

Insights – Financing Low Carbon Transport

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Asian Transport Observatory

Strengthening the Capacity of Pakistan to Implement Low Carbon and Resilient Transport Action Plans

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Islamabad



**Asian Transport
2035 Outlook:
Investment Needs of Low-
and Middle-Income
Economies**



2.6 Trillion

2.3%

of LMIC GDP, every year,
from 2025 to 2035

8

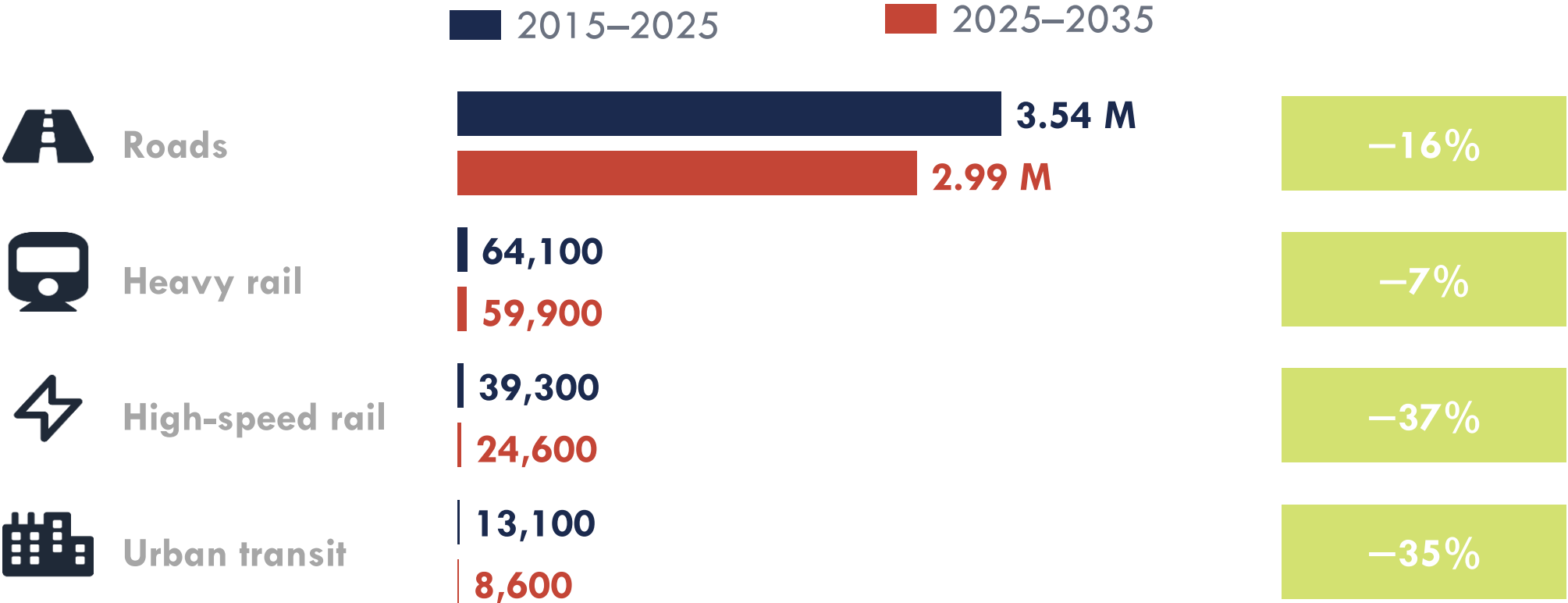
sub-sectors modelled —
road, rail, port, air, EV

3×

the annual investment
in the next decade

2035 Infrastructure Outlook

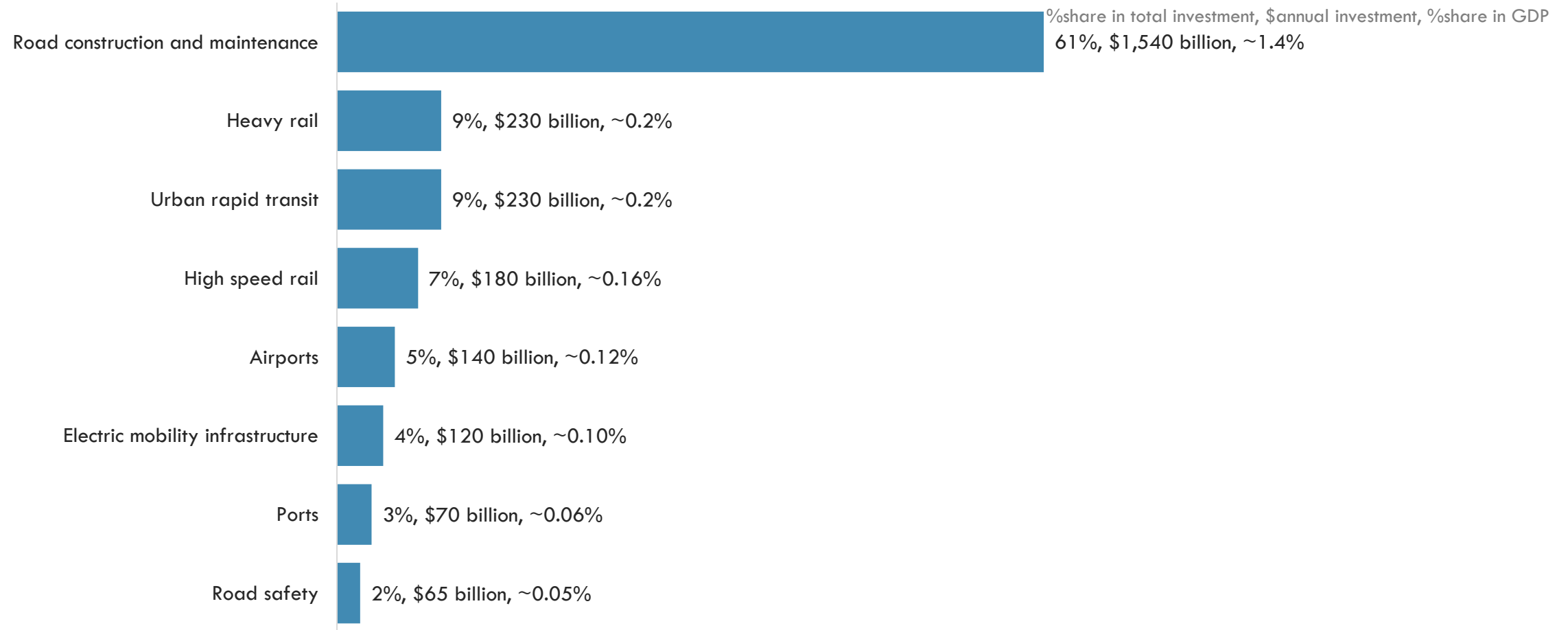
WHAT'S BUILT · KILOMETRES ADDED



TOTAL (all modes) 3.66 M km → 3.08 M km

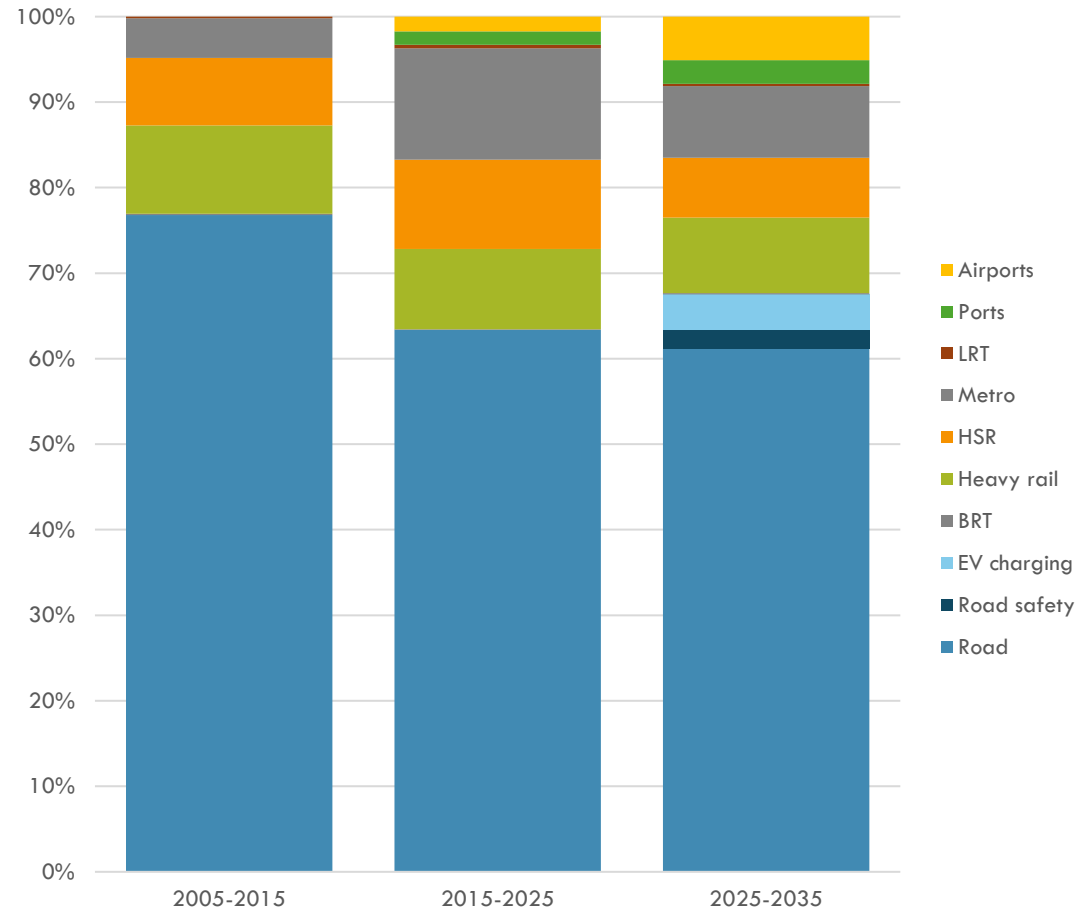
Where does 2.6 trillion/year USD go?

Share in LMIC investment

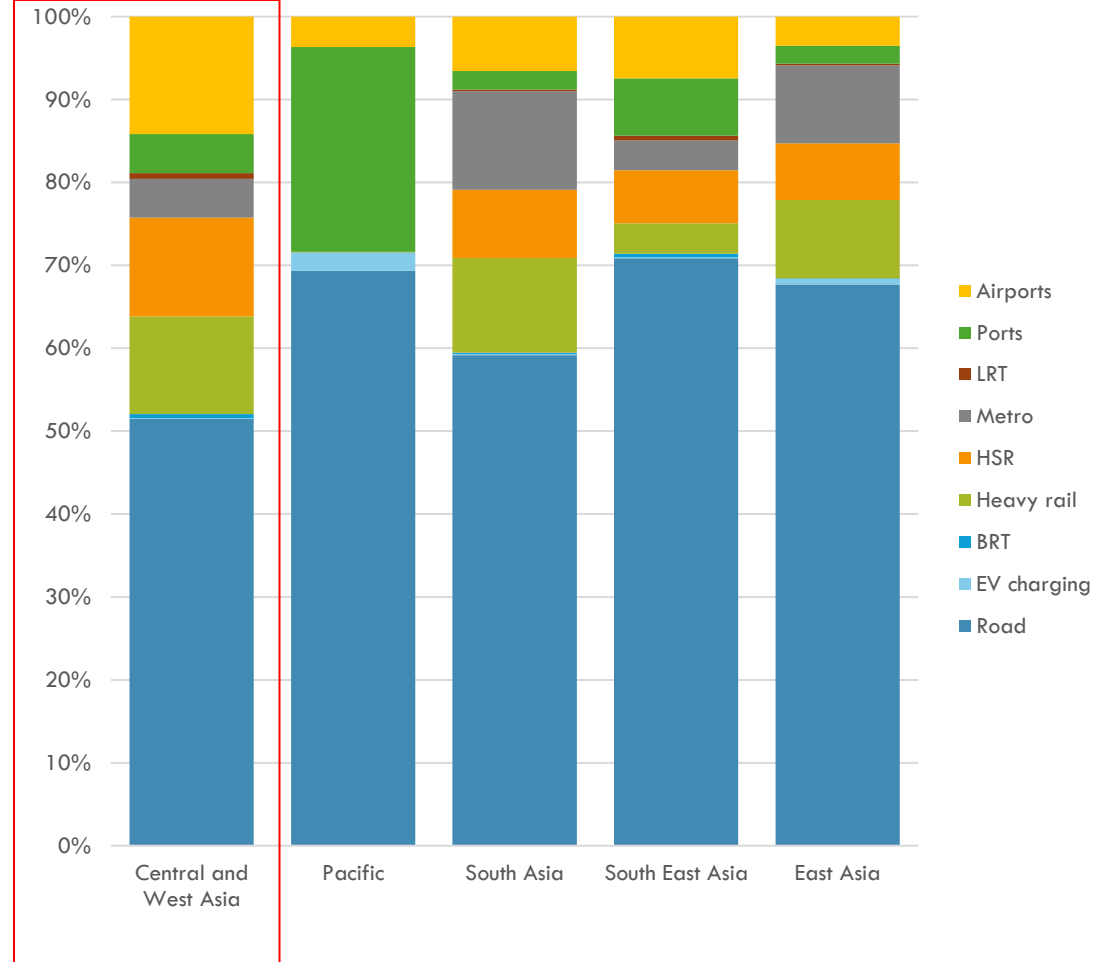


Investment outlook

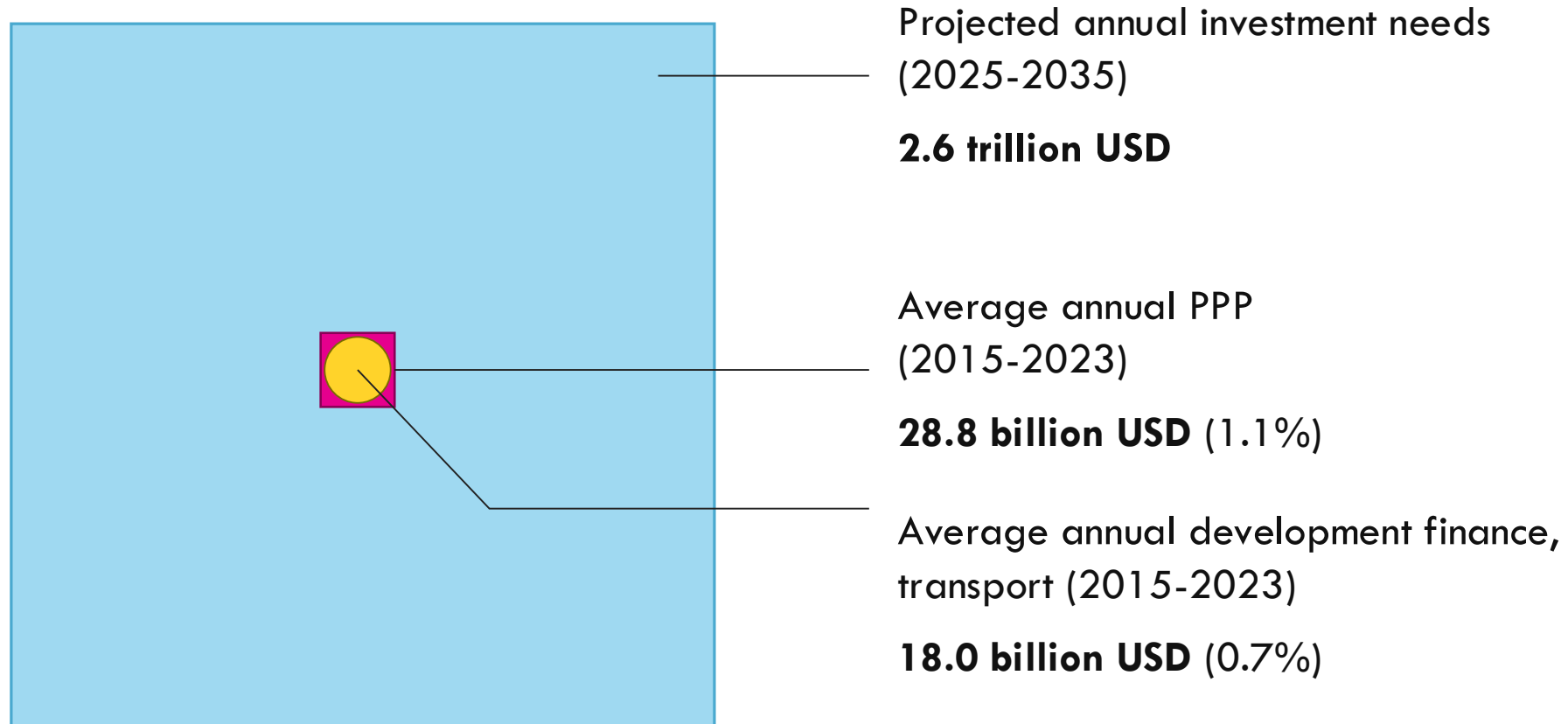
Transport infrastructure investment in LMIC, share by mode



Transport infrastructure investment in LMIC, share by subregion (2025-2035)



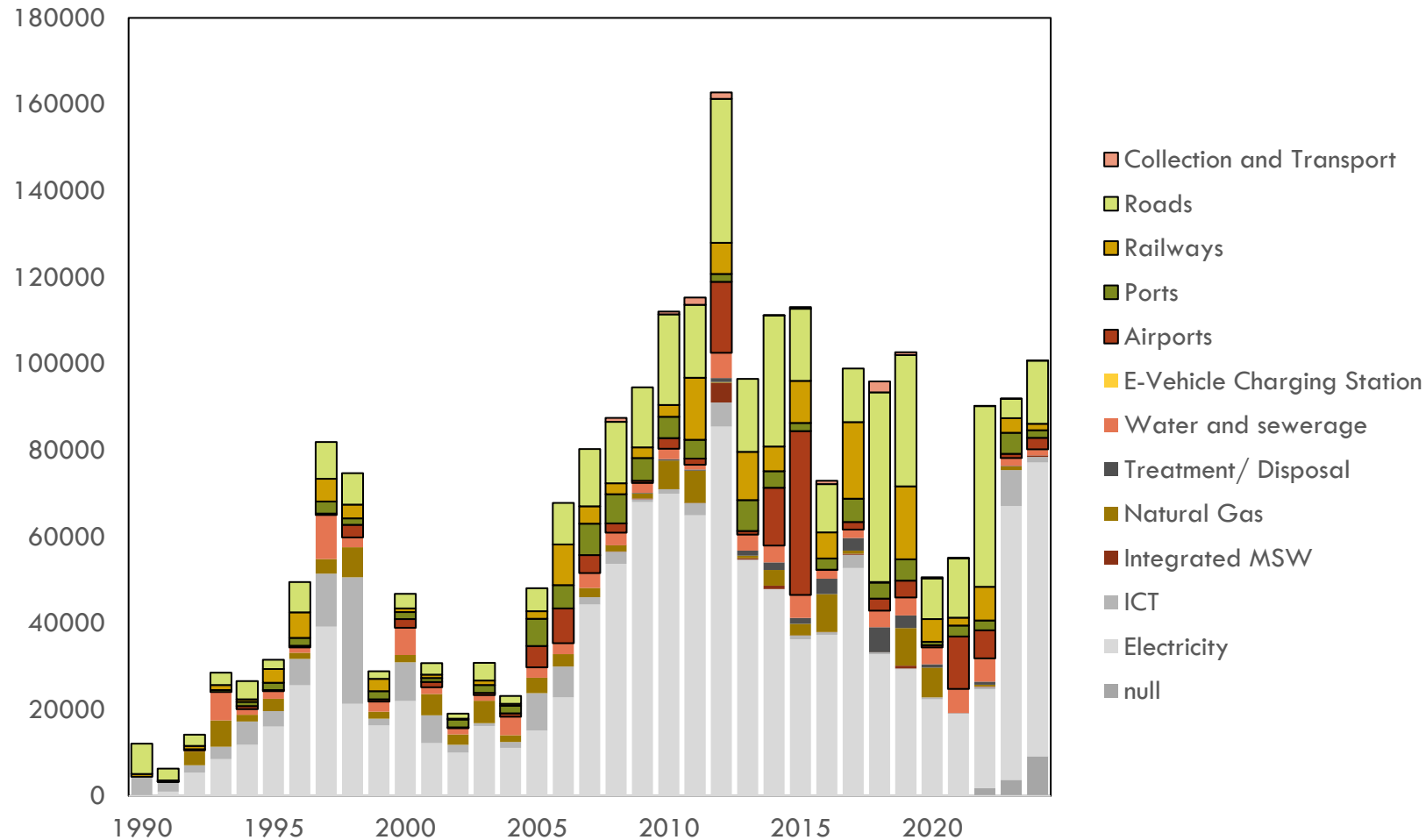
Investment Gap



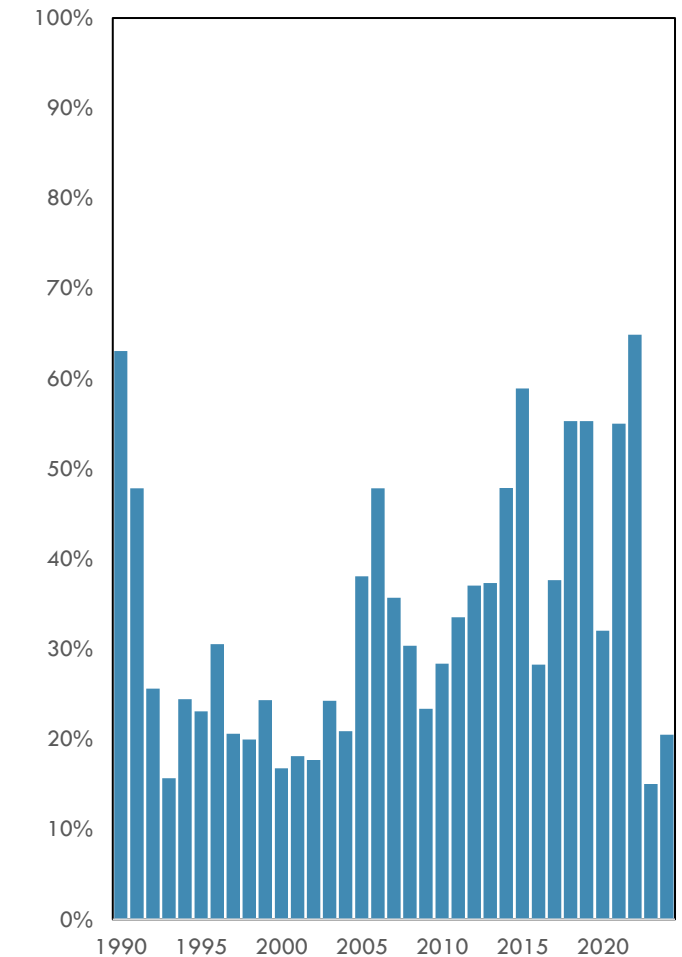
50 Billion USD Explicit Fossil Fuel Subsidy

Private Participation in Transport Infrastructure - Asia

Private Investments in Infrastructure - Global

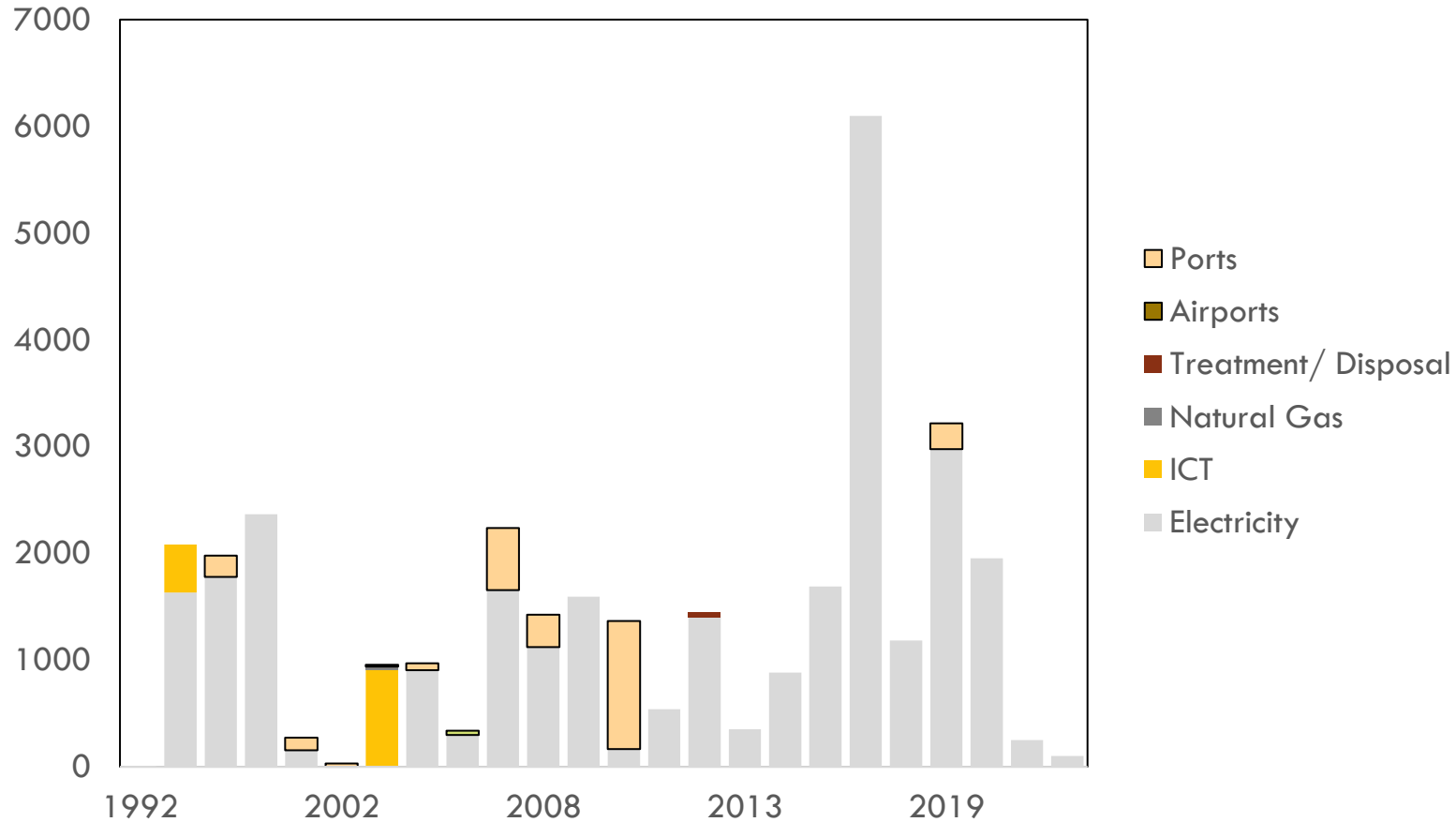


Share of Transport in PPI

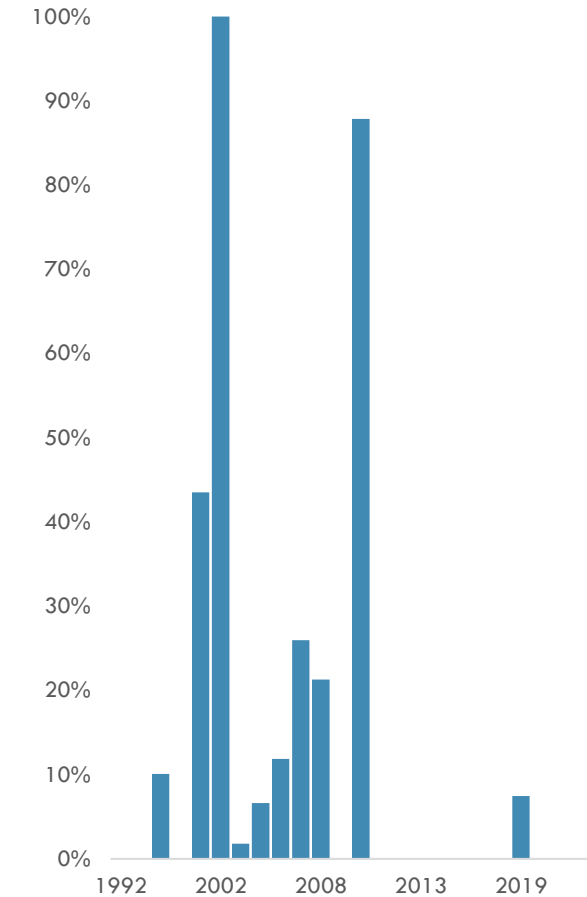


Private Participation in Infrastructure - Pakistan

Private Investments in Infrastructure - Global

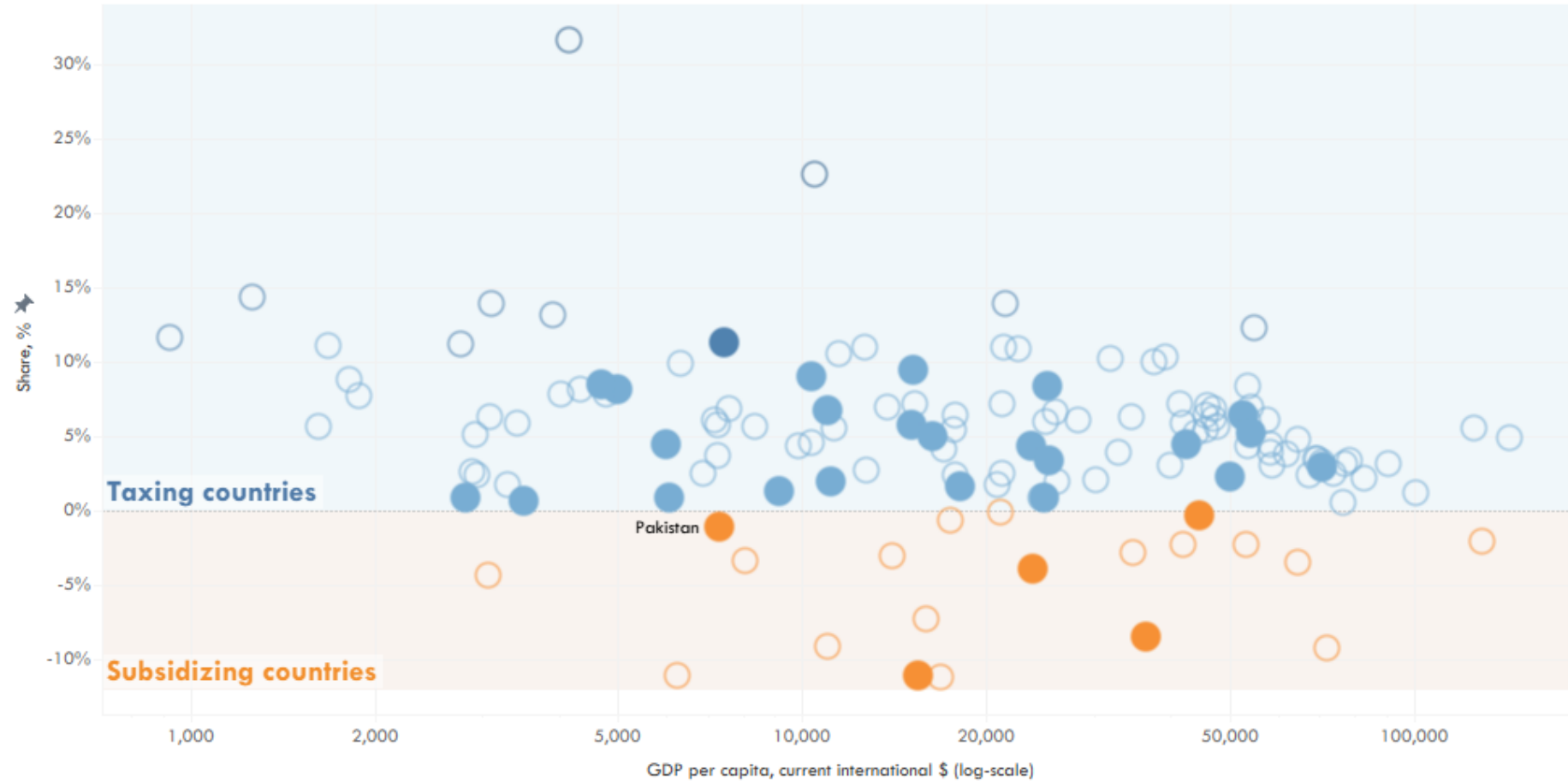


Share of Transport in PPI



Fuel Tax Revenues

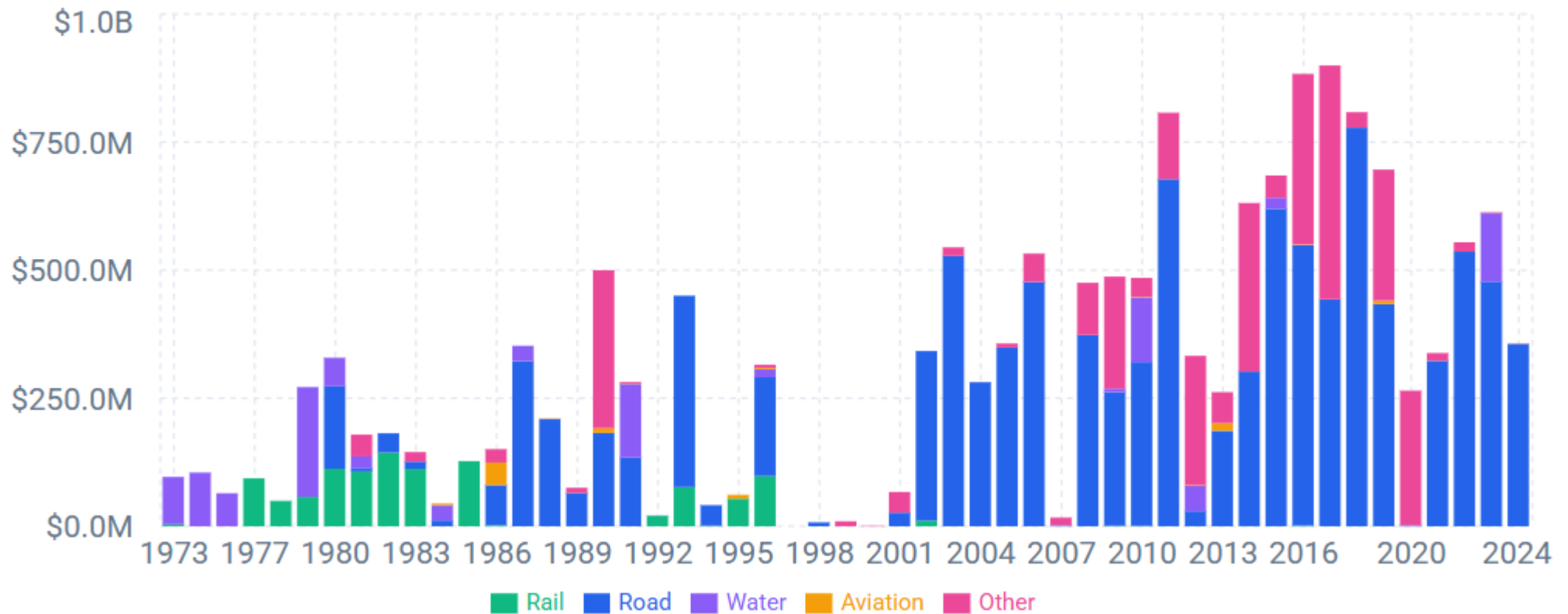
Fuel tax as share of total government revenue



Source: Noll, B., Schmidt, T. S., & Egli, F. (2026). The electric vehicle transition and vanishing fuel tax revenues. *Nature Sustainability*, 1–5. <https://doi.org/10.1038/s41893-025-01721-7>

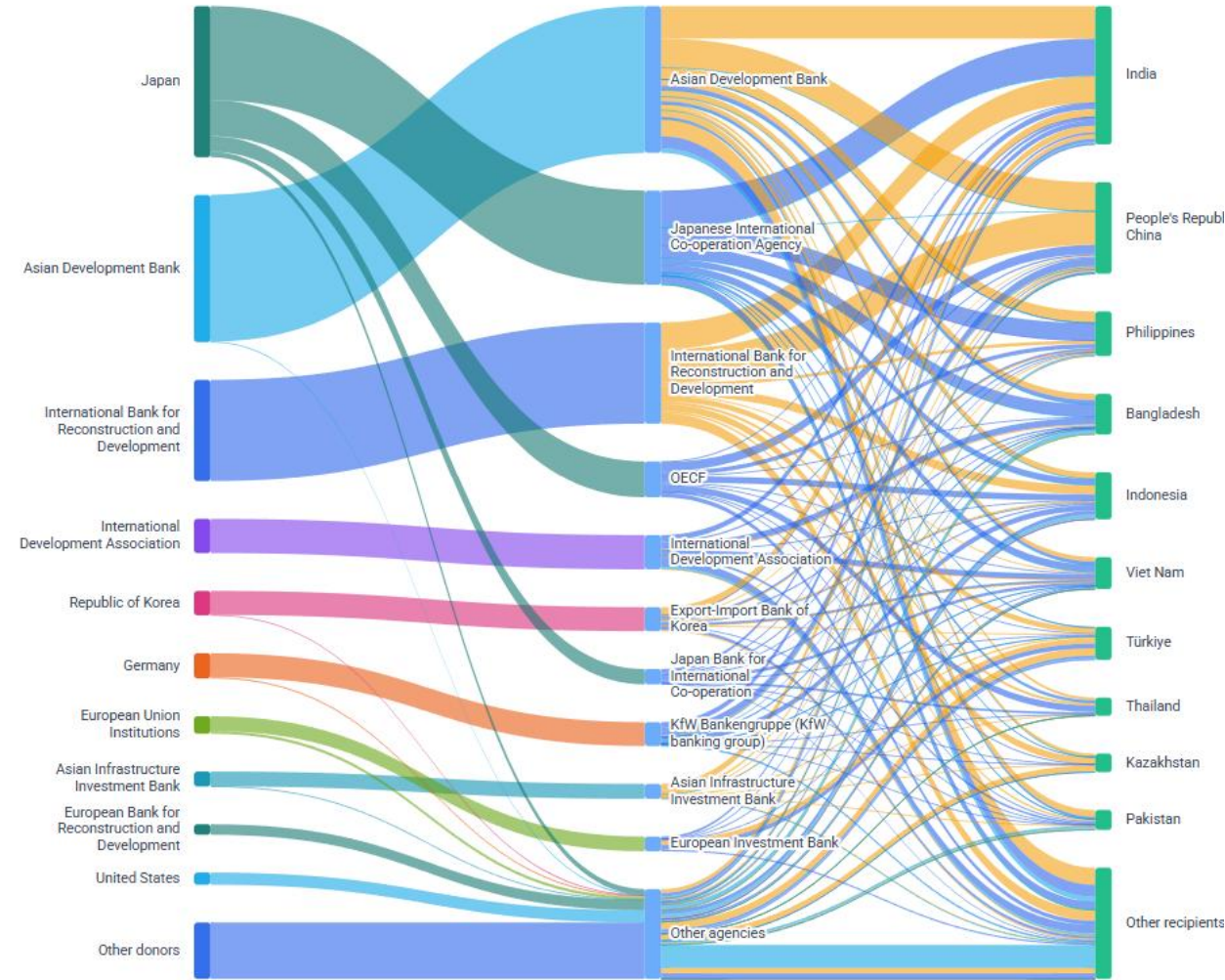
Development Finance over Time

Yearly commitments received by the selected recipient by transport mode, constant 2024 USD.

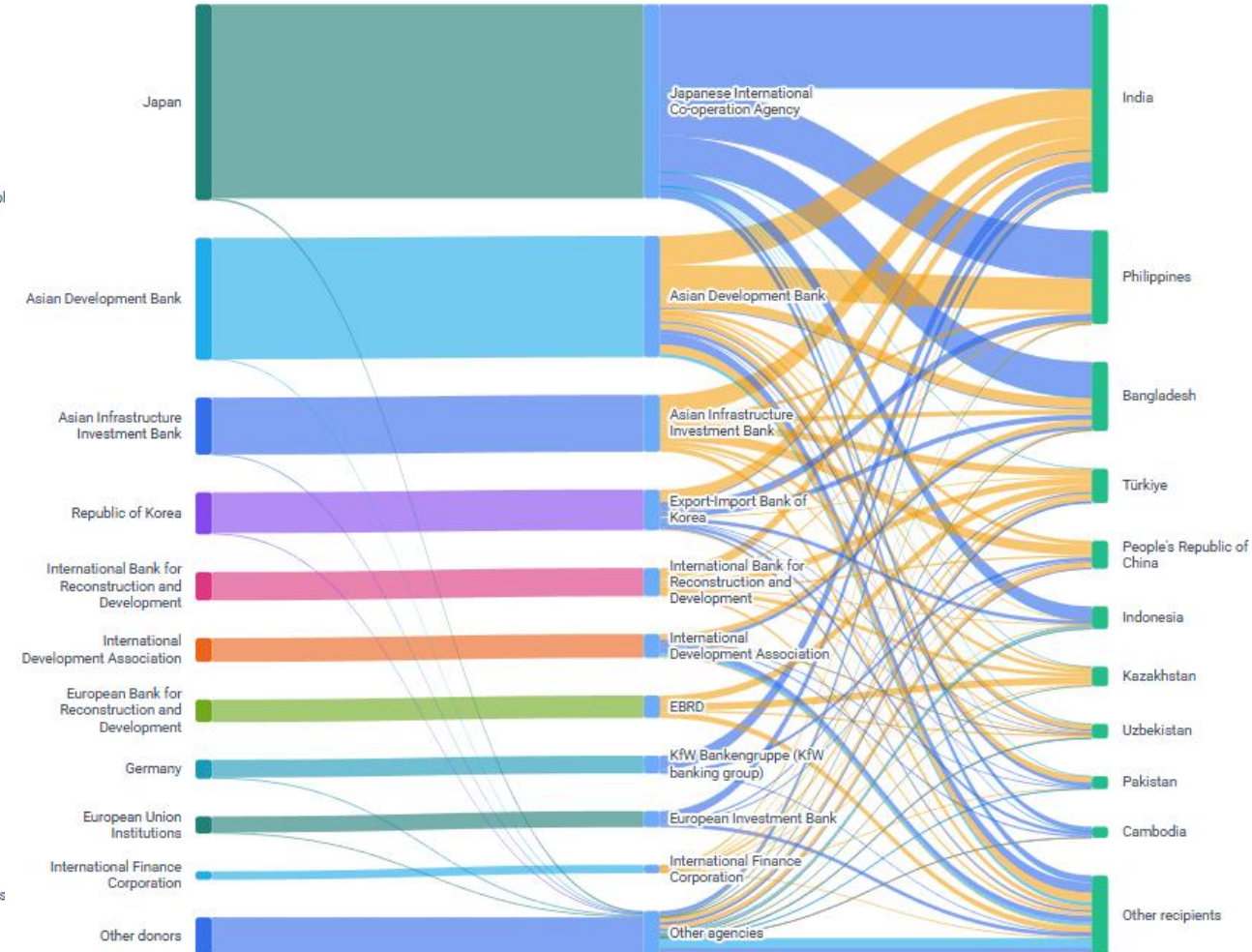


Regional Trends – Development Finance towards Transport

1973-2024

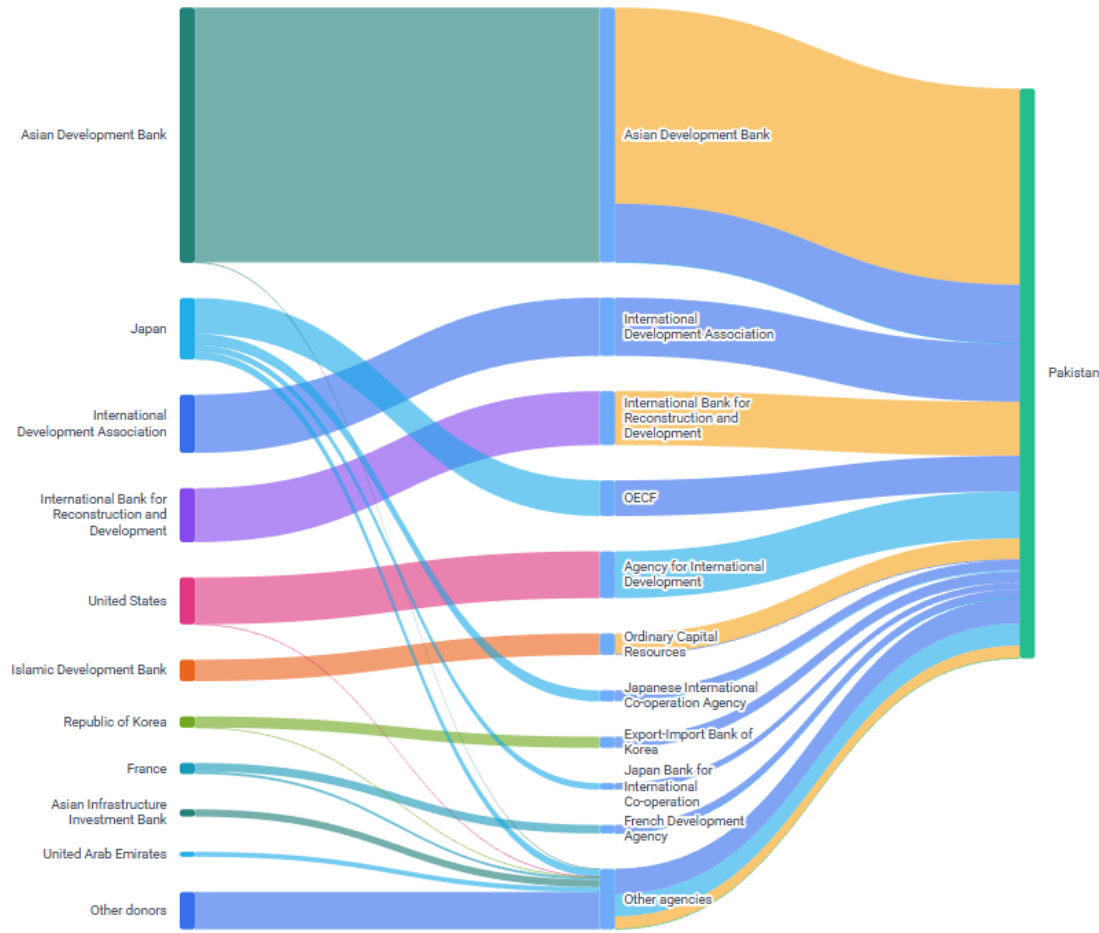


2020-2024

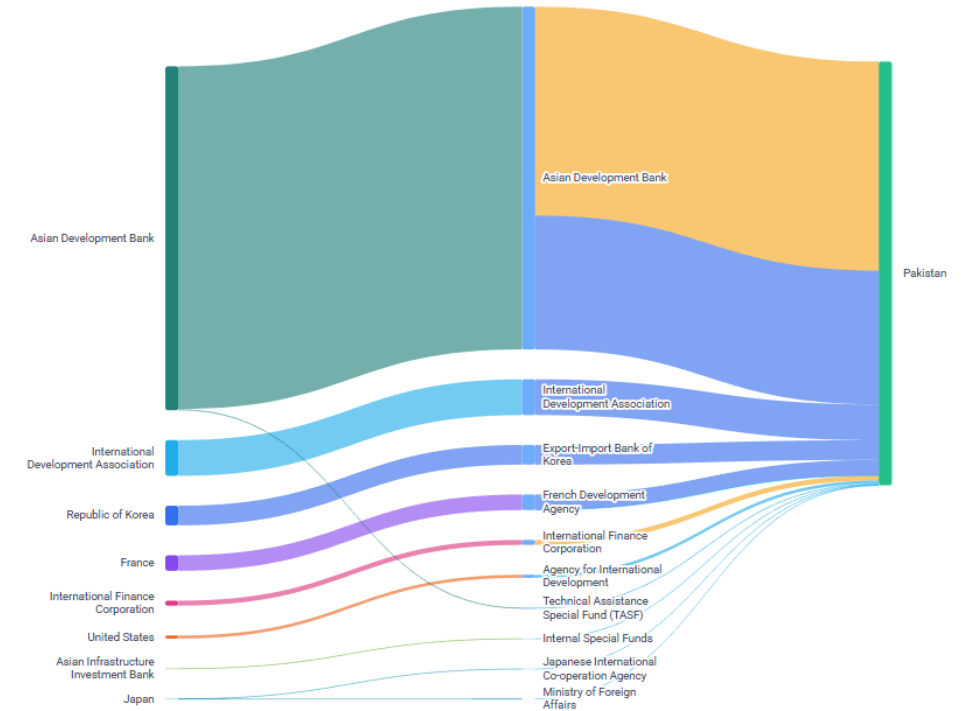


Pakistan – Development Finance towards Transport

1973-2024



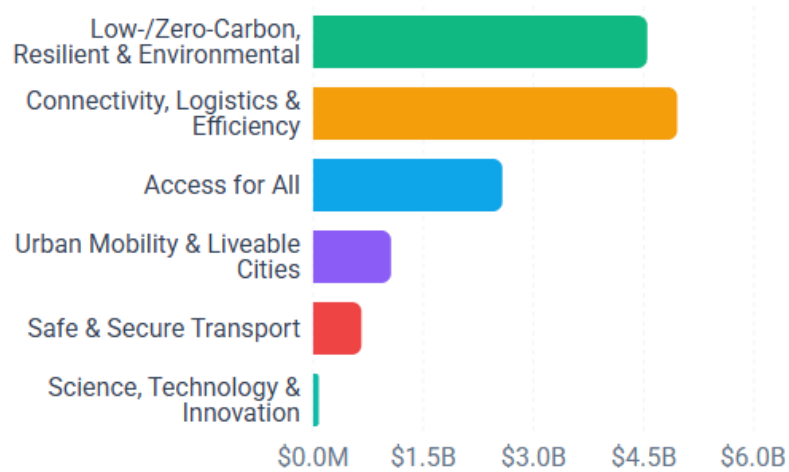
2020-2024



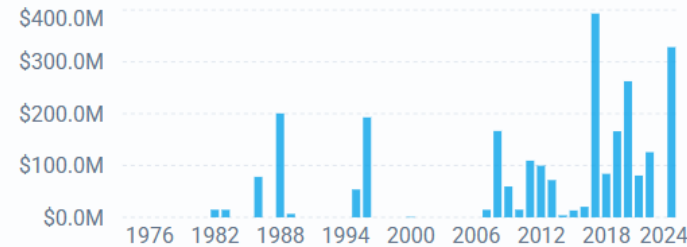
Development Finance – UN Decade of Sustainable Transport Focus Areas

Theme Overview

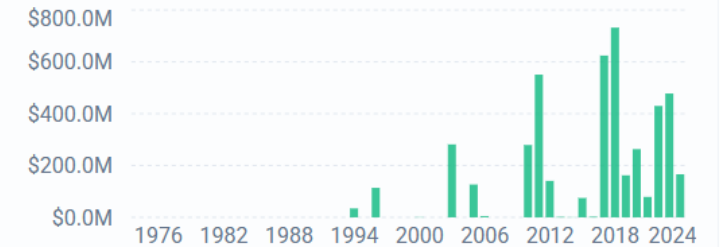
Total commitments tagged to all focus areas, constant 2024 USD.



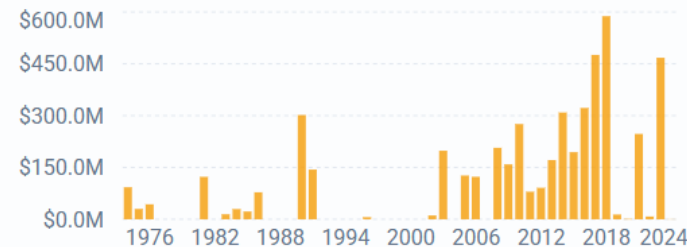
Access for All



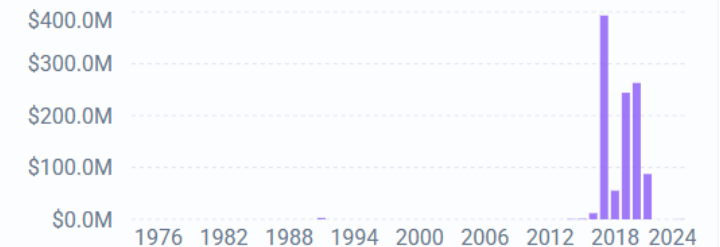
Low-/Zero-Carbon, Resilient & Environmental



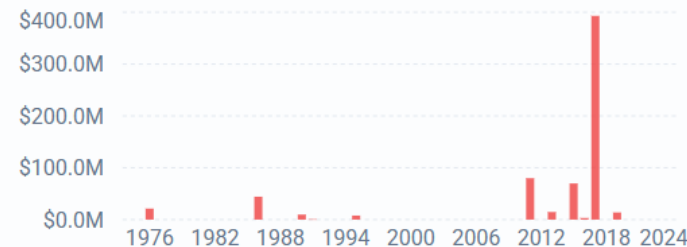
Connectivity, Logistics & Efficiency



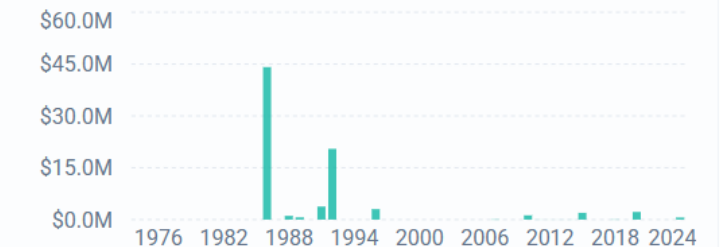
Urban Mobility & Liveable Cities



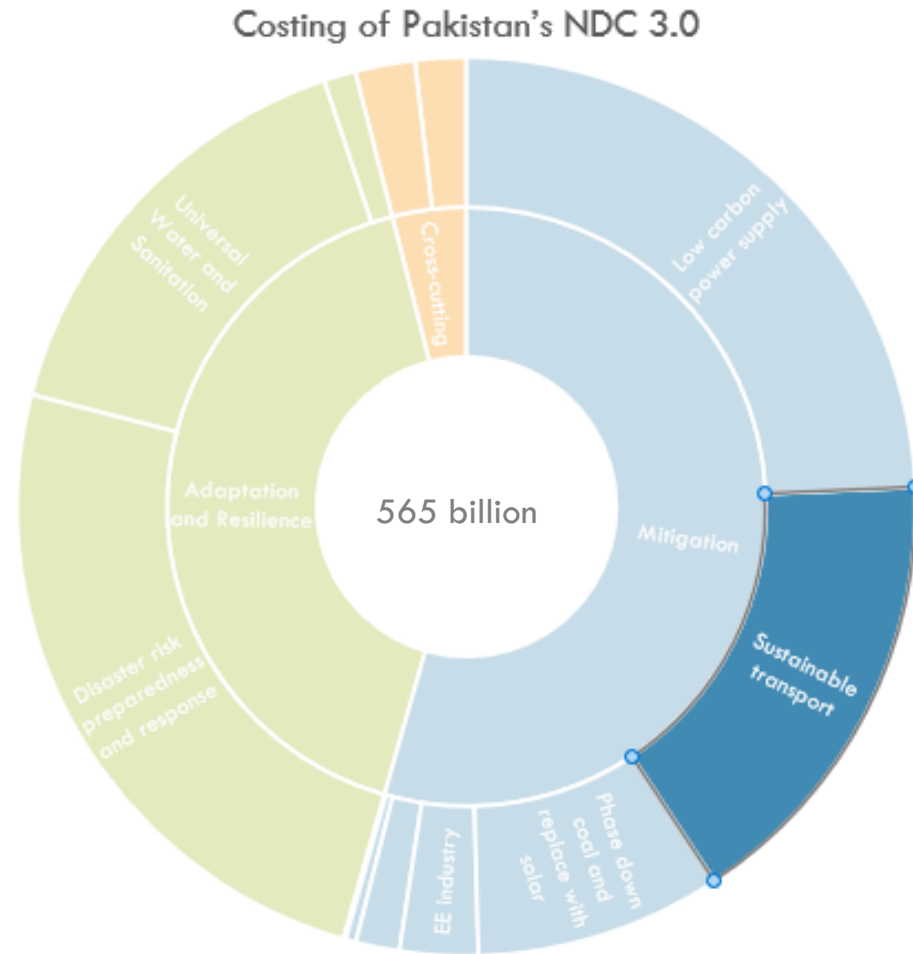
Safe & Secure Transport



Science, Technology & Innovation



Climate Finance Needs

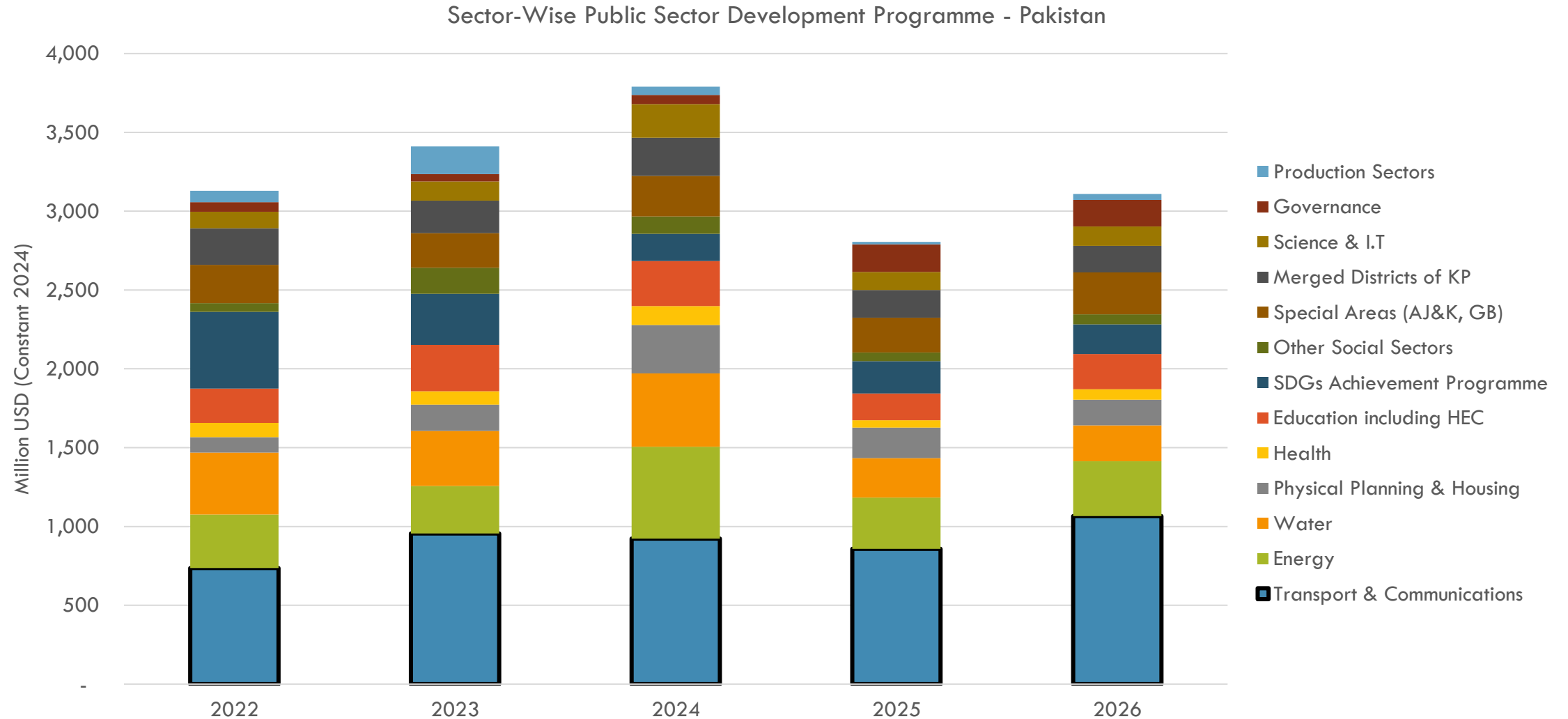


92.6 billion USD needed for sustainable transport

30% of costs of mitigation measures
16% of total measures

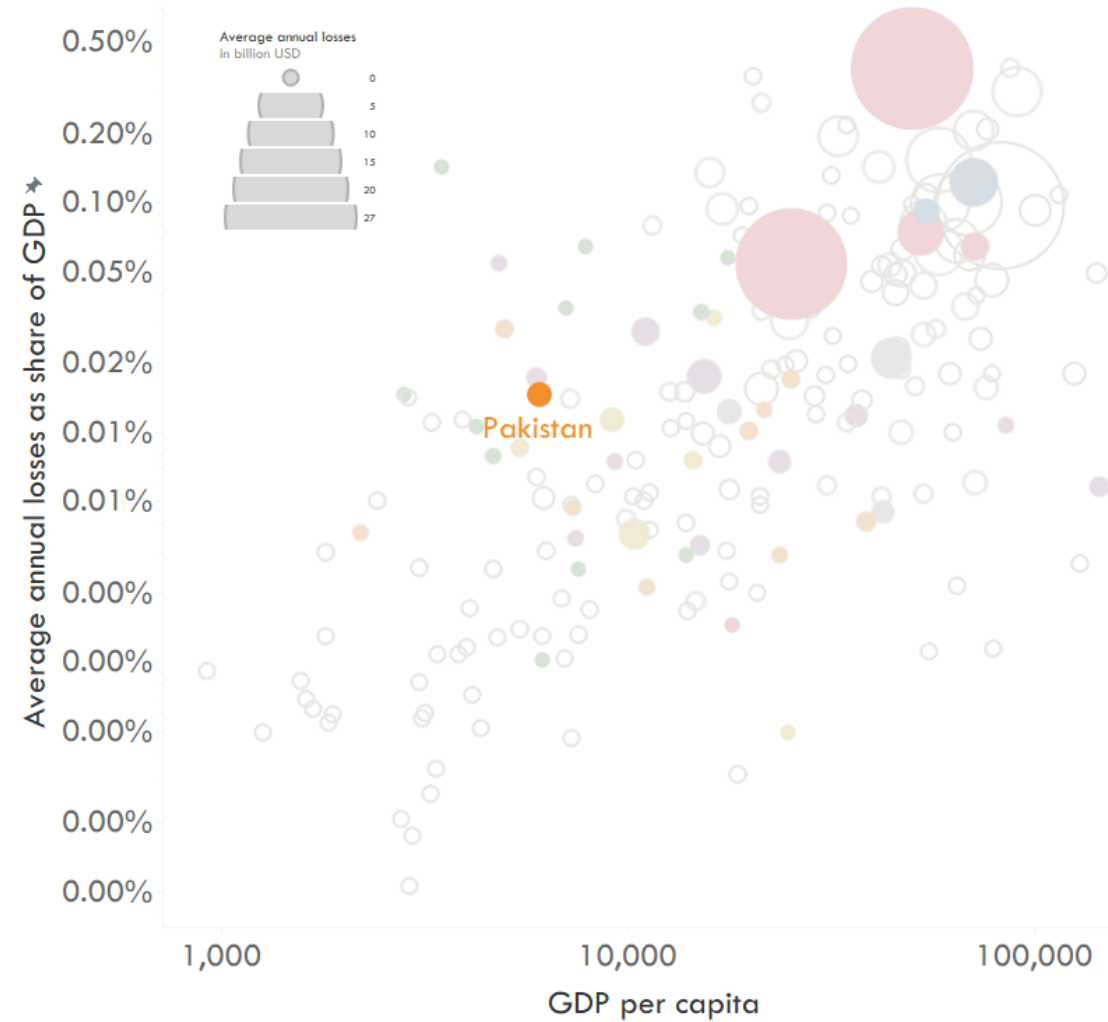
Source: ATO visualization based on Pakistan's NDC3

Sector-Wise Public Sector Development Programme - Pakistan

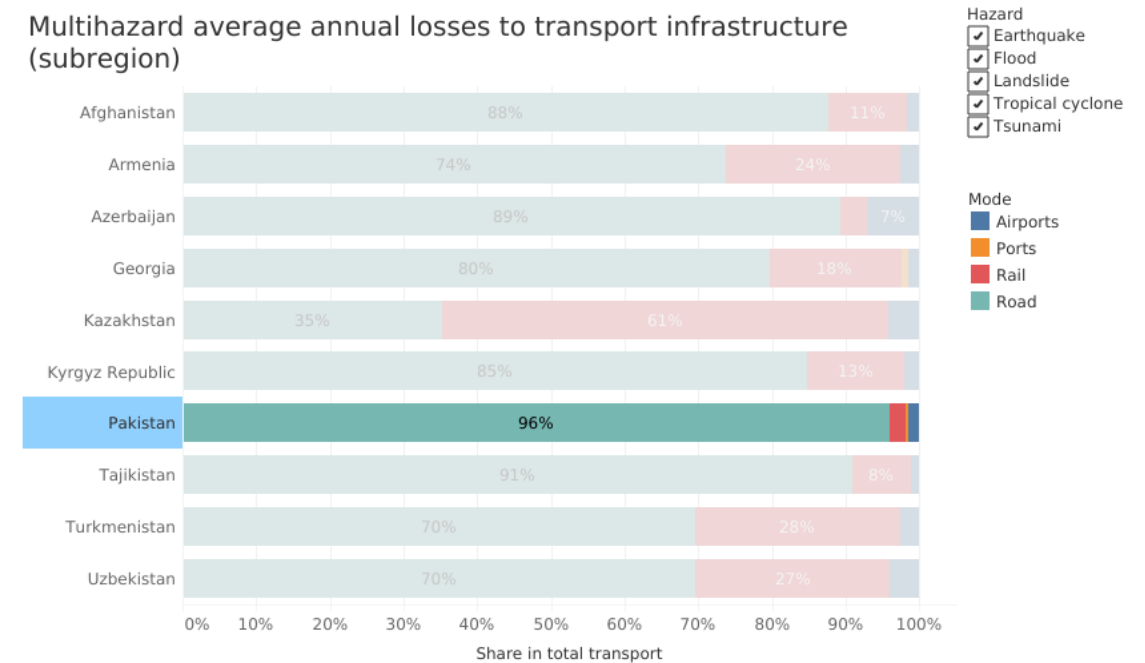


Other Costs

Multi-hazard average annual loss to transport infrastructure



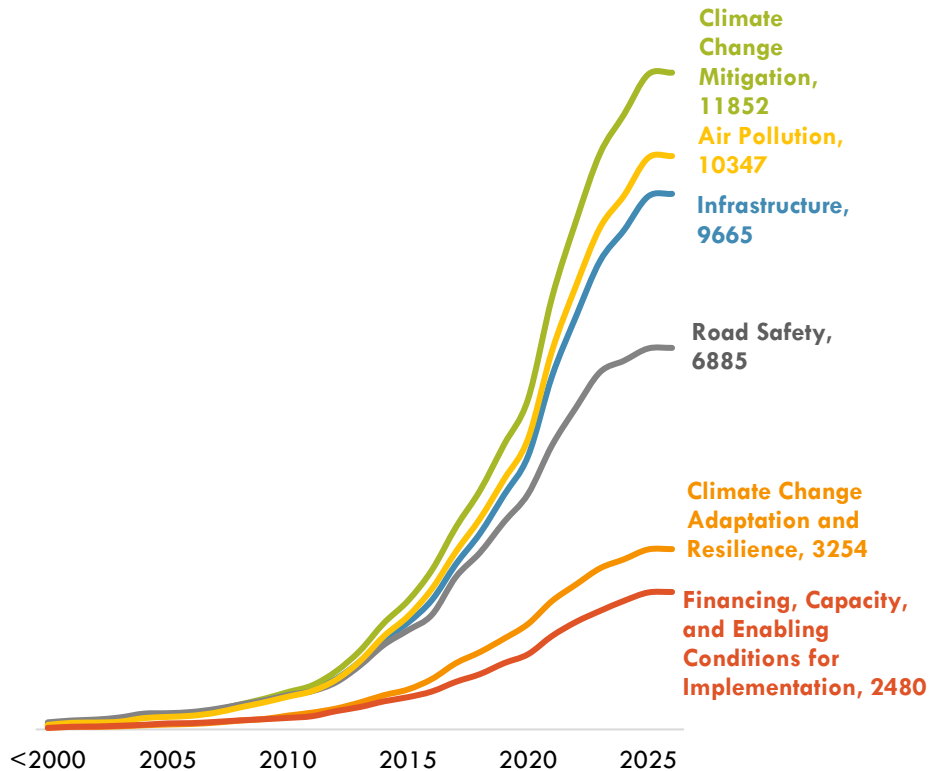
Multihazard average annual losses to transport infrastructure (subregion)



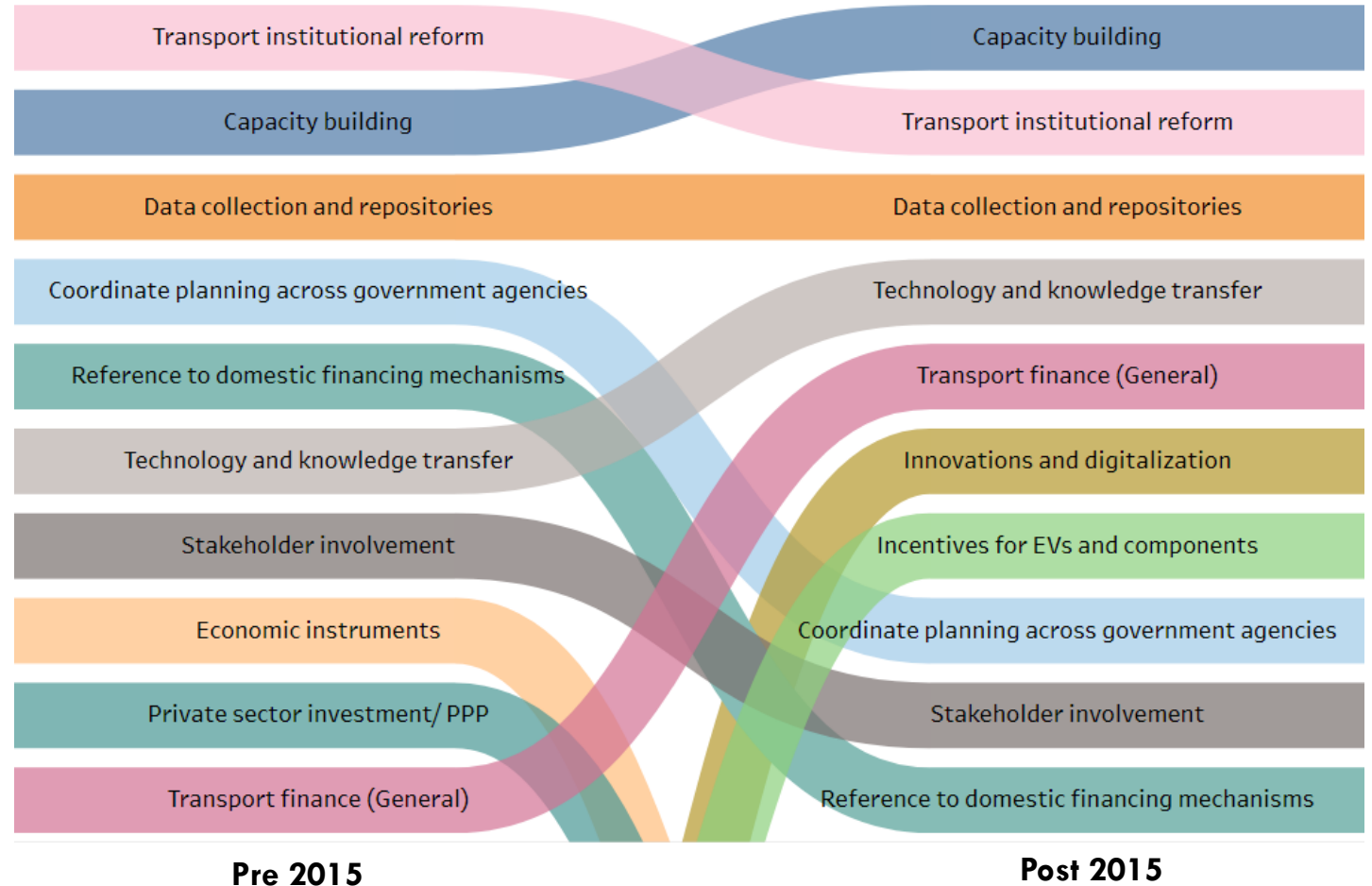
Source: CDRI (2023)

What gets measured gets financed?

Cumulative Measures + Targets across Themes



Top 10 Policy Measures in the theme Financing, Capacity, and Enabling Conditions for Implementation



Development Finance Explorer

- Tracks transport commitments and disbursements across donors, recipients, modes, and years
- Covers 66 donors, 50 recipients, and 77k+ CRS fact records for Asia-Pacific for period 1973-2024



Asia and the Pacific Transport Development Finance Explorer
Tracking finance for low-carbon, resilient, safe, and inclusive transport

Filters

Year

1973

2024

Mode

All

Sustainability-related Tags

All

Basis

Commitments

Amounts are shown in constant 2024 USD where applicable.

Commitments

\$473.3B

Total commitments, constant 2024 USD

Recipients

50

ATO economies and Asia regional recipients

Donors

66

Finance sources in view

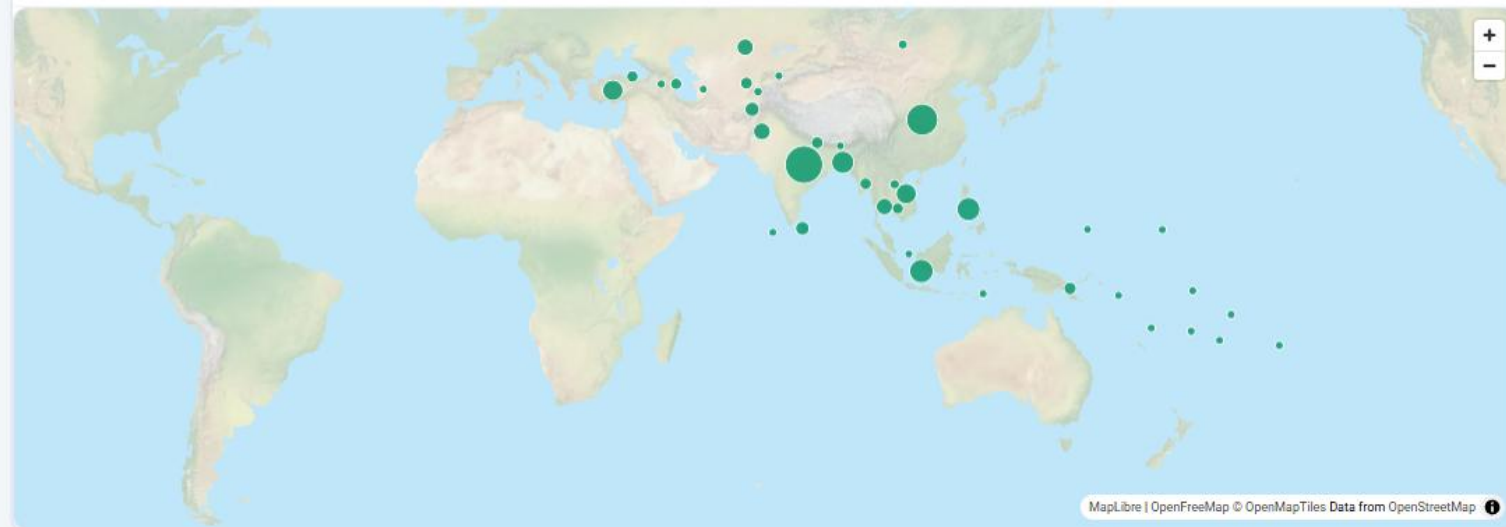
Records

77,571

CRS transaction lines

Recipient Map

Map of ATO economy recipients in the current filtered view. Circles show amounts in constant 2024 USD.



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***“ATO translates data into
insights, policies, and
investments”***

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