

UITP Consultation Response: work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole.

Transport remains the second largest and fastest-growing source of CO₂ emissions and is highly vulnerable to the impacts of climate-related risks. To meet the goals of the Paris Agreement, clean transport solutions will cost roughly USD 2.7 trillion annually until 2050 – seven times the current investment levels in transport. The investment gaps for public transport are the highest in developing countries.

As the global community works to mobilise climate finance aligned with the Paris Agreement and address competing priorities in climate action for developing countries, investment in public transport must be a central component of the solution.

(a) What are your overall expectations for the climate finance work programme? What concrete outputs and outcomes should the climate finance work programme deliver?

UITP expects the climate finance work programme to be action-oriented and to deliver practical recommendations and implementation pathways to scale predictable, adequate, faster, and more accessible climate finance aligned with the goals of the Paris Agreement (both adaptation and mitigation), in particular Article 9. In this regard, the programme should support the effective deployment and mobilisation of both public and private finance toward sectors with the highest mitigation potential, strong alignment with Nationally Determined Contributions (NDCs), and significant sustainability co-benefits, especially in developing countries, where transport resilience and adaptation needs are most acute.

Public transport moves significantly more people using far less energy per passenger-kilometre than private cars. As a result, a modal shift towards public transport, combined with the deployment of low and zero emissions public transport fleets, represents one of the most cost-effective and scalable pathways to decarbonise urban mobility and reduce emissions from billions of daily journeys undertaken in our cities each year. In doing so, urban transport emissions could be reduced by as much as 50% within a decade, helping align with the Paris Agreement faster and more cost-effectively than approaches that rely on technology alone.

Approximately 80% of the latest round of NDCs prioritise actions and investments in public transport, particularly in developing countries. Beyond enhancing mobility, these interventions generate significant co-benefits across multiple Sustainable Development Goals (SDGs) while strengthening urban resilience, an essential component of climate adaptation.

While Article 9 of the Paris Agreement is not sector-specific, it applies to all sectors relevant to mitigation and adaptation. Accordingly, the work programme should assess how climate finance can be scaled up to support system-level mitigation and adaptation solutions across key economic and NDC-relevant sectors that also deliver broad sustainability co-benefits, including transport and public transport. Furthermore, as public transport investments are primarily delivered at the local level, the climate finance work programme should also examine how to strengthen direct access mechanisms that enable cities, municipal governments, and local transport authorities to access climate finance directly.

Finally, the work programme should also provide operational guidance on mobilising private finance, including addressing key barriers such as regulatory and policy inconsistency, risk



allocation, currency risk, limited creditworthiness, and revenue uncertainty. It should also explore how carbon market mechanisms under Article 6 - particularly Article 6.4 - can complement this effort by helping to mobilise and leverage private finance alongside public climate finance under Article 9.

(b) What are the thematic pillars of the climate finance work programme and the related subtopics that we should address within each pillar?

The climate finance work programme could be structured around, or include, the following three thematic pillars, each with corresponding subtopics. 1) Scaling and Access to Climate Finance: adequacy and predictability of finance, simplified access for developing countries, tracking flows and impact, direct access mechanisms; addressing the mitigation and adaptation finance gap in key sectors, as well as broader sustainability co-benefits. (2) Private Sector and Innovative Finance: blended finance, overcoming barriers and de-risking instruments, carbon markets (Article 6), MRV and methodologies. (3) Capacity Building and Enabling Environments: institutional strengthening, NDC policy coherence, supporting local capacity and just transition.

(c) How should the climate finance work programme be organized to ensure that the format is inclusive, balanced, and technically robust, while addressing climate finance comprehensively and delivering outcomes that are actionable and meaningful?

UITP recommends that the climate finance work programme be organised as an inclusive, multi-stakeholder process that ensures balanced representation of developed and developing countries, while maintaining technical robustness and strong implementation relevance. Participation should extend beyond Parties to include subnational authorities, representatives of key sectors (including transport and public transport), multilateral development banks, commercial banks, credit rating agencies, private sector actors, and institutions engaged in carbon markets, among others. This broader engagement is essential to ensure that the work programme reflects real-world financing constraints and opportunities across the full implementation chain and sectors.

It is essential to segregate grants from debt instruments that require repayment from the beneficiaries. For the latter, the work programme should include an analysis of the possible lending mechanisms aiming at streamlining procedures thereby lowering transaction costs.

Each session should be designed to produce concrete and practical outputs, which can be consolidated into a final implementation toolkit and guidance to support the scaling of climate finance. UITP stands ready to support the co-chairs by providing technical expertise and sector-specific evidence on public transport financing, the mitigation potential of modal shift, and the operational integration of Article 6.4 mechanisms into scalable public transport investment frameworks.

About UITP:

UITP is the International Association of Public Transport and a passionate champion of sustainable urban mobility. Established in 1885, we have been sharing insights and experience, inspiring innovation, and shaping the future of urban mobility for more than 140 years. Today we bring together 2,000 authorities, operators, industry suppliers, academics and policy makers



from around the world, and together with these members, we advance public transport through advocacy, knowledge and networking.

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