

TDA Working Meeting, Porto - 2018

Venue: CEiiA, Porto, Portugal

Date: 26th- 27th February 2018

Welcome Address

The TDA participants were welcome to CEiiA by Administrator Isabel Furtado who underlined the importance of decarbonisation in their work – and how happy she was to have so many eminent experts visiting CEiiA.

Portuguese Vice Minister for Environment José Gomes Mendes underlined how far we are from the right pathway to the necessary decarbonisation of transport. Hence the Portuguese Government initiative to support the creation of the TDA. He thanked France, Netherlands and Costa Ricafor their co-operation in helping foster the TDA over the last months – but now it is time for action.



Fig. 1 - Group photo of participants in the TDA Working meeting

Session 1: Objective and Agenda:

Pat Cox (Moderator) introduced the meeting objectives (Slide 5), working method and focused on the need for focusing on areas of consensus, secure agreement on short term actions, definition of suitable governance arrangements (interim if necessary) and on how the TDA should be financed in the short term.

The meeting Agenda is included as Annex I.

The full set of presentation slides used are included in Annex II.

Participants

The meeting brought together representatives from 6 countries, 6 cities and 12 companies interested in the TDA. For logistics reasons, it was not possible for representatives of TDA Member Costa Rica to participate in the meeting.

7 supporting organisations were present. The full list of participants and contacts details are included in Annex III.

Tour de Table

Each participating entity introduced the current status of their work on transport decarbonisation and their expectations for the meeting and the TDA (Slides 8 – 35)

Expectation for the meeting

- a) Ideas on how to accelerate/catalyse the decarbonisation of transport.
- b) Compelling story to convince CEO and other companies to join TDA
- c) Find out about benefits / costs of TDA participation.

Expectation for the TDA

- 1. Share information among leading actors on transport decarbonisation.
- 2. Provide pressure to ensure necessarily ambitious decisions are taken e.g. at EU level.
- 3. Exploit networks of other participants to share messages / scale up action.
- 4. Setting levels of ambition for "avant garde" actors.
- 5. Sharing methodologies e.g. how to procure low carbon transport.
- 6. Aligning lobby message countries, cities, companies unique feature of TDA.
- 7. Identify government / business collaborative models.
- 8. How collaboration between the 3 constituencies can accelerate change (4th C!)
- 9. Cross sector stakeholder discussion working together
- 10. Use of new Science Based Targets in target setting
- 11. How transport "champions" can help raise ambition in particular through the UNFCCC Talanoa Dialogue.
- 12. Create vision of "new normal" radical transformation of transport
- 13. Fast track Roadmap for transport decarbonisation

Session 2: What is the TDA?

Cornie Huizenga, Secretary General, Sustainable Low Carbon Transport Partnership (SLoCaT) introduced the background to the TDA, the current policy context and introduced the draft TDA Concept note (circulated in advance of the meeting - see slides 36-47.

Following the introduction there was an open discussion in which the following issues were raised:

- Need for negative emissions technologies are they being developed fast enough?
- TDA should aim to influence EU policy in particular upcoming decisions on funding programs to prioritise support for integrated country / city / company projects, fast decarbonisation.
- Issue of mobilising private finance



Fig. 2 – Plenary discussion during TDA Working meeting

Session 3: Facilitated Group brainstorm on challenges and bottlenecks

Three breakout sessions (a) Countries, b) Cities c) Companies) were held to brainstorm *barriers to the decarbonisation of transport*. The following sections summarises the outcomes of the discussion:

a) Countries

In this breakout session, country representatives were joined by representatives from ITF, GIZ and UNFCCC.

The following 6 key bottlenecks were identified:

- a) institutions differ very much according to the countries
- b) trust and relationship between government and private sector
- c) market solutions are not there (for instance delivering charging infrastructures)
- d) lack of ambition
- e) knowledge topics
- f) finance issues

Initial ideas for TDA activities:

- a) need for a new narrative about transformation
- b) more acting on public procurement to drive the markets
- c) strengthen the voice on EU level
- d) "talking heads" use strong arguments

Further points raised but not further discussed:

- shipping and aviation
- diversity (global North-South)

b) Cities

For this breakout session cities were joined by representatives from ITDP, France, PTV, E&Y, and Portugal.

Challenges/bottlenecks:

- A space for the 3Cs (public/private) to discuss solutions, targets, roadmaps and work together on specific solutions
- Funding: how could these funds flow to low carbon leaders? Overcome the short term political mandates?
- Costs and availability of alternative solutions?
- Narrative for the citizens to enhance public perception, catalyse actions.
- Energy provision: important issue but outside cities control (message to countries and energy companies)

Possible TDA actions 2018:

- Zero emission freight: elaborate a way of working
- Pass policy messages on finance to WB/EU/MDBs
- Procurement experiences and methodology database on low carbon transport procurement methods as joint signals to help shift the market
- Set up compelling stories to get citizen on board common narrative
- Porto City: most added-value for TDA= forum where the private sector meets the public sector.



Fig. 3 – Companies "breakout" session during TDA Working meeting

c) Companies

For this breakout session brought together a mix of companies including operators, transporters and energy companies – they were joined by participants from WWF and IEA.

Bottlenecks:

- Companies cannot see the whole way to net zero emission. They set ambitious targets for themselves somewhat blind in the hope that the means of achieving them will become apparent over time. TDA dialogue will perhaps be able to help companies see the end game.
- Policies (where they exist) are often erratic and inconsistent government uncertainty
 deters investment companies seek certainty and consistency (as far as possible) on which
 to base investment decisions they wish to avoid stranded asset risk. There is an issue of
 changing laws which inhibit best practice. There is also an issue of the lack of legislation in
 certain areas (e.g. car-sharing/ car-pooling). Countries/Cities/Regions should sometimes be
 encouraged to share R+D risk with companies (as was the case with the iLint Fuel Cell Train).
- Collaboration models: not always beneficial to be the first front runner. Conflict with competition law. Companies with a unique technology cannot sometimes offer it because the public sector has too see competition. It is not until a second player arrives with a similar technology that a competition can be had.
- "Mental bottleneck": a view was expressed that there was too much focus on "Improve" and not enough on "Avoid" and "Shift" strategies – that we need to also progress on aspects that are not necessarily technological.

Resistance to change within companies: Business models will change – some companies fear speeding up due to the likely impact on their businesses (especially the social impacts) e.g. unions may offer resistance. So what can Countries/Regions do to help companies with this?

TDA Added-value:

- Setting the vision and creating the narrative of the positive effects of decarbonisation. (e.g. Renewables versus Coal mining as a job creator) need for policy stability.
- A shared agenda
- More emphasis on Avoid/Shift not rely on technology/improve strategies.
- Advocacy: Input to policies: helping to identify how far policies should go. Chicken and egg: Policies – Technological advance. Exercise influence – show we're not disconnected – that we can bring something that is concrete and disruptive
- Get the right balance: governments should set an agenda (help de-risk long term investments) and let the market forces play
- Find a methodology of discussion through pilot clusters on concrete cases, and then lead by example to replicate ("viral spreading") How to promote a real operative practical dialogue between the 3 Cs? Deep dives.
- Provide the tools to help the 3C's to address decarbonisation in front of their various stakeholders

Session 4: Presentation of CEiiA and visit to their facilities

Meeting participants were given a guided tour and explanation of CEiiA's work.

Session 5. Presentation break-out sessions to plenary

Following short reports from each breakout session the following points were raised:

- High degree of similarity between the outputs of the three groups
- Forum function of TDA to build trust and fight against compartmentalization
- Role of governments / role of business
- Important role of public procurement
- Low carbon transport methodologies / accounting
- Building a common narrative is an important issue
- methodology aspects for a confident discussion between the 3 Cs make the difference between lobbying (for corporate benefits) and advocating so as to generating a more meaningful dialogue between business and public bodies
- TDA can make a contribution to de-risking private investments e.g. supporting innovative public procurement

Session 6: TDA Governance

Pedro Filipe (Portugal) presented the main issues in the Draft TDA Governance Note (circulated in advance of the meeting) (Slides 50-59) and the necessary decisions that need to be taken in Porto in order to move ahead:

- 1. Establishment of the TDA membership criteria
- 2. Establishment of the TDA supporters' ecosystem
- 3. Establishment of an Interim Steering Committee
- 4. Establishment of an Interim TDA Secretariat by SLoCaT

The following issues were raised in the discussion:

- a) May take some time for some potential Members to take a formal decision need to be patient.
- b) Consider the option to allow some companies to be supporters/associated but not full Members. If that is the case suggestion to have clear criteria / rules also for supporters/associated members.
- c) Issue of avoiding overlapping memberships / between different initiatives.
- d) How long would an "interim" period be? consensus was on until end of 2018.
- e) Suggestion to have rotation of the 3 countries as "Chair" of the SC.
- f) Suggestion to think about which countries have EU/UNFCCC/G77/G7 Presidencies to look for maximum synergies with TDA activities.
- g) How to engage the broader Members in governance decisions? Agree to underline that the Annual meeting is informed and asked to endorse Steering Committee decisions.
- h) Suggestion to use the "Friends of Transport Group" in NY to advance TDA agenda.
- i) Agreed on the need for consistent use of term "interim" throughout the revised Governance document.
- j) Need to think ahead to make sure rules/financial arrangements are attractive to new members and those from Developing Countries.

Following the discussion there was agreement on the following:

Decision 1 - Agreement on the TDA Membership Criteria – agreed.

Decision 2 – Establishment of the TDA supporter's ecosystem – agreed - but with the following issues to be developed further:

a) engagement of SLoCaT Members to be further considered,

b) rules of engagement to avoid "free riders",

c) supporters to also provide a formal commitment

Decision 3 – Establishment of Interim TDA Steering Committee until end 2018 – but principle of rotation to be included as well as regional/gender diversity in the longer term.

Vice Minister José Mendes of Environment (Portugal) was proposed and endorsed as the TDA Chairperson, with Jean Dominique Senard (CEO Michelin) as a Vice Chair (representing the companies constituency group). A third Vice Chair position (representing cities) will be filled as soon as possible. One member of the SC will be selected to become the TDA Treasurer.

Annual TDA meeting to be informed and endorse decisions of the Steering Committee.

Decision 4 - Establishment of the interim TDA Secretariat – it was agreed SLoCaT would act as the interim Secretariat. As SLoCaT (as the Secretariat) would be the beneficiary of TDA funds it was agreed that SLoCaT and PPMC positions on the board should be as a non- voting member.

These interim governance arrangements will be reviewed after the first year.

Session 7 – Discussion on proposed TDA Launch at ITF 2018.

The meeting considered the possible content and options for a of formal high-level launch (Slide 61). There was consensus to have a formal launch of the TDA at the annual ITF summit in Leipzig, Germany between the 23rd and 25th May – where we will have clear attention of Transport Ministers.

Aim for a focus on a communication event at ITF – where we can attract interest and attention of Transport Ministers.

UNFCCC SG will be at ITF and so there is potential for her availability.

The meeting was informed that there will be a closed Ministerial Roundtable on Climate at ITF (Wednesday 23rd am) – maybe the TDA launch may help link to future participation of Transport Ministers in the climate COP.

Other events with other audiences / communities / press can be used to launch the TDA messages with different audiences / impacts.

At the end of the first day TDA meeting participants were invited to dinner at **Vinum Restaurant & Wine Bar** <u>www.vinumatgrahams.com</u> – by Mayor of Vila Nova de Gaia, Eduardo Rodrigues.



Fig. 4 – TDA dinner at Vinum Restaurant, Vila Nova de Gaia

Session 8 – The 2018-2020 context on Climate and Sustainable Development

Holger Dalkmann, Co-Chair of the SLoCaT Board, presented the policy context and opportunities for the TDA (Slides 62 – 68).

Discussion of how TDA can contribute to the Talanoa Dialogue – participation of non-party stakeholders is still a sensitive issue. The Global Climate Action agenda gives us the possibility to engage in COP24. COP24 will be the culmination of the Talanoa Dialogue – idea to have High Level Roundtable with Parties. Idea of a "synthesis report" to input to process – take advantage of the "open mailbox" to provide quality input. There will be a Climate Action Yearbook again in 2019 – idea of a synthesis report 25-20 pages.

SLoCaT are preparing a Global Status Report on Climate and Transport and plan to have a summary ready for Bonn Session – which can provide background information for a launch.

Members States in TDA can help by bringing more UNFCCC parties into discussions between State and Non-State Actors.

Session 9 – Suggested Structure 2018 TDA Work Plan

The proposed WP process as described in the draft WP Note circulated in advance of the meeting was introduced by Clarisse Durand (France) (slides 69-77).

Following the introduction meeting, each participant participated in two of four breakout sessions:

a. TDA Working Groups around Priority Topics

Following the sessions Holger Dalkmann made the following summary:

- Need to develop a **common/joint narrative** on ambition of front runners this should help define priority topics for TDA actions
- **To be credible we need to have substance!** We have to demonstrate that we can accelerate, so we have to identify the building blocks/technical bottlenecks and set of policies to reach decarbonisation earlier than by 2050 (policy advocacy)
- 3 potential key areas which TDA should take on in 2018:
 - "joint learning" and simulating (internal function of TDA) it is all about the notion of "communities of interest" on concrete topics (green urban freight for instance)
 - "joint action" on specific topics as to communicate to the outside (public procurements, for instance)- joint action that highlight the value of the 3 TDA constituencies working together.
 - Critical political causes to engage and defend: NDCs (each Country organize its "domestic" TDA ecosphere)

b. Contribution by TDA Members to delivering the TDA Objectives

Following the sessions Mark Major made the following summary:

To ensure credibility beyond the minimum TDA obligations listed in the charter, proposal to ask every TDA Member to report:

- 5 cutting edge initiatives related to decarbonisation for each member annualy also reporting on overall progress
- Names and contacts for networking among peers
- Develop a long list / catalogue of detailed solutions in order to stimulate others high level of detail to solve specific problems.

Comments from the participants:

City Lisbon added: tick items in the catalogue from each Cs side

importance of having Regions or Provinces represented in TDA (as possible in the concept note) e.g. experience from Canada and Brazil.

Rotterdam: get on board regional entities encompassing subnational authorities (Regions/Provinces /Cities) and companies on concrete decarbonisation topics – sort of "local TDAs" on smaller scale to move the agenda

Suggestion to have first report of innovative solutions before Leipzig – agreed.

ITF ready to share their catalogue of effective measures that have been tested.

Current innovative solutions can be a contribution to the Talanoa Dialogue?

c. Facilitation of TDA participation in key external processes and events

Following the sessions Ramon Cruz made the following summary:

Events in 2018:

Countries:

- May: UNFCCC Bonn session, SUM4All, ITF Launch
- July: HLPF 2018 on SDGs in NY
- Sept: GCA Summit, G20 Argentina
- Oct: G7 in Canada
- Dec: COP 24 with emphasis on Talanoa Dialogue

Cities:

- C40
- June: ICLEI (also in Montreal 2 weeks before Movin'On) and Eco Mob Festival
- POLIS

- European Transport Council
- UITP

Companies:

• Movin'On, Montreal, Canada, 30 May-1 June

For 2018, France announced an event in relation with the Tony de Brum declaration on the emissions of the international shipping: it will the 26th of March, in Paris.

Pat Cox added the EUTEN-T Days in Ljubljana 26th April 2018

Events in 2019

Same events again + UNSG Climate Summit in NY

e) <u>Deep dive test session - "urban logistics"</u>

Following the sessions Petrouschka Werther made the following summary:

Participants from the 3 different constituencies expressed the contribution and needs – a "tour de table format" led to defining sort of a working plan achieving some concrete outputs ⇔ proof that collective intelligence in direct interaction is a TDA strength and asset – sort of "communities of interest" with the 3 Cs.

Real value in talking to each other on specific topics of common interest – looking for something concrete and actionable (seen as big benefit from some companies). Should be named "communities of interest" to share and co-innovate. Michelin offered to share their experience on how to facilitate such communities.

f) Deep dive test session - "urban mobility"

Following the sessions Daniel Bongardt made the following summary:

Very valuable discussion - review of participants from the different perspectives – struggling around 3 possible topics to focus on:

- a) Urban mobility frameworks on national level
- b) Cities are in the driver seats but must communicate with new upcoming mobility services to accommodate
- c) Modelling to inform the SUMPs data for mobility providers to be passed on Cities to be able to regulate Cities must check if the plans meet its targets

Following the breakout session reports to the plenary session, the following general points were made:

TDA has to address both the shared vision of a fast lane <u>and</u> the action:

- as a forum (example of urban green freight)
- and as an advocate (regarding EU)

Session 13 - Budget and Financing

Mario Fruiau (NL) introduced the draft TDA 2018 Budget and Financing paper (slides 84-88)

During the plenary discussion the following issues were raised:

- Regarding fees for cities, countries of companies: fixed or variable annual contribution? Consensus not to vary in fees – there will be just a basic fixed membership fee of 10,000 € each year for each member.
- The fixed fees would be for the general TDA functioning and need to have part of the working plan.
- Additional in kind / cash contributions "on top" of basic entry fee can be made for specific activities and mutual project, as part of nice to have parts of the working plan
- No free riders but be open to explore different ways fees may be paid (e.g. Germany would pay for Kenya for instance). In addition to members contributions SLoCaT is exploring possibilities for TDA to be funded from other external sources e.g. Hewlett Foundation, Climate Works Foundation, European Climate Foundation, with no earmarking

Session 14 – Meeting summary and next steps

Mark Major (SLoCaT) recalled the expectations and introduced the specifically agreed next steps (slides 91-94)

Next steps:

- a) Revision of Concept Note based on discussions in Porto (SLoCaT)
- b) Revision of Governance Note based on discussions in Porto (SLoCaT)
- c) Revision of Budget / Finance Paper based on discussions in Porto (SLoCaT)
- d) Bi-lateral update to TDA Member Costa Rica (not present in Porto)
- e) Bi-lateral outreach to potential TDA Members (not present in Porto) Norway,
- f) Preparation of 2018 Work Program based on discussions in Porto (SLoCaT + Steering Committee)
 Preparation of engagement rules for "supporter" organisations (SLoCaT + Steering
 - Committee)
- g) Organise periodic meetings of Steering Committee (as required) share minutes with TDA Members.
- h) Present Steering Committee decisions to
- i) Prepare for formal Launch of TDA at ITF Leipzig

Following the presentation, the following points were raised in the plenary discussion:

- Consensus on the need to now "get to work". Proposal to make a fast start with one or 2 "Communities of Interest". Action needed in next weeks.
- Need to define the potentially important contribution of the "Supporting" organisations.

- Need for a short "one page" presentation of TDA and need for a logo/communications material.
- Proposal for participating entities to share which other entities they are already participating in.
- Request from SLoCaT Secretariat for help to keep the Secretariat in the "right position" key words for TDA *Action* and *Impatience* to be at the front.

Close

As the meeting dew to a close, Vice Minister José Mendes (Portugal) noted the complex challenges ahead but that the TDA now has the minimum structure, governance and resources necessary for this first year of existence. Now urgent task is to give the TDA life in the very next months – **stress the action/content.** We should start the Communities of Interest, hold the launch and get ready for COP 24 and prepared for more in 2019. SC and Secretariat will work close together – but will not forget the rest of the members.

The meeting participants thanked the Portuguese Government for hosting the event, the support staff and CEiiA for their support and providing such a great venue.

Annexes

- Annex I TDA Porto Working Meeting Agenda
- Annex II Consolidated Porto Presentations
- Annex III Participants List