

Charting Economic Sustainability within EST

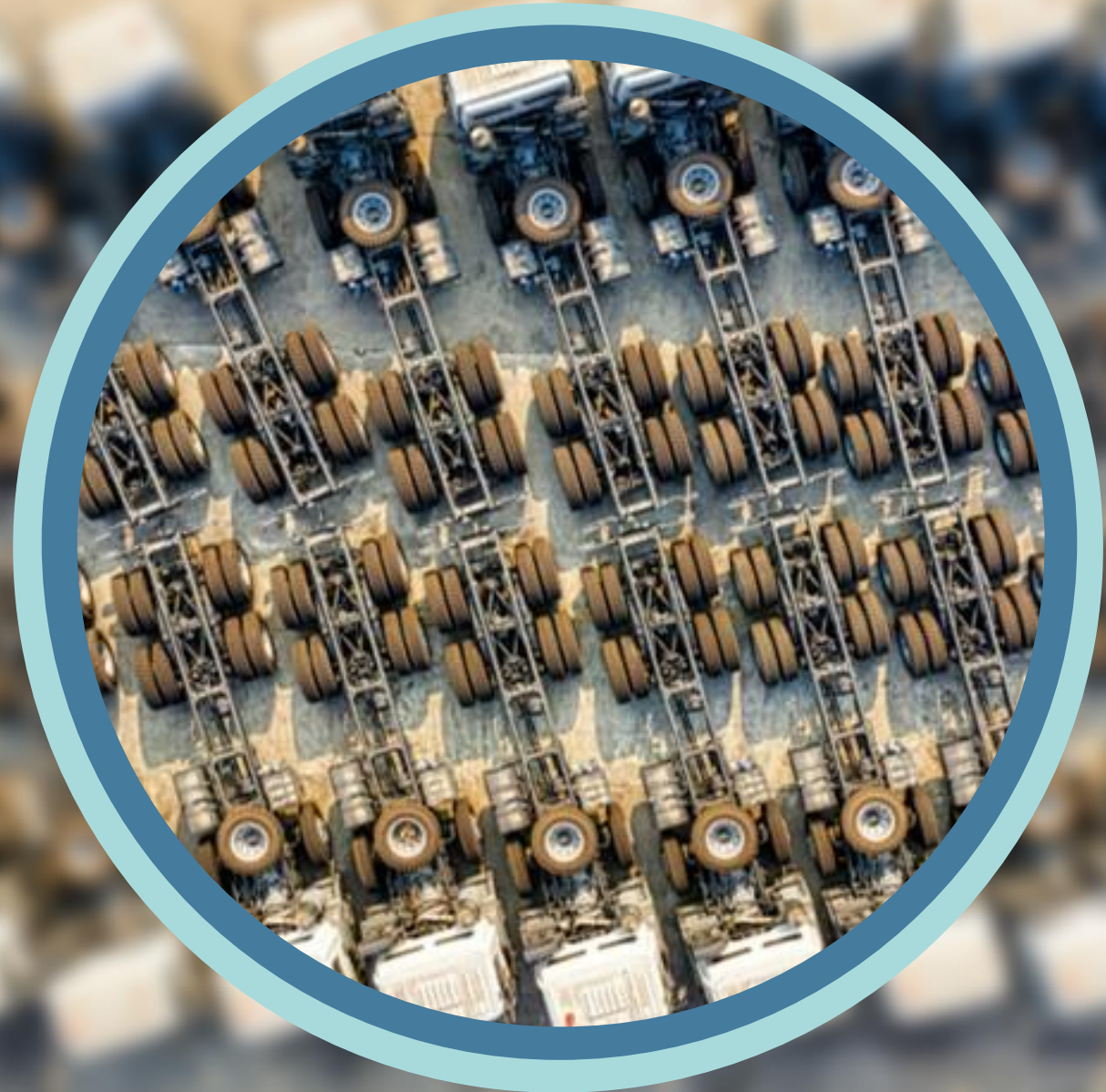
Aichi 2030 Declaration Goal 3 - Economic
sustainability

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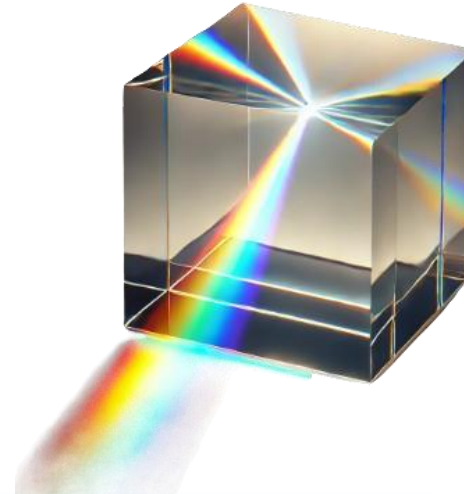
16th High-Level EST Forum
December 10, 2024



AICHI 2030 DECLARATION

GOAL 3 : Economic Sustainability

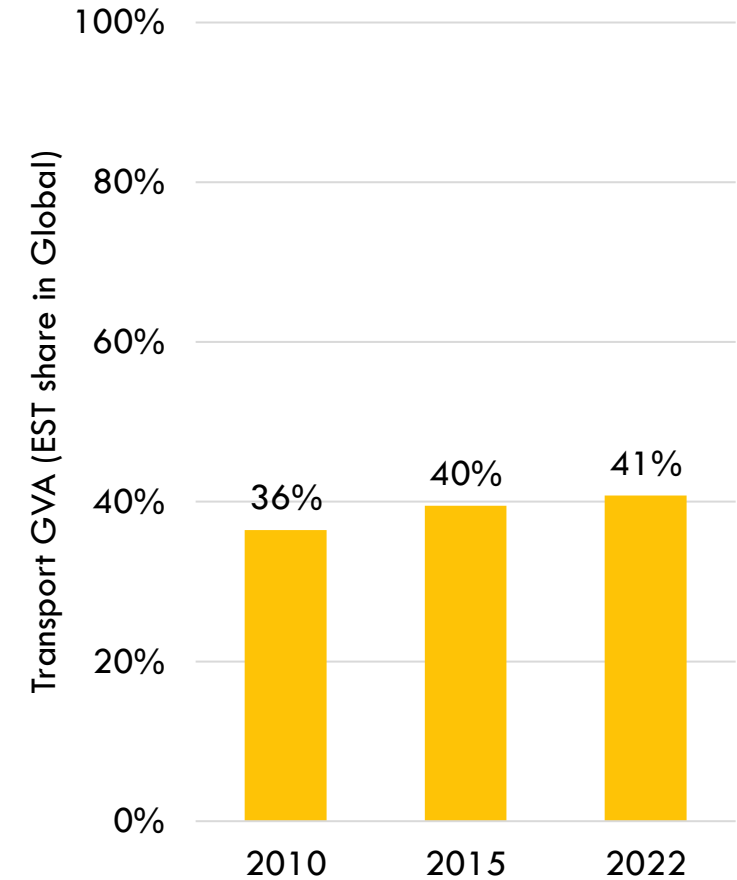
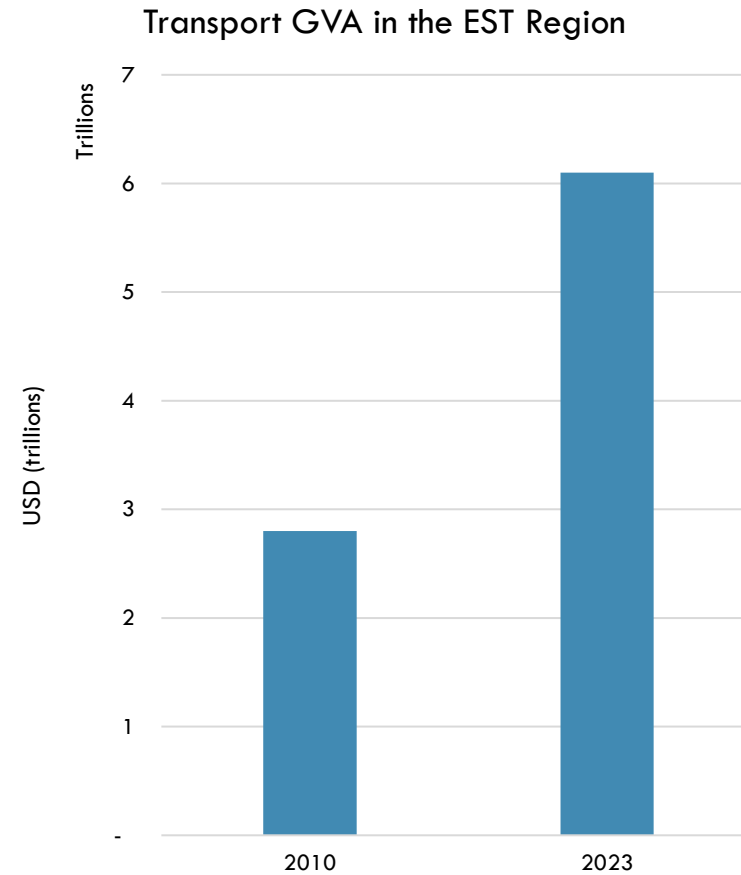
By 2030, *realize sustainable economic and employment growth by leveraging science, technology and innovation and green investments in quality passenger and freight transport infrastructure and services in a manner that fully incorporates environmental and social impacts throughout the lifecycle of the transport infrastructure and services*



"Transport and economic development are like a prism: each lens—whether climate, equity, growth, or technology—reveals a different color of the same reality. Only when we step back do we see the full spectrum of possibilities."

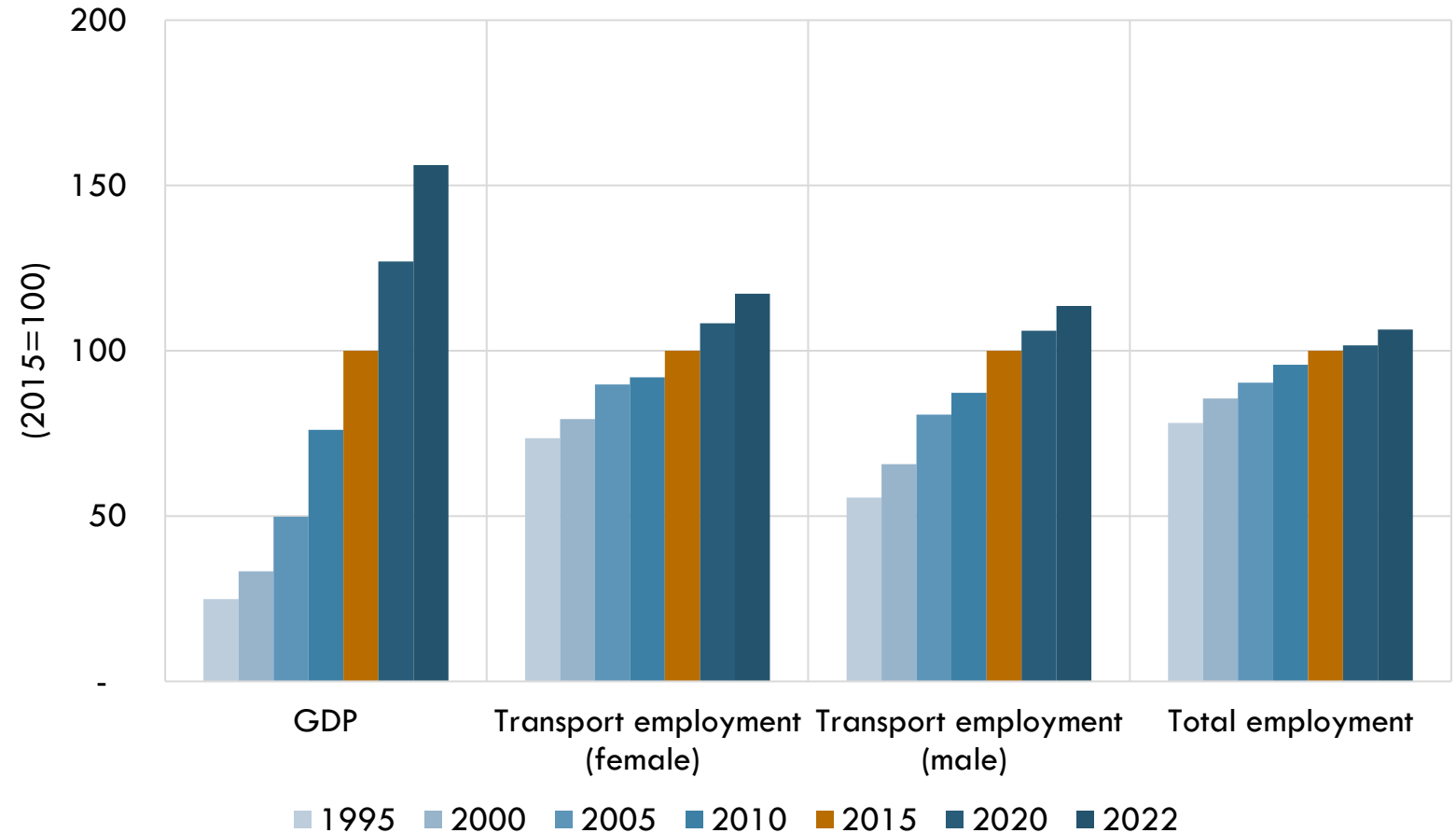
Transport sector Gross Value Added as a share of GDP

- The transport sector gross value added in the EST region more than doubled between 2010 to 2023.
- Global share rose—36% (2010) to 41% (2022).
- Steady GDP contribution of the transport sector—6–8% throughout 2010–2022.



Growth in Employment in Transport

- 119 million employed in the transport sector (EST region) in 2022
- Transport employment growth—3% annually (2000-2015), higher than 1% overall growth—transport share up from 4% to 6% (2000-2015)
- Post-SDG slowdown—employment growth slowed to 2% annually; overall growth steady at 1%.
- Female employment in transport sector—share dropped from 14% (2000) to 12% (2022).

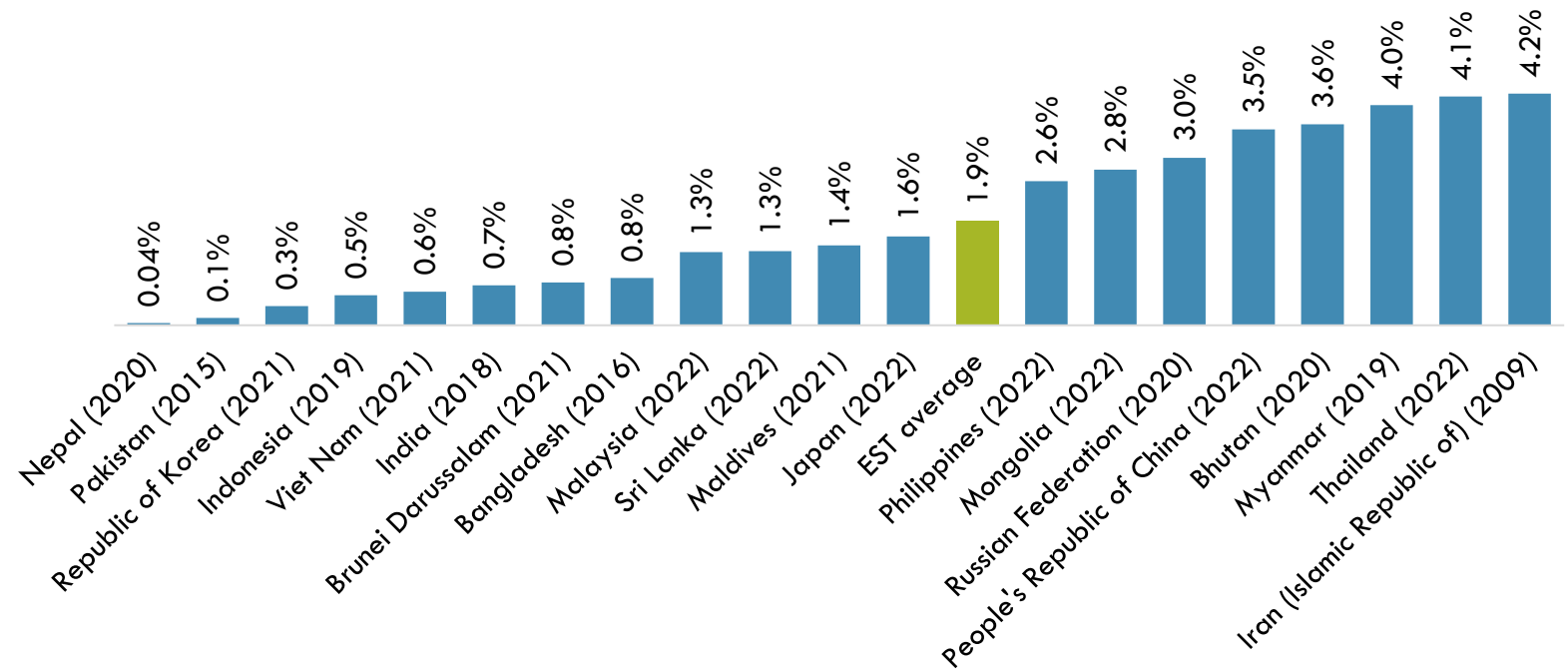


Source: (ILO, 2024)

Transport sector Government Investments

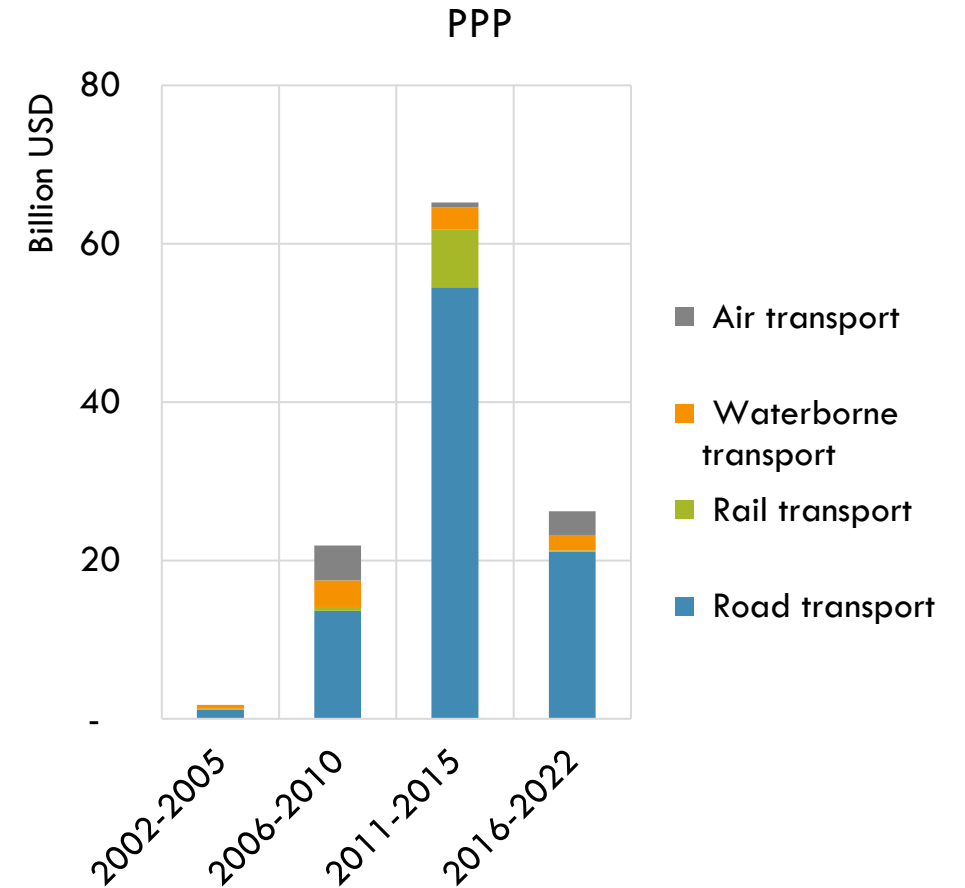
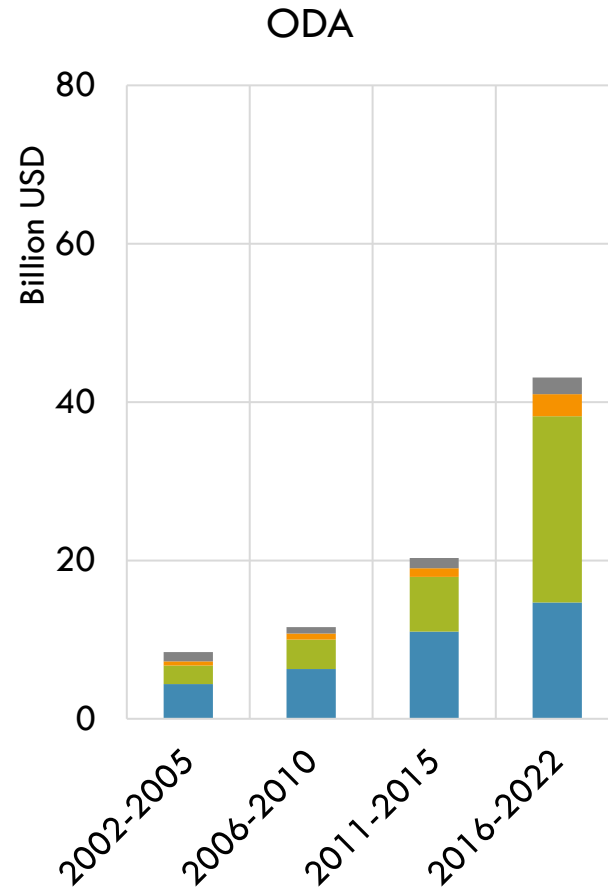
Capital investment/government expenditure in transport, storage, and communications (average of latest 5 years) as a share of GDP

- Transport infrastructure investment—crucial for economic and social benefits, including market access, regional development, job creation, labor movement, and community ties.
- Current spending—average capital investment in transport for the EST region is 1.9% of GDP (last 5 years)
- Variation across countries—Myanmar, Thailand, Iran invest >4% of GDP; Nepal, Pakistan, South Korea invest <0.5%.



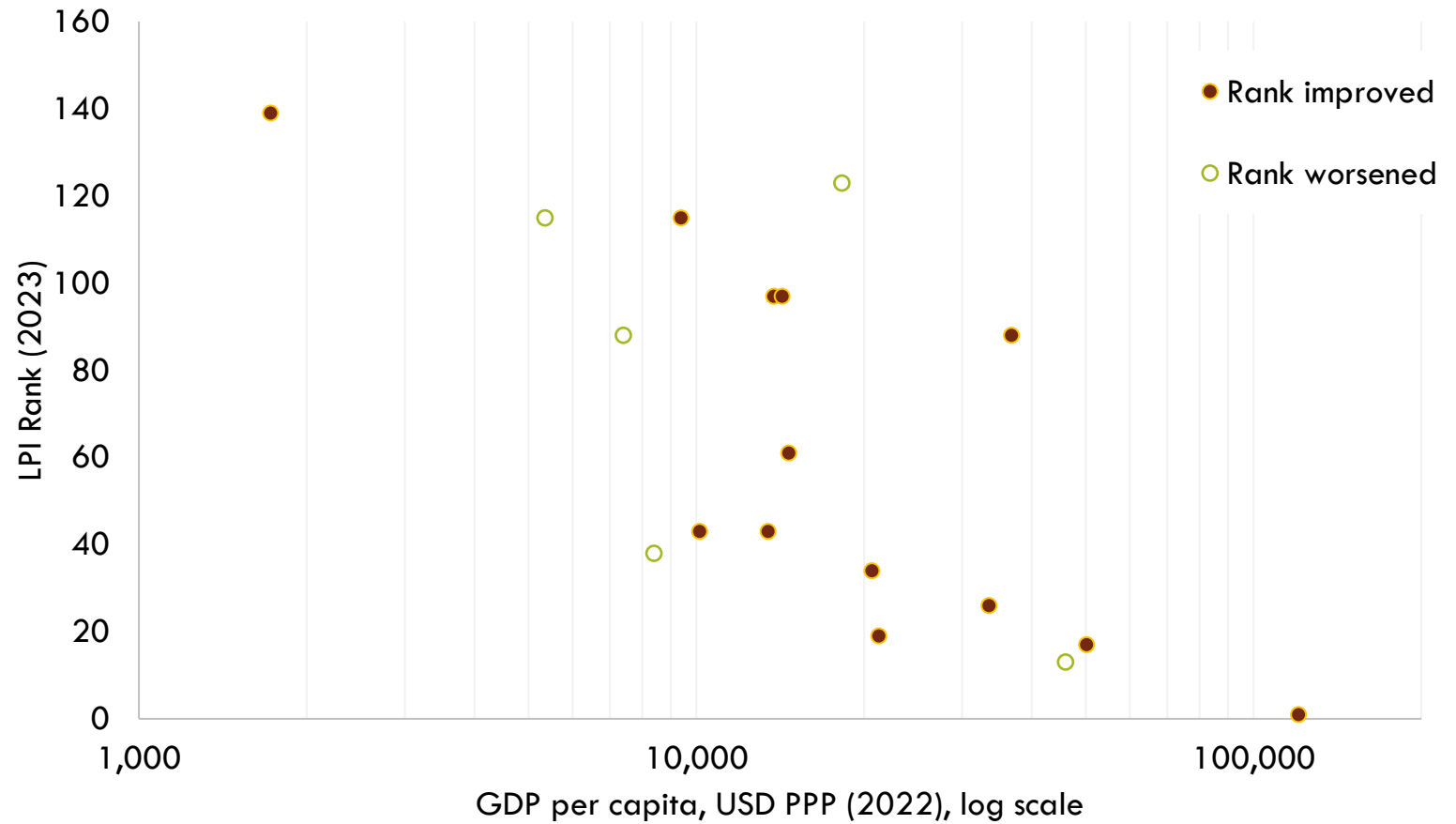
Infrastructure Financing by ODA and PPP

- ODA investments—Rail share rose from 28% (2002-2005) to 55% (2016-2022)
- PPP investments—Road share grew from 67% (2002-2005) to 81% (2016-2022)
- China & India—Together, 95% of PPP investments in EST region in 2022.



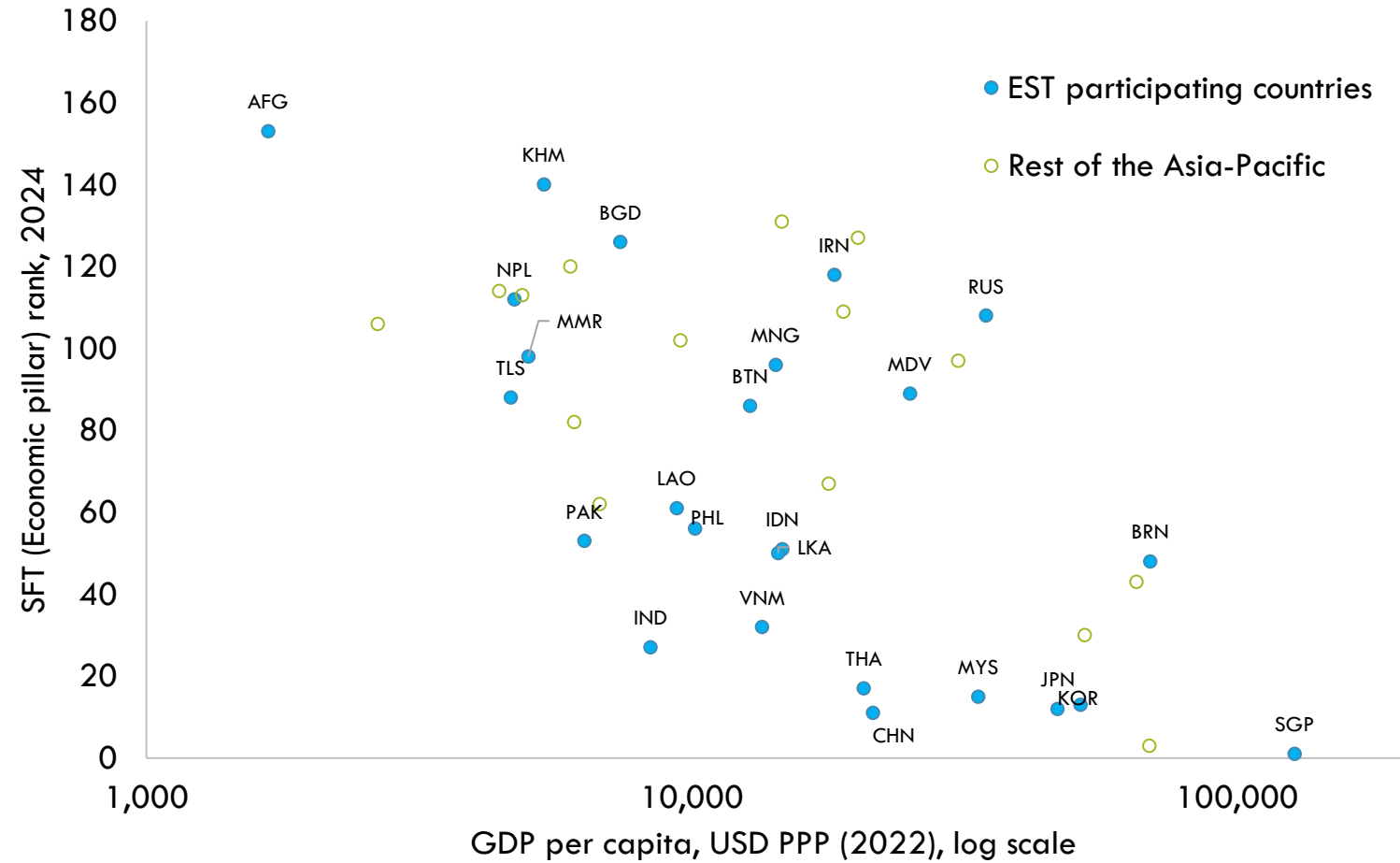
Logistics Performance Index – World Bank

- Freight transport's role—Vital for trade, supply chains, and economic sustainability across the EST region.
- Logistics Performance Index (LPI)—13 of 18 EST countries improved LPI rankings since 2016



UNCTAD Sustainable Freight Transport (SFT) Index Score

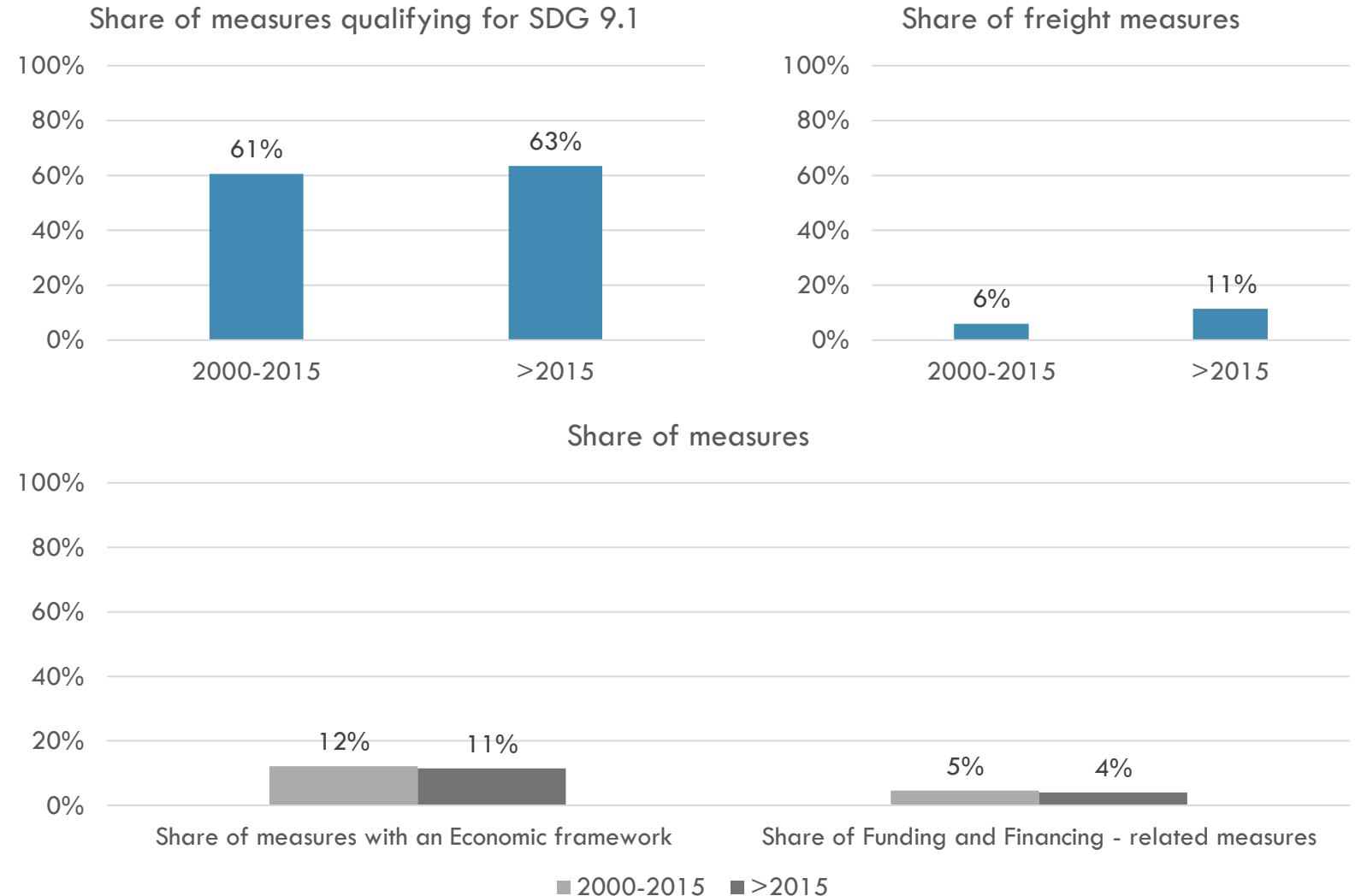
- Top rankings—14 EST countries ranked in the top half of the UNCTAD SFT Index (Economic pillar) for sustainable freight transport
- Focus areas—Commitment to improving market access, trade competitiveness, and sustainable production/consumption practices.



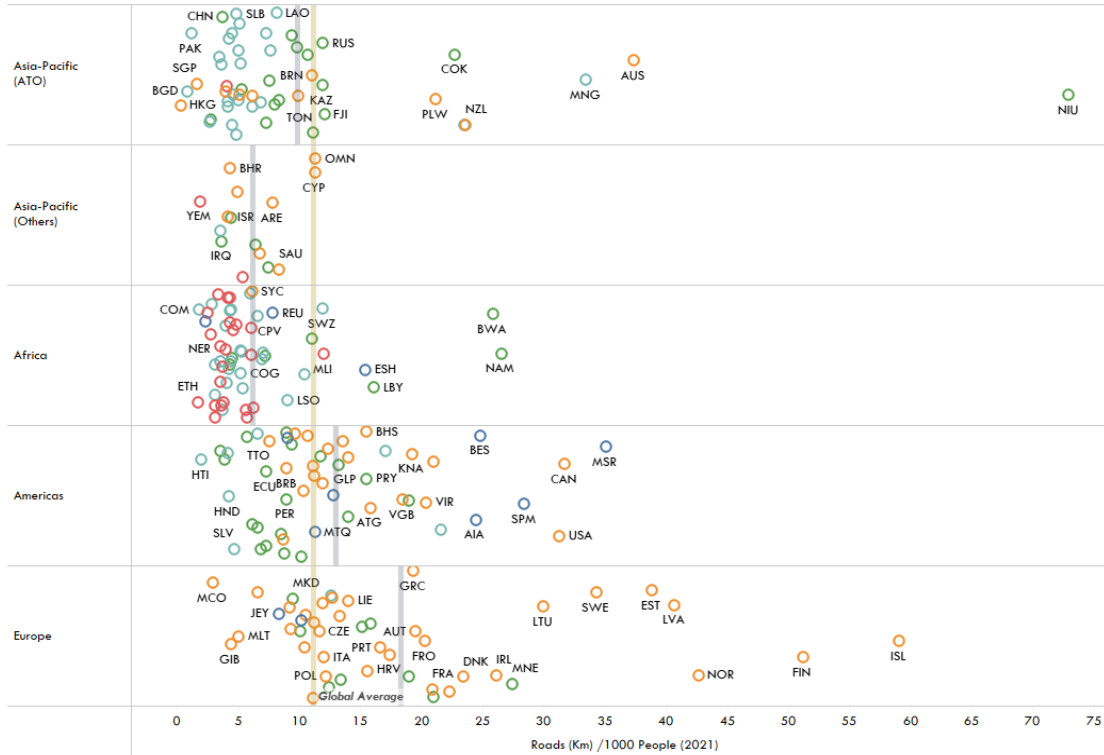
Source: (UNCTAD, n.d.)

Supporting policy landscape

- Infrastructure policy measures— Share of SDG 9.1 related measures increased from 61% to 63% since 2015, reflecting a broader focus.
- Freight-specific measures—Increased from 6% to 11% since 2015, highlighting growing focus on efficient freight transport for economic growth and sustainability.

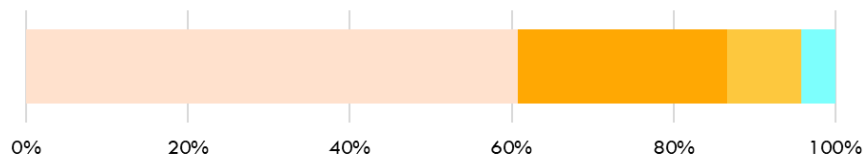


Economic dimension – Road Transport



Share in Annual Losses

■ Road ■ Rail ■ Ports ■ Airports



- Critical in the movement of people and goods
- Road construction has continued to expand in the last decade, growing at an average of 2% per annum since 2010, outpacing overall population growth (1% per annum) and economic growth (6% per annum) but vehicle fleet growth outpacing road construction (7% per annum)
- Historically has been a significant contributor to urban air pollution, attributable premature deaths in cities
- >88% of total domestic transport carbon emissions
- ~60% annual damage brought about by the world's transport infrastructure
- Losses to economy due to congestion can be very significant

Evolving Road Sector Policies

LPG, CNG, LNG, and biofuels
Transport infrastructure
construction and maintenance
Transport asset management

2015

Freight and logistics improvement
General infrastructure improvement
Transport asset management
LPG, CNG, LNG, and biofuels Capacity building
Infrastructure standards
Vehicle market entry
Public transport improvement
Information technology Labels
Electrification Education Transport planning
Transport finance
Targets Infrastructure expansion and maintenance
Inclusivity measures
Vehicle improvement
Vehicle management Data systems
Transport demand management Transport Laws
Transport infrastructure construction and maintenance
Active mobility
General system improvements



Aichi 2030 Declaration on Environmentally Sustainable Transport (EST): Country Profile

Philippines



Credits: DOTC, 2020



METRO MANILA, PHILIPPINES

URBAN TRANSPORT PROFILE

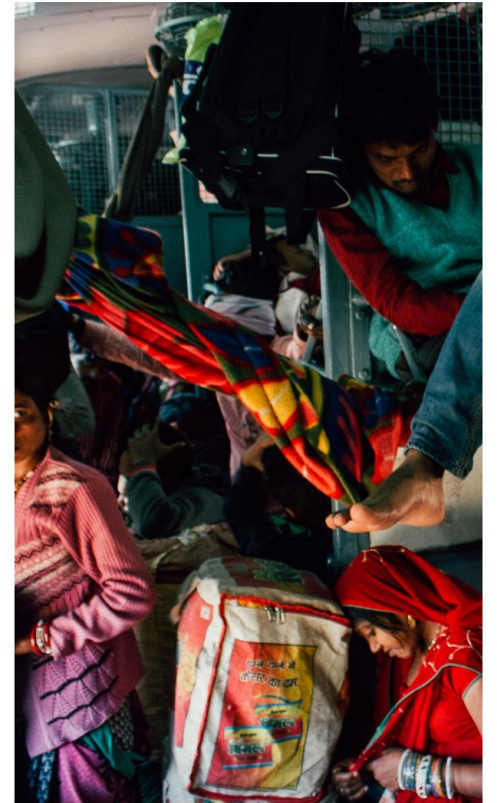
December 2024



ASIAN TRANSPORT AND THE SDGs

MULTI-DIMENSIONAL SUSTAINABILITY CHALLENGE

2024 UPDATE REPORT BY THE ASIAN TRANSPORT OBSERVATORY



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