

**Address by
President Tadao Chino
Asian Development Bank**

**at the
Concluding Workshop of Reducing Vehicle Emissions Project**

28 February 2002

Chairman Abalos from MMDA, Mr. Weynand from USAEP, Mr. Lentsch from UN ESCAP, Ms. Roychowdhury from the Centre for Science and Environment, Distinguished Guests, Ladies and Gentlemen,

It gives me great pleasure to welcome all of you to the Concluding Workshop of the Regional Technical Assistance on Reducing Vehicle Emissions. ADB is honored to have representatives from so many different stakeholders at this workshop — from Asia and from other regions, and from NGOs as well as from Government agencies. We are also pleased to see many participants from the private sector, as the private sector can play an important role in improving air quality. We also welcome other development agencies, our important partners in working for clean air.

Many Asian cities are suffering from poor air quality. Some of you live in these cities and you know yourself that the air is unhealthy. As a result of poor air quality, people suffer from respiratory diseases, run the risk of developing cancers and other serious ailments, and may even die prematurely. Although exact figures are not available, air pollution can contribute to tremendous economic losses.

ADB is particularly concerned about the adverse effects of poor air quality because it is the poor who are often most affected. Poor people do not have adequate measures to protect themselves from air pollution. Once affected by pollution, they often do not have sufficient financial resources to seek medical assistance. ADB's overarching goal is poverty reduction, and we believe that assistance for better air quality can help improve the lives of the poor.

Asia is experiencing rapid urbanization, and within the next 20 years the majority of Asia's population will live in cities. Since poor ambient air quality is largely an urban problem, poor air quality will directly affect millions of city dwellers. Projects and programs

designed to improve air quality can, therefore, benefit a large number of people in Asia.

Rapid economic development in Asia has also resulted in a tremendous increase in the number of motor vehicles and motorcycles. Records show that in many countries across the region, vehicle fleets are doubling every five to seven years, and several countries have experienced even faster growth. This increased mobility, however, comes with a high price. As the number of vehicles continues to grow, and the consequent congestion increases, vehicles are now the main source of air pollution in most cities across Asia.

We are well aware that air pollution is not a uniquely Asian problem. We hear stories about air pollution all over the world. We are therefore pleased to see many participants from countries outside Asia, which have already made good progress in cleaning up the air in their cities. I am certain that we can learn a lot from you, particularly how we can make progress in improving air quality

through a combination of technical measures, legislative reforms, institutional approaches and market-based incentives.

However, many of our guests from Asia may agree that there are certain unique challenges facing Asian countries in tackling air pollution. For instance, transport in Asia has many features which are different from other regions, particularly in terms of the types of vehicles commonly used in Asian countries. Also road networks in Asia are operated in a different manner. In Asian cities, many pedestrians and non-motorized modes of transport share limited space with modern vehicles, and there is a need to accommodate all of these different road users.

Vehicles in Asia are often much older than in other regions, and usually comprise technologies considered out-dated in other parts of the world. Also, institutions responsible for managing air quality are often not as well developed as those in other regions.

ADB provides assistance to its member countries through lending and technical assistance grants. In cases where several

countries face similar problems, ADB also provides Regional Technical Assistance grants, or RETAs. RETAs are particularly suitable when ADB and its member countries are to develop detailed approaches together to deal with problems shared commonly by several countries, such as air pollution. This RETA has enabled ADB to facilitate the exchange of information through four regional workshops and also supported policy development in four of its member countries. Together with different stakeholders who participated in these workshops, ADB has learned a lot about the seriousness of the problem, and the steps that we can take to improve air quality in the region.

I am particularly pleased that this RETA has helped four countries in the region to formulate Action Plans to address mobile air pollution in an integrated manner. These Action Plans are presented in this workshop and contain specific proposals, which, when implemented, will result in cleaner air in the foreseeable future. ADB would like to work closely with these four countries in implementing the Action Plans. Knowledge gained in this process will also be shared with other cities and countries in the region.

Let me now briefly touch upon few major findings of this RETA.

First, improving the quality of fuel is essential in reducing emissions from vehicles. While almost all countries in the region have succeeded in removing lead from gasoline, efforts should now be made to improve the quality of diesel fuel by reducing, in particular, sulfur levels in diesel. This is especially urgent, considering the high proportion of diesel fuel used in Asia compared to gasoline. This will result in a direct reduction of particulate matter emitted into the air. In addition, it will enable the use of advanced engine designs and emission control devices that will lead to the reduction of harmful pollutants such as carbon monoxide, sulfur and nitrogen oxide, and volatile organic compounds. In addition, we should promote the use of alternative fuels such as compressed natural gas, LPG and bio-diesels.

Second, it is also critical to establish the necessary legislation and enforce stricter emission standards to both vehicles already in use and to new ones. Many countries in Asia and the Pacific have started making efforts in this area, and intend to require new vehicles

to meet the same emission standards as new vehicles in Europe before the end of this decade. However, the adoption of the European emission standards for motorcycles may not be fully relevant in Asia since there are significantly more motorcycles in Asia than in Europe. In this regard, we are pleased that several Asian countries including India, Thailand and Taipei,China have already adopted emission standards for motorcycles which are among the most strict in the world.

Third, it is important to ensure that vehicles are well maintained. More and more countries in Asia have compulsory periodical inspection systems, or are now developing such systems. It is becoming increasingly clear that the private sector can take the lead in implementing inspection and maintenance systems, provided that the government has put in place a sound regulatory framework. At the same time, many countries in Asia are still trying to determine whether to set up a full fledged inspection and maintenance system for motorcycles. ADB is in the view that establishing inspection and maintenance systems for motorcycles may be effective in those

countries where motorcycles form a relatively high proportion of the vehicle fleet.

Fourth, traffic planning and management interventions are important in order to minimize vehicle emissions. It is even more important to analyze traffic demand to determine whether traveling by car is absolutely necessary and the only possible way of transport for people, or whether it is more desirable to explore possibilities to strengthen public transport or non-motorized forms of transport.

In addition to these technical solutions to reducing pollution, the following approaches should also receive priority in order to support integrated approaches to air quality management. These approaches include: (i) awareness raising regarding the possible economic and health impacts of air pollution, and available measures for improving air quality; (ii) tax reform measures to discourage the use of dirty fuels, and to encourage the purchase of vehicles with advanced emission control devices; and (iii) institutional frameworks and capacity building measures for managing air quality more effectively.

Successful efforts to formulate and implement strategies to reduce vehicle emissions will require the active involvement of, and close coordination with, stakeholders at all levels, including national governments, local governments, the private sector, and civil society. This will entail permanent institutional arrangements, instead of ad-hoc coordination mechanisms that can be found in many cities in Asia.

I would like to close my remarks by recalling what I said in the beginning about the economic and health impact of air pollution. The solutions that I mentioned are not just about saving the air, they are about saving lives and improving quality of life, especially for the poor. This indicates the urgency of the problem. ADB is well aware that some actions have already been taken in some of the areas I have mentioned in my remarks. We should now focus on how soon we can put into place the required measures to clean up the air in the cities of Asia. ADB is delighted to work closely with you, and other developing partners, to achieve this common goal.

Thank you.