

Multi-year Expert Meeting
On Transport and Trade Facilitation:

**Maritime Transport and
the Climate Change Challenge**

16-18 February 2009

Climate Change and Transport

Presentation by

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Climate Change and Transport

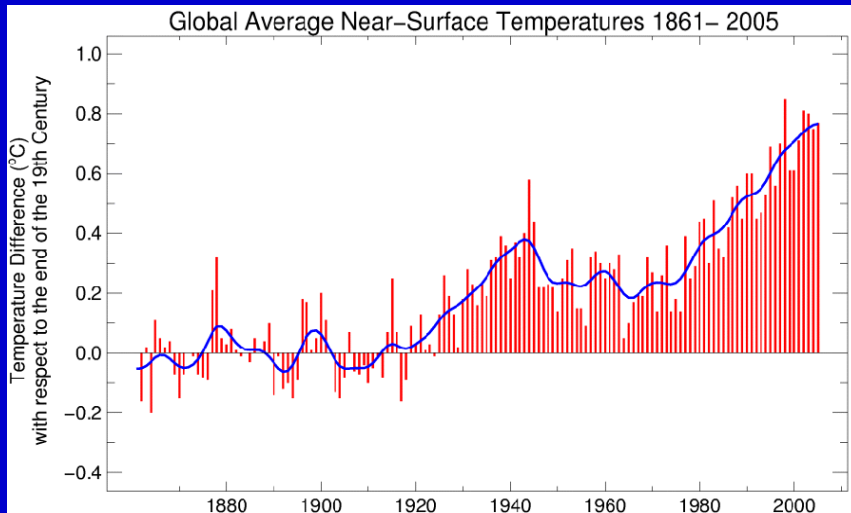
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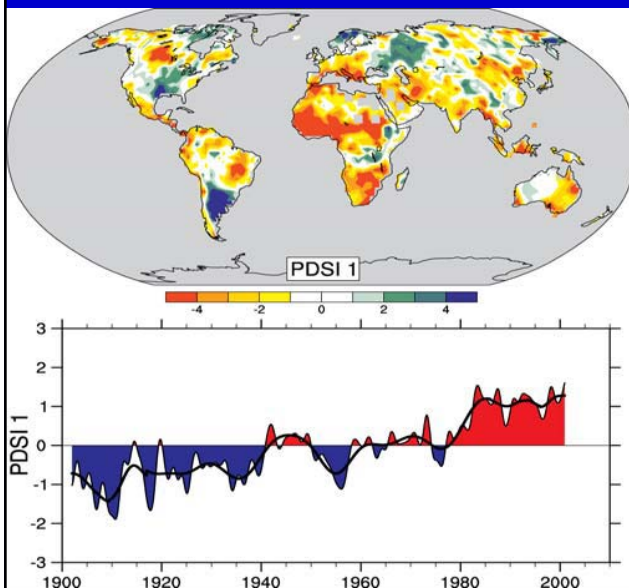
Central Points

- Climate change will adversely affect developing countries, particularly the poorest developing countries.
- Adaption costs are high -- and therefore the role of development assistance is crucial.
- Trade is essential for helping developing countries to reduce adaptation – and trade facilitation can spur adaptation at the same time it promotes growth.

Global warming portends huge environmental transformations



Damages are concentrated in developing countries, particularly the poorest



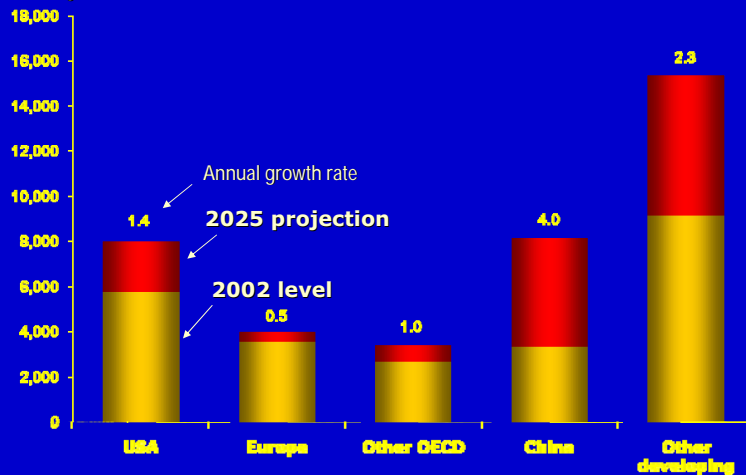
- More droughts
- Heavier rain and less predictable
- More severe storms
- Rising water scarcity
- Rising sea levels

Policy response are crucial:

- Open markets essential for environment
- More difficult to rely on agriculture
- More resources devoted to adaption
- Pressures on migration

Rich countries are largely responsible for current concentration, but emissions of developing countries will rise

CO₂ emissions from energy, mn. ton
percent annual growth rates above bars



Source: World Resources Institute, CAIT Energy Information Administration Reference Scenario, Energy emissions only

Gap in Financing: Early Estimates

- World Bank (2006): \$9-41 billion/year
- Since 2006
 - \$28-67 billion per year in 2030 (UNFCCC)
 - As low as \$4-37 billion per year (Stern)
 - At least \$50 billion per year (Oxfam)
 - As high as \$88-106 billion per year in 2015 (UNDP)
- These estimates
 - Are rough and with insufficient country-level analytical information
 - Subject to high uncertainty, baseline standards of living, counter-factuals
 - ...but still, needs are very large relative to today's \$100 b. in development assistance

World Bank efforts to refine adaption costs

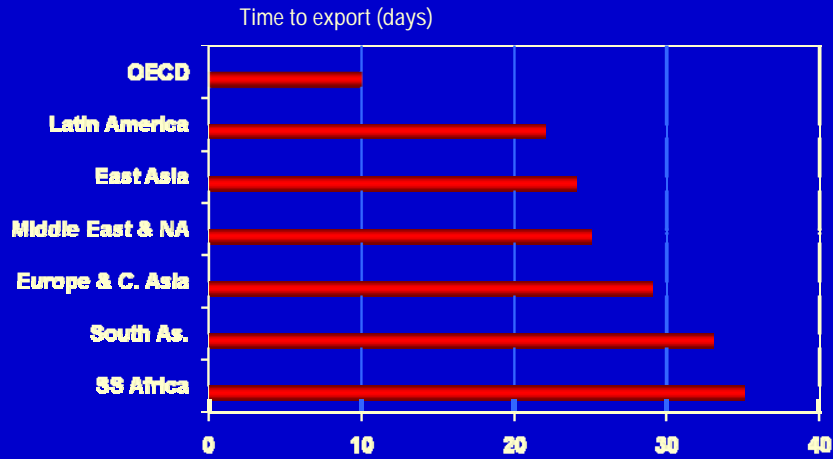
- Comprehensive study in six pilot countries - Bangladesh, Bolivia, Ethiopia, Ghana, Mozambique and Vietnam
- Purpose is to assess the risks posed by climate change and to help countries identifying priority, sequence and integrate robust adaptation strategies (Results of the study available by mid 2009).
- World Development Report on Climate Change forthcoming in summer 2009

Trade can promote adaptation...at the same time it raises incomes

- Trade competition improves **scale and productivity** --- and efficiency of resource use
- Import of **environmental goods**
- Import of higher technology, **more efficient capital equipment**
- Purchase of **resource-saving technology**

But results are not automatic... policies are important

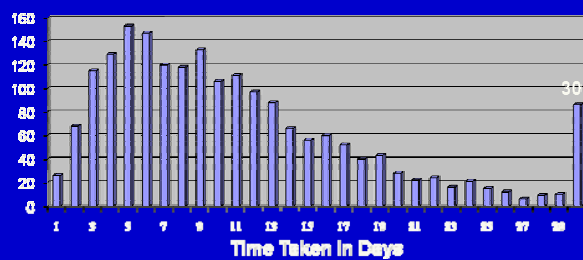
Facilitating trade can also increase incomes and conserve environment



Each extra day adds nearly 1% of the shipment's value...

Transit times can be wildly unpredictable

- Consider the dwell times for transit containers at Mombasa port



- Short for most: 1-9 days
- But 30+ days possible for many

Conclusion

- All developing countries will need financial and technical assistance to adapt to climate change.
- Even though specific country estimates are not yet available, current levels of financing are clearly inadequate to the resource requirements
- Facilitating trade is one example of ways development can reinforce