's desired not a burden (like CDM MRV)

MODEL FOR REPLICATION

- TOD neighborhoods as the "technology"
- Developing countries worldwide strive for sustainable urban development and equitable prosperity
- Just as Bogota's TransMilenio BRT served as a model for other Colombian and international cities.





THANK YOU

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