



**Clearing-House for the
Partnership for Clean Fuels and Vehicles**
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Strategic Outlook PCFV – Background Paper from the Clearing House for the Discussion on the Strategic Outlook Session at 7 GPM

I. Background – promoting cleaner fuels and vehicles in developing and transition countries

Today the need for cleaner fuels and vehicles in developing and transition countries to reduce vehicular emissions is as compelling as it was when the PCFV started in 2002.

The rate of vehicle ownership, in non-OECD countries is increasing, and is set for major growth - from about 200 million vehicles today to 1.2 billion vehicles in 2050.

There is still much work to do to achieve the original objectives of the PCFV:

- there are still 14 countries using leaded gasoline;
- fuel sulphur levels in many developing and transition countries remain high;
- and many countries do not yet have policies in place that enable the use of cleaner vehicles.

The promotion of cleaner fuels and vehicles is gaining prominence, at the global, regional and national levels, as seen in the declaration and resolutions of many regional political forums. Cleaner fuels and vehicles play an important role in most economic stimulus packages. The transport sector is now recognized for its major contribution to greenhouse gas emissions and will have to be part of a new climate regime (with its support mechanisms) that may emerge from the climate negotiations in Copenhagen at the end of this year. Already there is some movement – for example the GEF is now starting to get interested in supporting transport activities. Also, the Clearing House is still receiving many requests from countries for support to promote cleaner fuels and vehicles.

II. PCFV Developments since its Inception

Over the years the PCFV has maintained its focus on its three key objectives:

- lead
- sulphur
- vehicles

Much progress has been made. When the PCFV started almost all developing & transition countries were using leaded gasoline. Today only 14 countries are still using leaded gasoline (many of them in small quantities). About half of them have committed to go unleaded in the next year. The stumbling blocks for the remaining countries are often political, rather than technical. Although the Clearing House will continue to work actively with these countries, the amount of work for the Clearing House for the lead campaign has decreased and will continue to do so.

Over the past years the Clearing House has significantly increased its work on fuel sulphur levels, implementing the PCFV goals as agreed in the PCFV sulphur publication at 4 GPM. The PCFV has been active at the regional and sub-regional levels in all regions and a large number of countries are being supported on national level activities. As a result, regional targets have been set and in 2008 67 countries endorsed 50ppm sulphur level in diesel as their objective in regional forums, commitments that now need to be translated in national actions and timeframes. The Clearing House is estimating that it is now close to half way in the campaign target to have all developing and transition countries commit themselves to reduce sulphur levels with an ultimate target of moving to low sulphur fuels of 50 ppm or less.



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Over the past year the work on promoting cleaner vehicles has significantly increased. Initially the Clearing House supported many activities in the area of clean fleet management, but more recently, regional and national support activities have also been initiated. This includes work on 2 & 3 wheelers. These activities often focus on co-benefits – countries want to clean up their fleets to reduce urban air pollution and greenhouse gas emissions.

The number of activities within the three campaigns have grown and the PCFV is now active in the following activities:

- support to national level activities to phase out leaded gasoline
- support to regional and sub-regional events to reduce sulphur levels
- national sulphur activities
- regional and national activities to promote cleaner vehicles
- clean fleet management (including PCFV Clean Fleet Management Toolkit and training sessions)
- global clean fuels and vehicles database
- TEL clean up
- cleaner motorbikes
- cleaner vehicle policies
- clean vehicle procurement
- refinery study Africa
- Global Air Pollution Forum (GAPF) (in Africa)
- WP29
- Global Fuel Economy Initiative (GFEI)

In addition we have ongoing work such as the website, newsletters, Advisory Group, publications, special events and PCFV representation at meetings, etc.

III Strategic Outlook

In the coming years the PCFV and the Clearing House will continue to be active in the three PCFV areas: lead, sulphur and clean vehicles. However, the amount of time spent on each will shift – while lead and sulphur have been the main focus over the past years, this will shift to a combined focus in the sulphur and vehicle campaigns.

This means that it is now even more important than ever to emphasize the systems approach and the co-benefits approach in the PCFV work. The systems approach requires fuels and vehicles to be viewed as one system to reduce vehicular emissions, while the co-benefits approach emphasizes that the introduction of cleaner fuels and vehicles has both local and global environmental benefits¹.

To continue to be the leading global initiative in its area, the PCFV will need to make sure that it links to the major global environment developments, especially the link between its campaigns and climate change.

The PCFV also wants to continue its strategy of working closely with regional partner institutions to support the PCFV's regional, sub-regional and national activities. In Central and Eastern Europe a strategic cooperation has been developed with the Regional Environment Centre (REC), in Latin America and the Caribbean with the Mario Molina Centre (Chile), in Asia with the Clean Air Initiative Asia (CAI Asia) and in Africa UNEP is working with a group of institutions in the Global Air Pollution Framework for Africa project.

¹ 4GPM asked the PCFV to fully apply the systems approach, while 5GPM and 6GPM asked the PCFV to emphasise the co-benefits of our work



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To further strengthen this PCFV regional to national approach the PCFV is working to cooperate with additional regional partners and forums².

On the basis of the above considerations the Clearing House is proposing to continue to work on its three campaigns as follows:

1- Lead Campaign

Objective:

To eliminate the use of leaded gasoline worldwide

Focus/ Activities:

- support countries (technical, financial , networking)
- do a –limited – fuel testing campaign
- organize political pressure for those that have not yet committed
- engage in a conversation with TEL producers
- develop a global benefits study for communication purposes and introduction of a Hall of Fame for recognition purposes

Outlook

Support activities will continue in 2009 and first half 2010. Political activities will continue for another 2-3 years.

2- Sulphur Campaign

Objective:

To promote and support the development of policies to reduce sulphur in vehicle fuels to 50 ppm or below worldwide, concurrent with clean vehicles and clean vehicle technologies, with roadmaps and timelines developed regionally and nationally

Focus/ Activities:

- Support the development of sulphur reduction policies at regional/ sub-regional/ national levels
- Establish further links with regional forums and regional implementation partners
- Emphasise the fuels- vehicles systems approach (low sulphur fuels that are needed for cleaner vehicles)
- Emphasise co-benefits of sulphur reduction (reduced air pollution/ improved health and reduced black carbon emissions)

Strategic Partnerships:

The PCFV is creating strategic partnerships with regional institutions that can help with the implementation of activities at the regional, sub-regional and national levels.

² In addition to ongoing strategic cooperation with the Regional Environment Centre for Central and Eastern Europe (REC), the Mario Molina Centre (Chile) and the Clean Air Initiative in Asia (CAI Asia), these include the Regional Offices of UNEP in Asia Pacific, Latin America and the Caribbean, West Asia, Africa and North America, the Association of South East Asian (ASEAN) countries, the South Asia Co-operative Environmental Program (SACEP), the African Union (AU), the League of Arab States (LAS), the Gulf Cooperation Council (GCC), the Male Declaration on Control and Prevention of Air Pollution (MALE Declaration) countries, the Acid Deposition Monitoring Network in East Asia (EANET), the Southern Africa Development Community (SADEC) countries, the East African Community (EAC) countries, the regional and global programs of the Global Air Pollution Framework (GAPF), the Global Fuel Economy Initiative (GFEI)



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Outlook

We estimate that it will take at least another 5 to 8 years to get all regions/ sub-regions/ countries to agree on and develop low sulphur strategies. The demand for support at the national level will further increase.

3- Cleaner Vehicles campaign

Objective:

To promote and support the development of national clean vehicles policies and standards and clean fleet management strategies³.

Focus/ Activities:

- Support at regional/ sub-regional/ national level for the development of clean vehicles strategies
- Emphasise systems approach
- Emphasise co-benefits (reduced emissions/ air pollution and reduced GHG emissions)
- Continue work to promote cleaner fleets/ fleet management
- Provide guidance on 2 and 3 wheelers
- Develop linkages with organisations working on clean transport

Strategic Partnerships

The PCFV is creating strategic partnerships with regional institutions that can help with the implementation of activities at the regional, sub-regional and national level. In addition the PCFV proposes to work with global programs and support mechanisms like the Global Fuel Economy Initiative (GFEI) and the Global Environment Facility (GEF), to make the link between the work of the PCFV and their activities, especially when there is overlap in activities.

Outlook:

This work has recently increased and it is forecast that this will continue for another 5 to 10 years. This work will increase as clean fuels become available, especially low sulphur fuels, and more attention is given to introducing cleaner vehicles, especially as part of a new possible global climate regime. Thus more work in the area of the promotion of cleaner vehicles is expected.

4- Global Clean Fuels and Vehicles Database

Objective:

To publish and maintain the premier global interactive, searchable database on clean fuels and vehicles in developing and transition countries, to be freely accessible for partners and other users.

Focus/ Activities:

The Clearing House will launch, during the second part of 2009, a new online database with clean fuels and vehicles information for all developing and transition countries. The database will be freely accessible on the PCFV website. Initially the database will contain 19 data elements (with an initial focus on 50 countries, to be extended to all 140 countries). It will have search, comparison, and mapping functions. The Clearing House will maintain and update the database. Although initially the Clearing House will populate this database, we hope that other PCFV partners will also contribute data and updates.

³ Clean vehicles and clean vehicle fleets are vehicles/ fleets that have reduced emissions due to the use of cleaner fuels, cleaner engine technology, after treatment technology, including improved efficiency. Reduced emissions both benefit air quality and climate change.



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The database will also be used to track progress in the implementation of the three PCFV campaigns and will be used as a monitoring/ reporting tool for the PCFV.

Strategic Partnerships

The Clearing House will be looking at strategic partnerships with partners (and non-partners) that would be interested to provide data. We have initial talks with the International Energy Agency in this regard.

Outlook

It will be a major effort to generate and keep updated 19 issues for 140 countries (in total 2660 data elements!). We hope to have the database populated with 25% of the data at its launch and hope to add at least an additional 20% of data each following year.

Implementing the campaigns

It is important to stress that although the PCFV will have three specific campaigns, when it comes to implementation at the regional, sub-regional and especially the national level issues are integrated and national programs always combine the PCFV campaigns. The Clearing House always uses and emphasizes the co-benefits and systems approaches. For example, when the Clearing House is supporting countries it is not just to phase out leaded gasoline, but also to make the importation of cars with catalytic converters mandatory. And when we are supporting the development of a clean vehicles strategy, it will often include a discussion and measures to improve the quality of fuels needed, especially low sulphur fuels. And promotion of cleaner vehicles strategies is always done under the combined argumentation of improved urban air quality and reduced greenhouse gas emissions.