

**Strategic Air Quality Management for Mongolian Cities:  
Training Workshop on the Guidance Framework for Better Air Quality  
in Asian Cities, 9-12 April 2019**

**Co-benefits of Air Quality & Climate Change Policies:  
Identification, Quantification & Integration**

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# COURSE OUTLINE

## Identifying Co-benefits

What are co-benefits?

Why are co-benefits important?

How can co-benefits be illustrated?

## Quantifying and Applying Co-benefits

Why is it important to quantify co-benefits?

How can co-benefits be quantified?

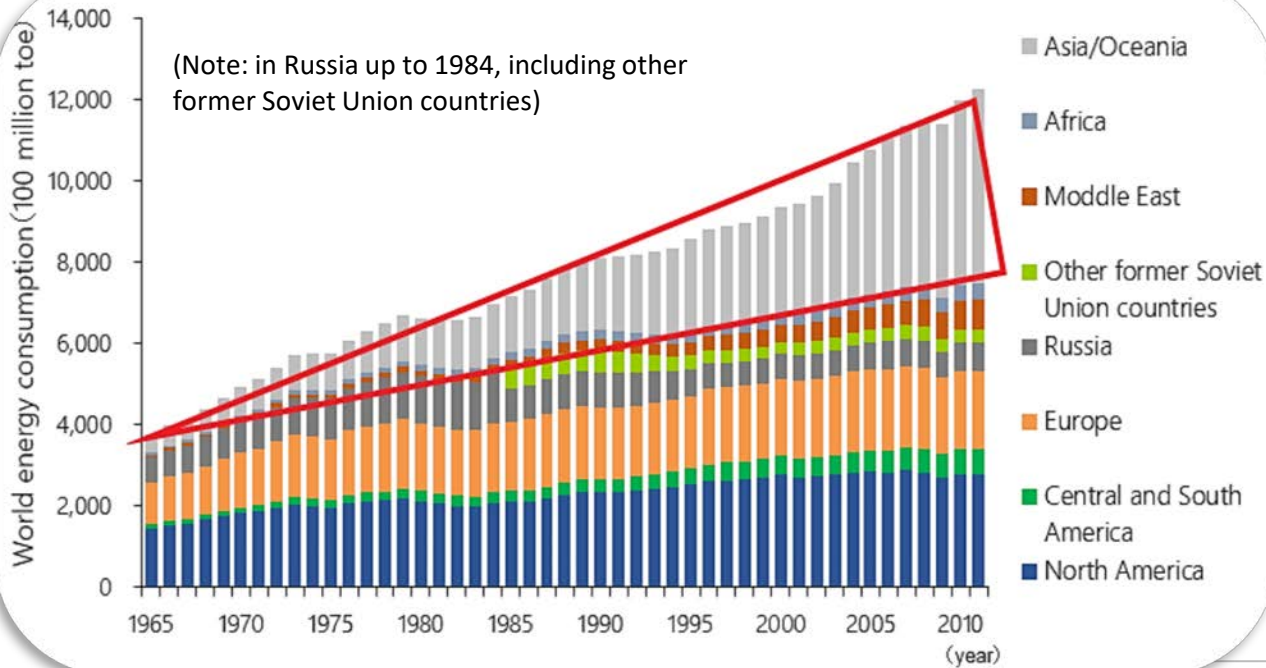
Case studies

## Integrating Co-benefits into Policies

How have co-benefits been integrated into policymaking process?

Institutions and Process with Case Study

Enabling Environment with Case Study

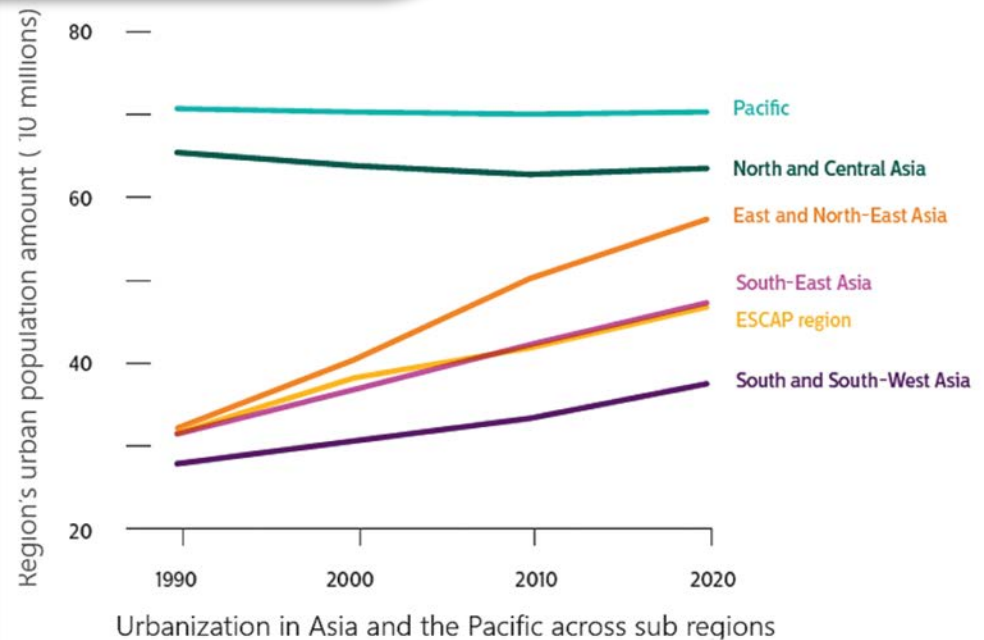


# Energy Consumption in Asia 1965-2010

(Source : Based on 2012 Statistical review of world energy)

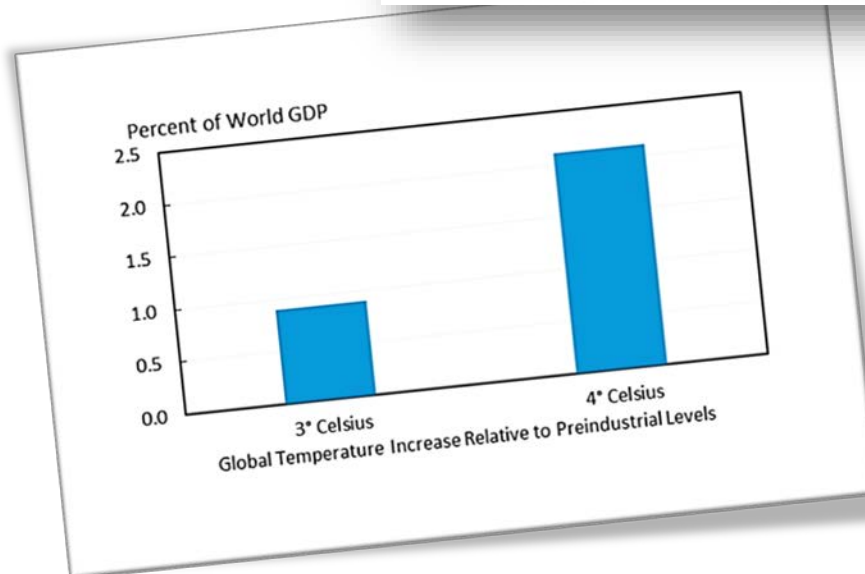
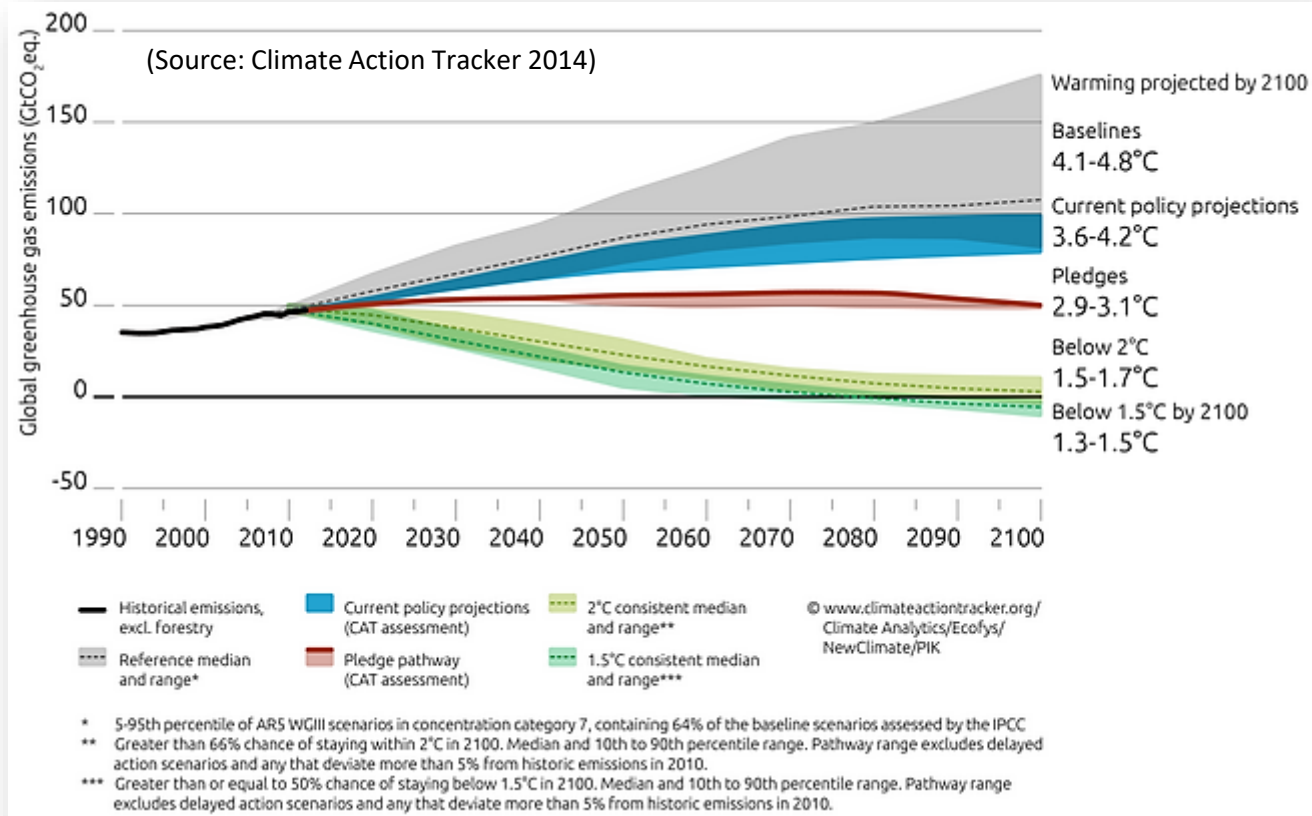
# Urbanisation in Asia

(Source : UN 2012 World Urbanization Prospects)



# Impacts of Climate Change

## Emission Scenarios and Projected Changes in Temperature



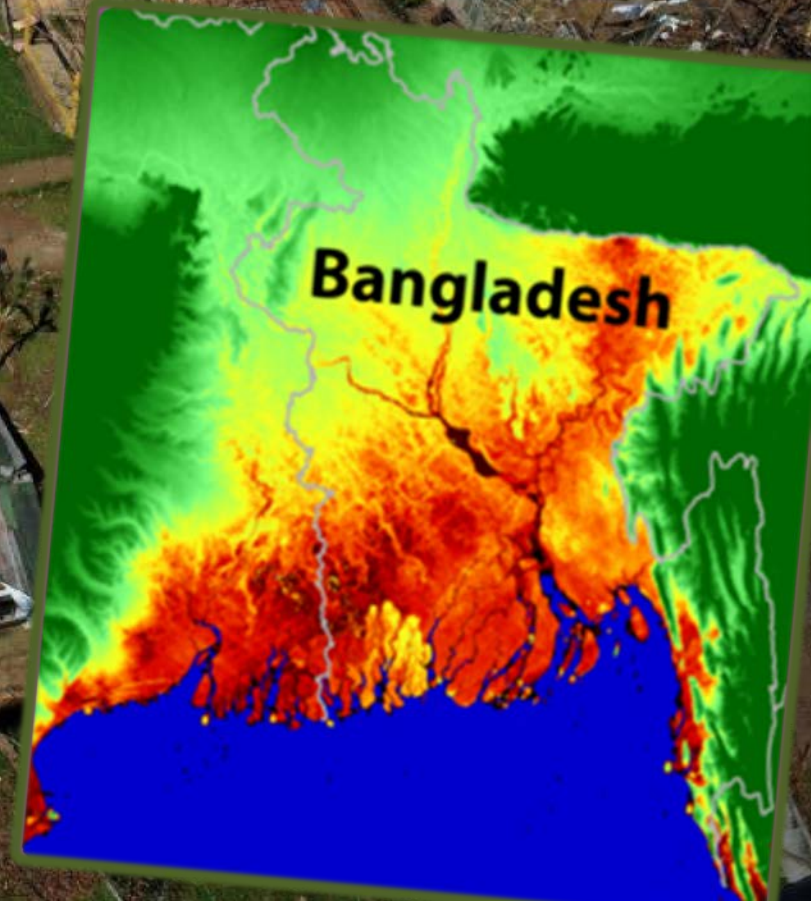
## Costs of Climate Change

(Source: Nordhaus 2013 & CEA calculations)

# A Different View on Climate Change Impacts



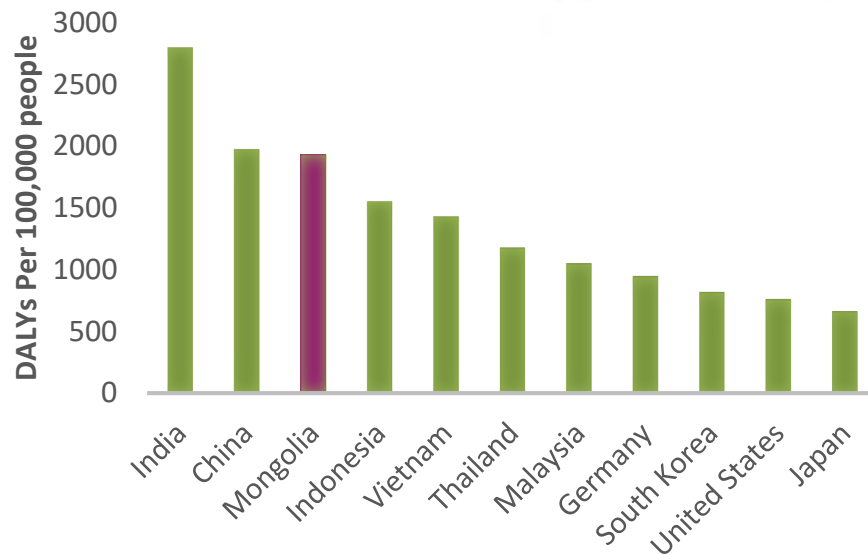
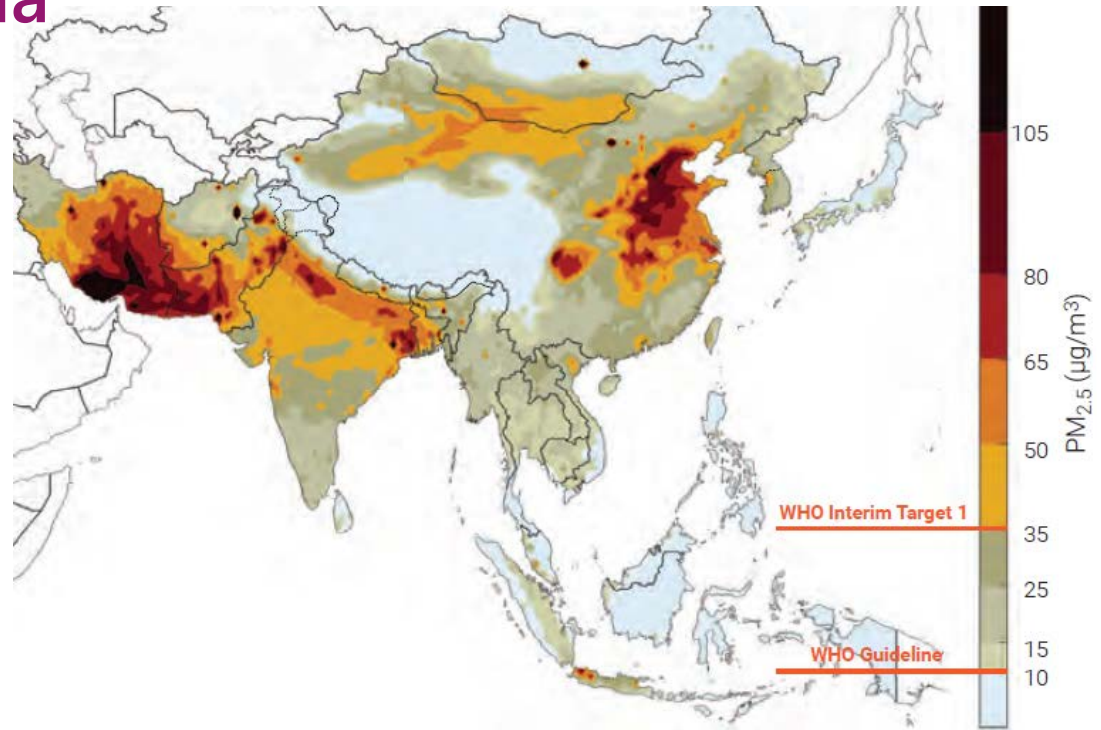
WE NEED  
FOOD  
HELP US....



# Air Quality in Asia

## Ambient Levels of PM<sub>2.5</sub> in Asia in 2015

(Source: UNEP 2019 Solutions Report)



## Number of Disability-Adjusted Life Year (DALYs) from air pollution

(Source: Global Burden of Disease Study 2017)

# Source of Air Pollution in Mongolia

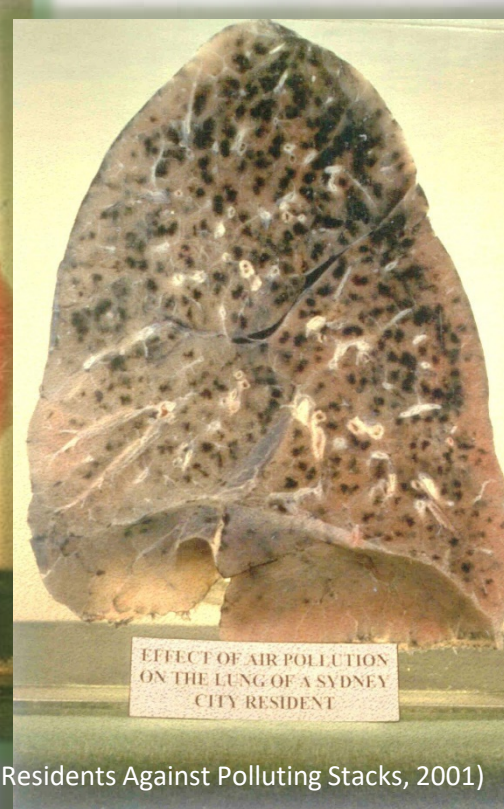


(Source: Ulaanbaatar Clean Air Project 19<sup>th</sup> CAREC Energy Sector Coordinating Committee Meeting 2015)

# Air pollution Impacts



NORMAL LUNG FROM A  
HEALTHY RURAL RESIDENT



EFFECT OF AIR POLLUTION  
ON THE LUNG OF A SYDNEY  
CITY RESIDENT

(Source: Residents Against Polluting Stacks, 2001)

(Source :China Baidu)



How much should policymakers  
spend on mitigating climate change



Depends on benefits

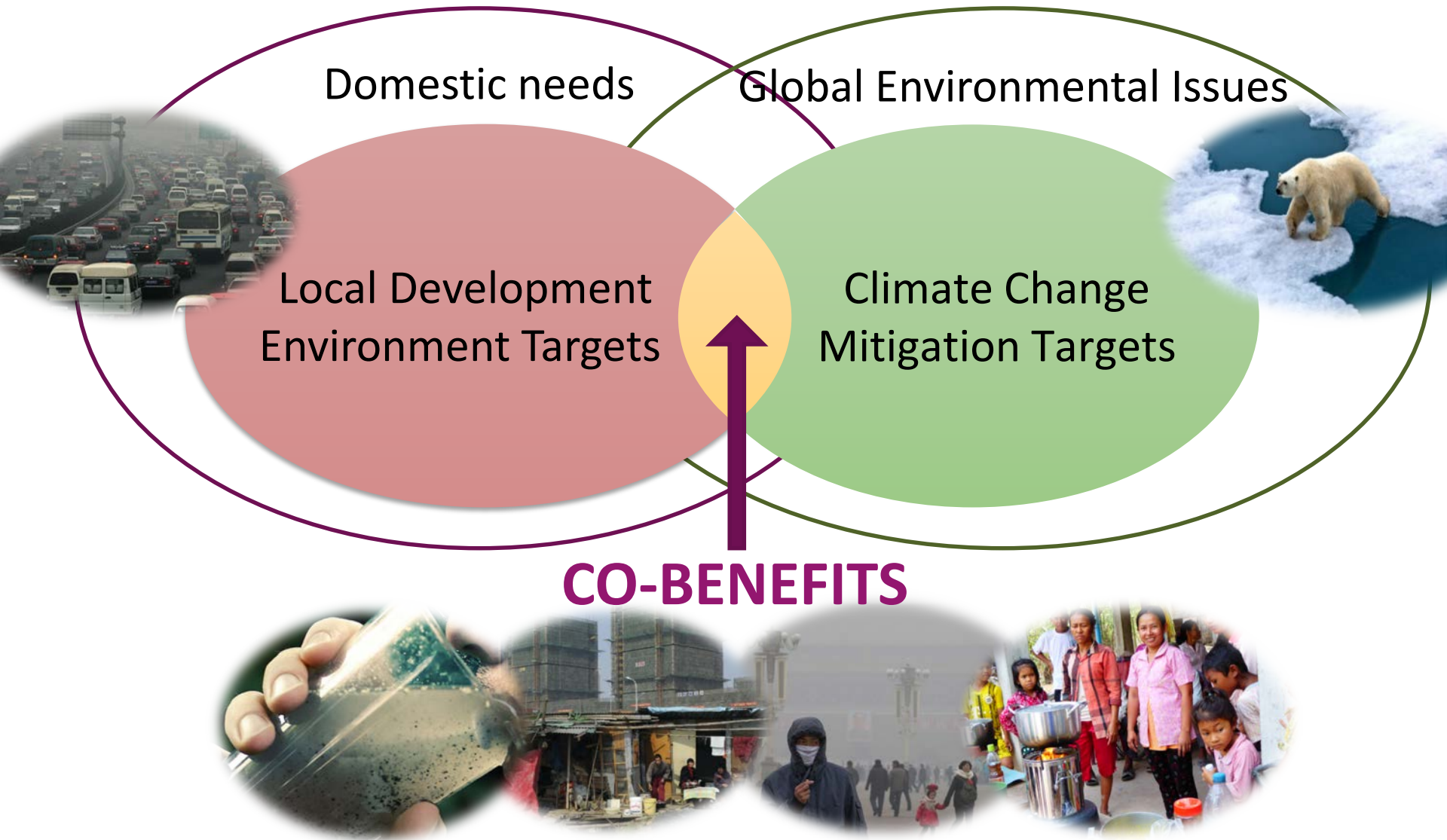
# What are co-benefits?

**Some define co-benefits broadly:** Benefits that accrue as a side effect of targeted policies are known as *secondary benefits*, *policy spillover effects*, '*co-benefits*' or *ancillary benefits*. (Pearce 2000)

**Others look mostly at synergies between mitigating climate change and controlling air pollution:** In the process of controlling GHGs, the benefits from other pollutants that are also abated e.g. SO<sub>2</sub>, NO<sub>x</sub>, PM. In the process of abating air pollution, the benefits from CO<sub>2</sub> and other GHGs that are also mitigated. (PRCEE)

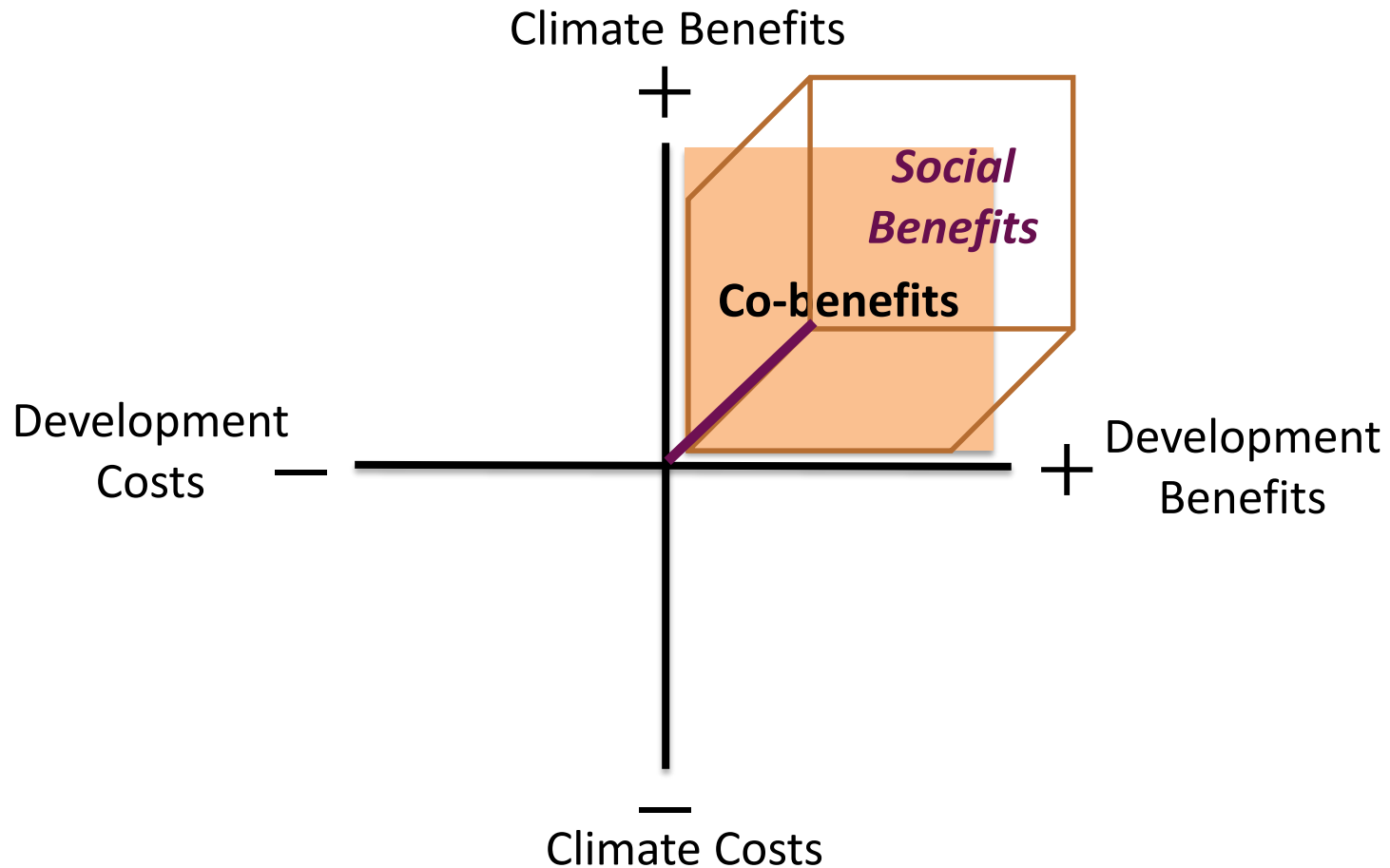
**Yet others focus on the link between climate mitigation and sustainable development:** The benefits of policies that are implemented for various reasons at the same time – incl. climate change mitigation – acknowledging that most policies designed to address GHG mitigation also have other, often at least equally, important rationales e.g. related to objectives of development, sustainability and equity. (IPCC 2001 TAR)

# Visualising Co-benefits



# Expand our view of co-benefits...

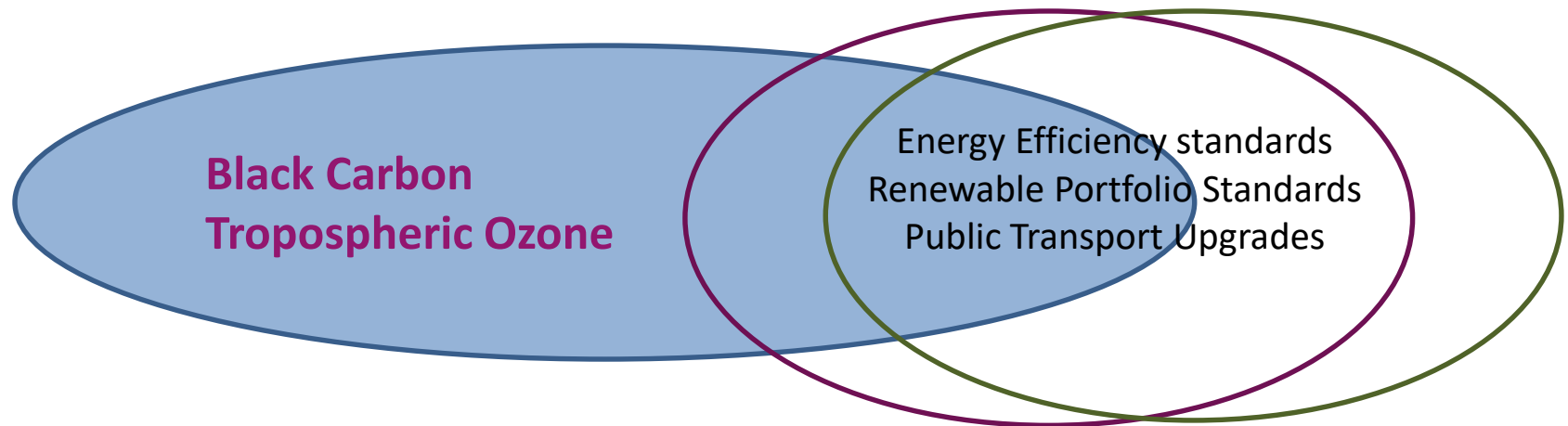
Illustration of co-benefits in terms of costs and benefits



## Some examples of negative consequences



# Visualising Co-benefits with **SLCP**



## SLCP Impacts



# What are SLCPs ?

(Source: [www.ccacoalition.org/en/science-resources](http://www.ccacoalition.org/en/science-resources))

## SHORT-LIVED CLIMATE POLUTANTS

Near term response to mitigation

(Note: modified by IGES)

| SUBSTANCE                            | ANTHROPOGENIC SOURCES | LIFETIME IN ATMOSPHERE       | LOCAL | REGIONAL | GLOBAL | IMPACTS/MITIGATION |
|--------------------------------------|-----------------------|------------------------------|-------|----------|--------|--------------------|
| BLACK CARBON (BC)                    |                       | DAYS                         | ●     | ○        | ○      | ● ○ ●              |
| TROPOSPHERIC OZONE (O <sub>3</sub> ) |                       | WEEKS                        | ●     | ○        | ○      | ● ○ ●              |
| METHANE (CH <sub>4</sub> )           |                       | 12 YEARS                     | ●     | ○        | ○      | ● ○ ●              |
| HYDROFLUORO-CARBONS (HFCs)           |                       | 15 YEARS (WEIGHTED BY USAGE) | ●     | ○        | ○      | ● ○ ●              |

### ANNUAL BENEFITS

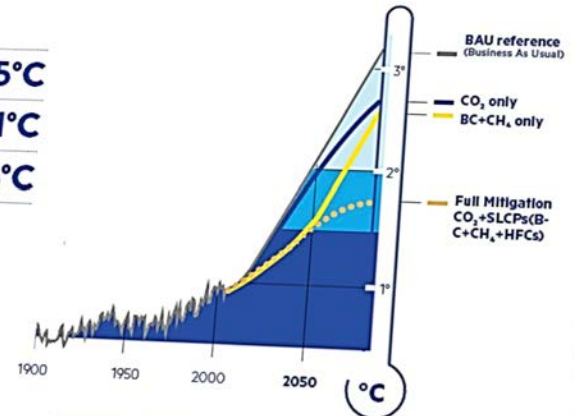
From large-scale mitigation by 2030

|         |  |                        |  |   |  |
|---------|--|------------------------|--|---|--|
| CLIMATE |  | <b>AVOIDED WARMING</b> | <br>REDUCED RATE OF SEA-LEVEL RISE BY -20% BY 2050               | <br>REDUCED RATE OF MELTING   | <br>REDUCED RATE OF SEA-LEVEL RISE BY -20% BY 2050 |
| HEALTH  |  | <b>2.4 MILLION</b>     | <br>AVOIDED PREMATURE DEATHS ANNUALLY FROM OUTDOOR AIR POLLUTION | <br>REDUCED AIR POLLUTION - WORLD'S LARGEST ENVIRONMENTAL HEALTH RISK |  |
| CROPS   |  | <b>52 MILLION</b>      | <br>TONNES OF AVOIDED CROP LOSSES FROM 4 MAJOR STAPLES YEAR      |   |  |

### SLCP CLIMATE BENEFITS

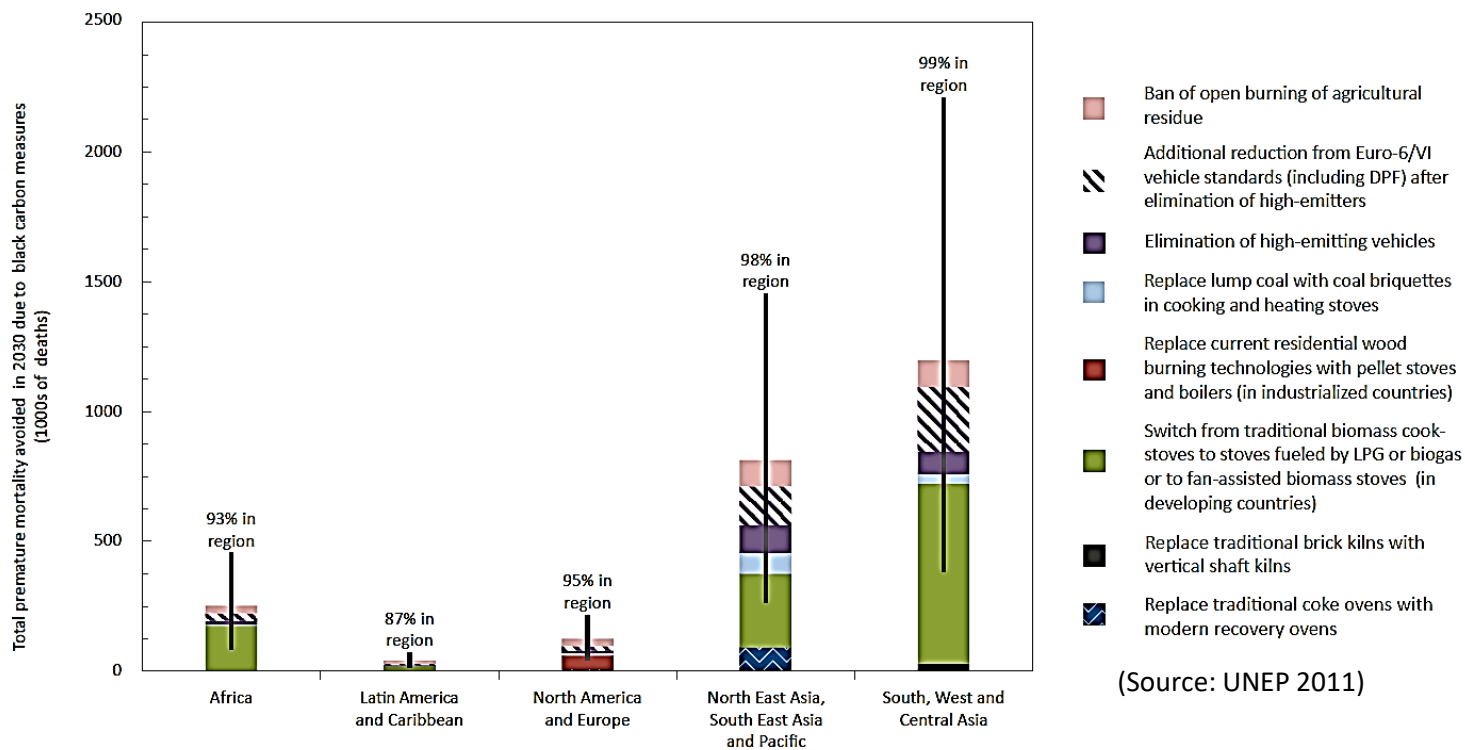
Avoided Global Warming by 2050

|                      |              |
|----------------------|--------------|
| BC + CH <sub>4</sub> | <b>0.5°C</b> |
| HFCs                 | <b>0.1°C</b> |
| SLCPs                | <b>0.6°C</b> |



SIMULATED TEMPERATURE CHANGE UNDER VARIOUS MITIGATION SCENARIOS

# Why are SLCPs Important in Asia ?



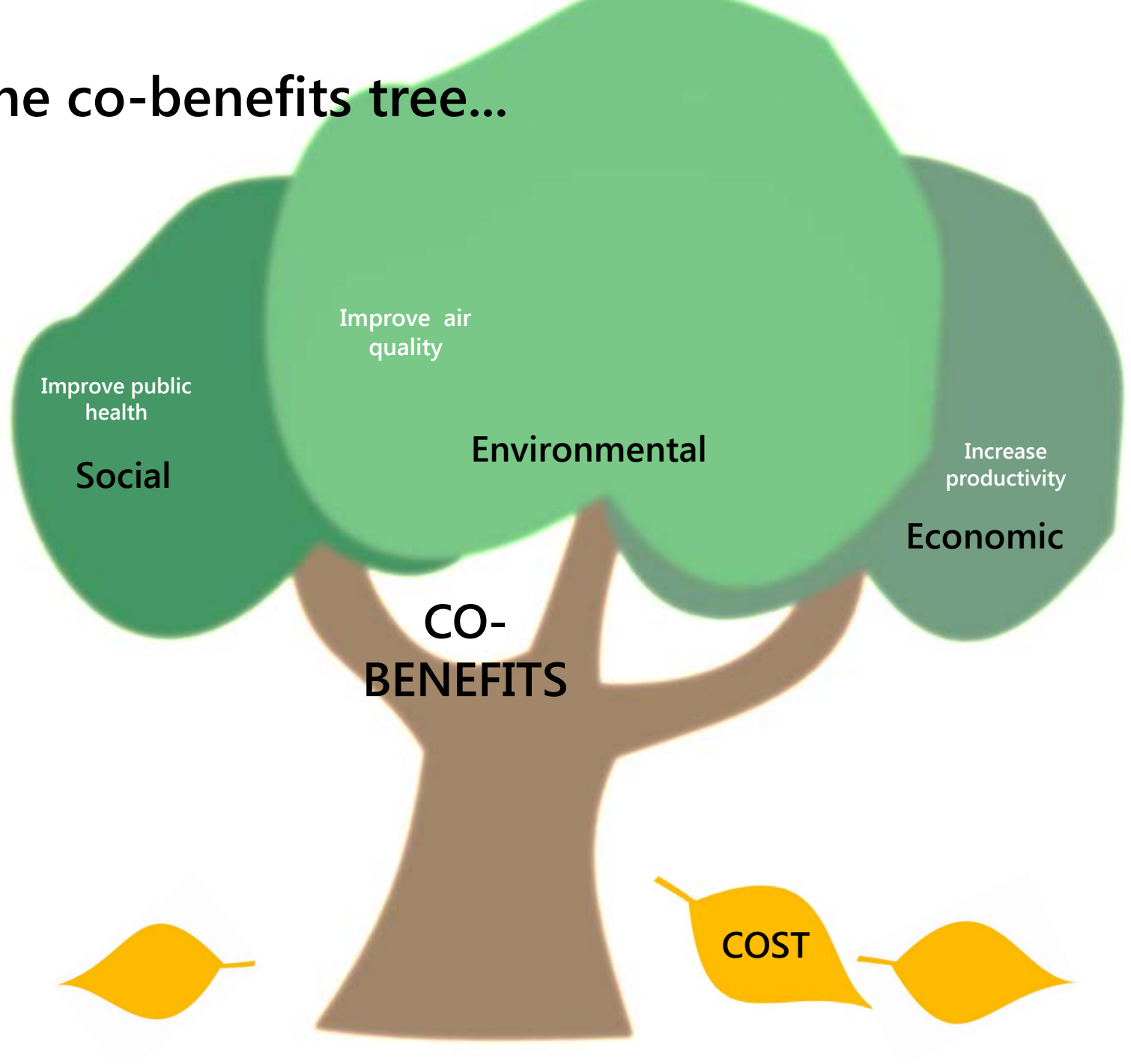
- Asia is significant source of SLCP emission region in the world.
- Asia needs to: reduce climate change in near-term as well as long-term  
reduce burden of air pollution  
feed a growing population



## Co-benefits action plan phase I

- Form a team of up to 6 people
- Select a project or policy with possible co-benefits
  - ✓ Consider the sector(s)
  - ✓ Location(s)
  - ✓ Scope
- Begin to develop a presentation that:
  - ✓ Explains why co-benefits are important
  - ✓ Describes the difference between co-benefits and costs
  - ✓ Use the co-benefits tree to list the co-benefits and costs associated with your action plan

# Meet the co-benefits tree...



# Reference...



(Source: [www.undp.org](http://www.undp.org))

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Case studies

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Institutions and Process with Case Study

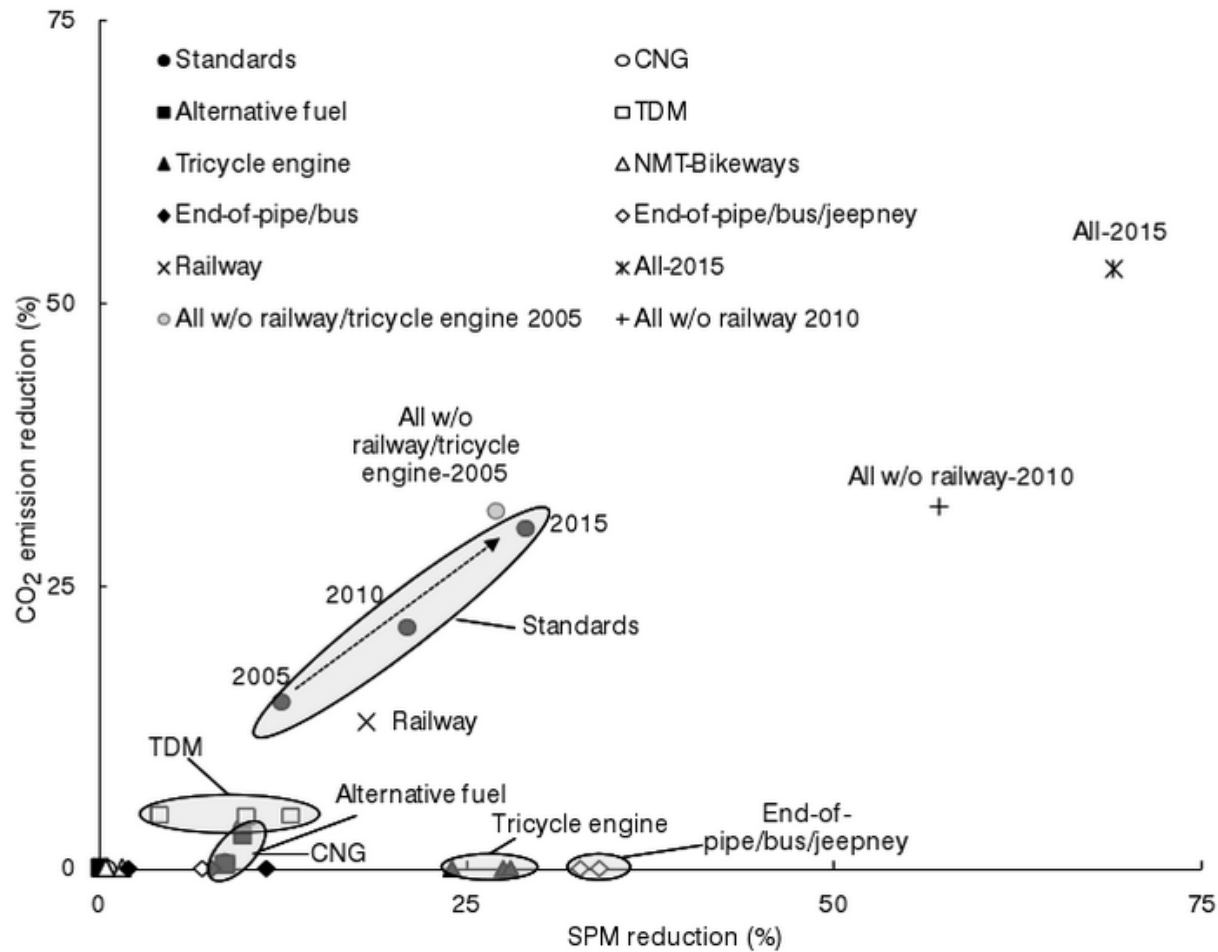
Enabling Environment with Case Study

## Why is it important to quantify co-benefits?

- It can demonstrate whether there are co-benefits or trade-offs between climate change mitigation and pollution control
- It can clarify the size of possible reductions in pollution and GHGs
- It can illustrate which technologies and/or policies can deliver the greatest reduction in pollution and GHGs

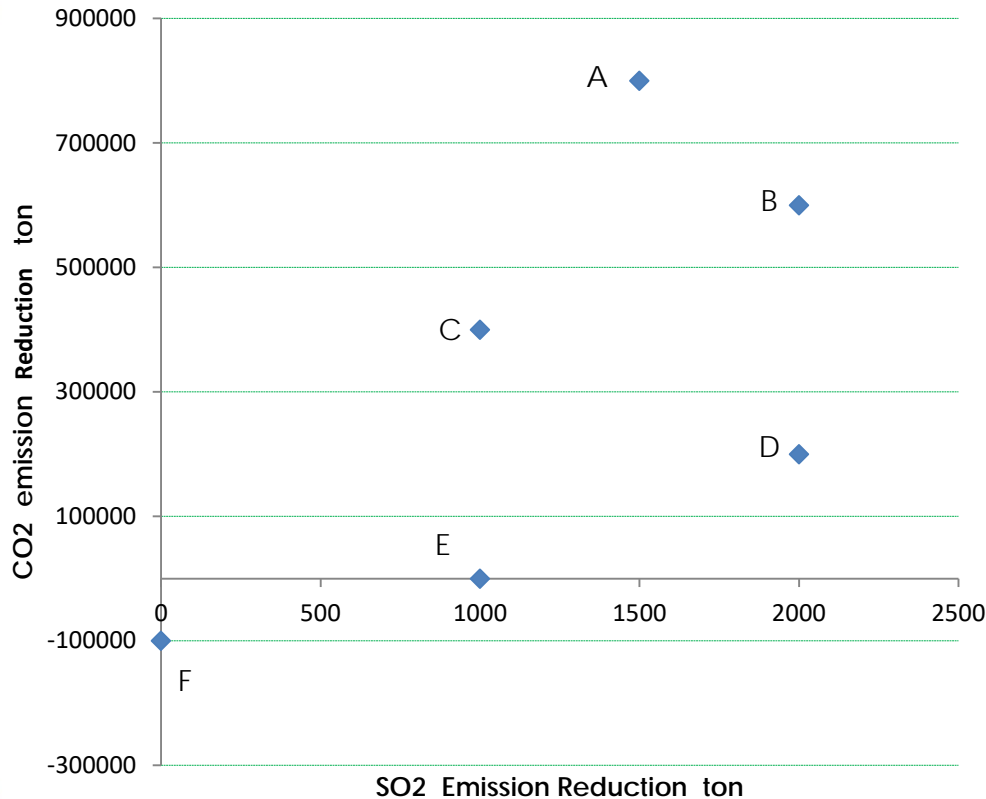
**Quantification allows adding and comparing benefits and costs**

# Another way to illustrate co-benefits is a co-benefits plot



(Source: Herran and Matsumoto, 2012)

## Let's pause for a relaxing quiz



- Which of the projects would you invest in if you were a city policymaker?
- What other considerations might be important in deciding your investment besides reductions in pollutants?

# Main steps to quantify co-benefits

- 1 Identify problems and set objectives
- 2 Develop scenario
- 3 Gather data for baseline
- 4 Modelling/estimating multiple benefits
- 5 Policy integration and implementation

## Case Study 1: Manila's Transport Sector

1

Want to save time  
and reduce GHGs!

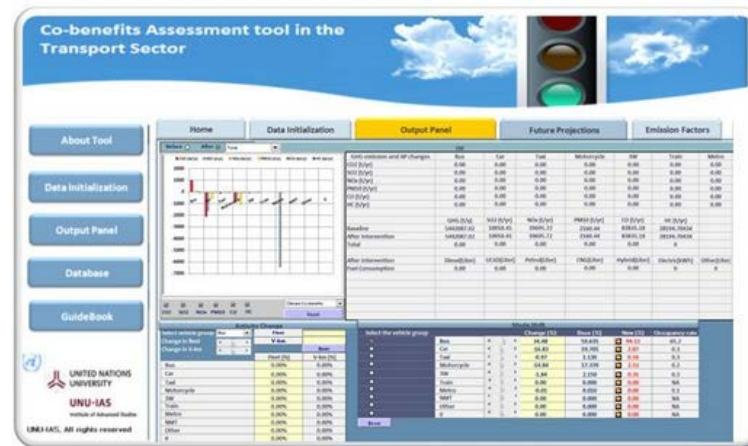




# Tools to quantify co-benefits

- TEEMP
- LEAP-IBC
- GAINS
- UNU co-benefits tool
- BenMAP

[www.cobenefit.org](http://www.cobenefit.org)



$$E = A \times F$$

# 2

## Developing the scenario

- Avoid** unnecessary travel
- Shift** to more efficient modes
- Improve** vehicle technologies and design



Without Project



With Project

$$BT = BT_{w0} - BT_w$$

BT: Benefit of time savings

# 3

## Develop baseline: data needed

Traffic Volume (vehicles/day)

| Without Project        |         |        |        |        |        |
|------------------------|---------|--------|--------|--------|--------|
|                        | 1       | 2      | 3      | 4      | 5      |
| Passenger Car          | 115,678 | 77,921 | 70,152 | 76,472 | 87,635 |
| Public Utility Vehicle | 4,632   | 3,714  | 7,505  | 5,158  | 7,182  |
| Public Utility Bus     | 1,495   | 1,389  | 1,449  | 1,448  | 1,722  |
| Truck                  | 1,671   | 1,713  | 1,653  | 1,675  | 1,422  |

$$BT_i = \sum_j \sum_l (Q_{ijl} \times T_{ijl} \times \alpha_j)$$

$Q_{ijl}$ : Quantity of vehicle on link l

| With Project           |         |        |        |        |        |
|------------------------|---------|--------|--------|--------|--------|
|                        | 1       | 2      | 3      | 4      | 5      |
| Passenger Car          | 104,111 | 70,129 | 63,137 | 68,825 | 78,871 |
| Public Utility Vehicle | 2,316   | 1,857  | 3,752  | 2,579  | 3,591  |
| Public Utility Bus     | 747     | 694    | 725    | 724    | 861    |
| Truck                  | 1,671   | 1,713  | 1,653  | 1,675  | 1,422  |

$$BT_i = \sum_j \sum_l (Q_{ijl} \times T_{ijl} \times \alpha_j)$$

$T_{ijl}$ : Average time of vehicle j on link l

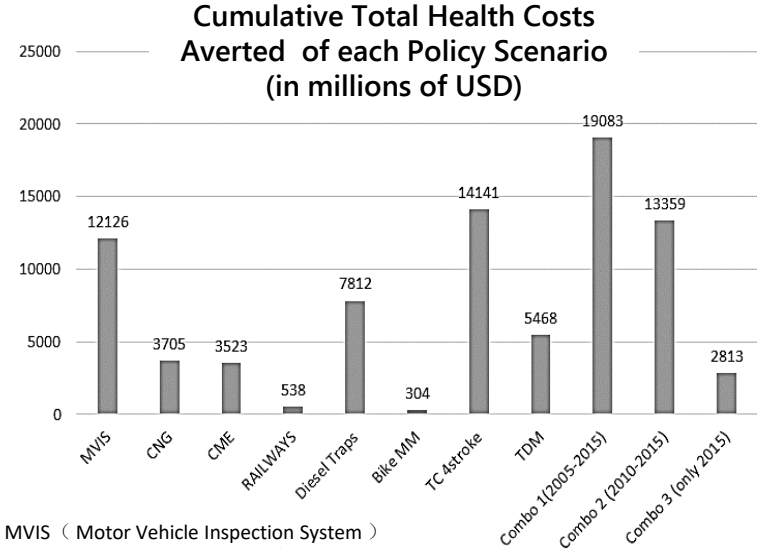
| Vehicle Type           | Value of Time<br>USD/vehicle-minute |
|------------------------|-------------------------------------|
| Passenger Car          | 0.02                                |
| Public Utility Vehicle | 0.02                                |
| Public Utility Bus     | 0.09                                |
| Truck                  | -                                   |

$$BT_i = \sum_j \sum_l (Q_{ijl} \times T_{ijl} \times \alpha_j)$$

$\alpha_j$ : Value of time of vehicle j on link l

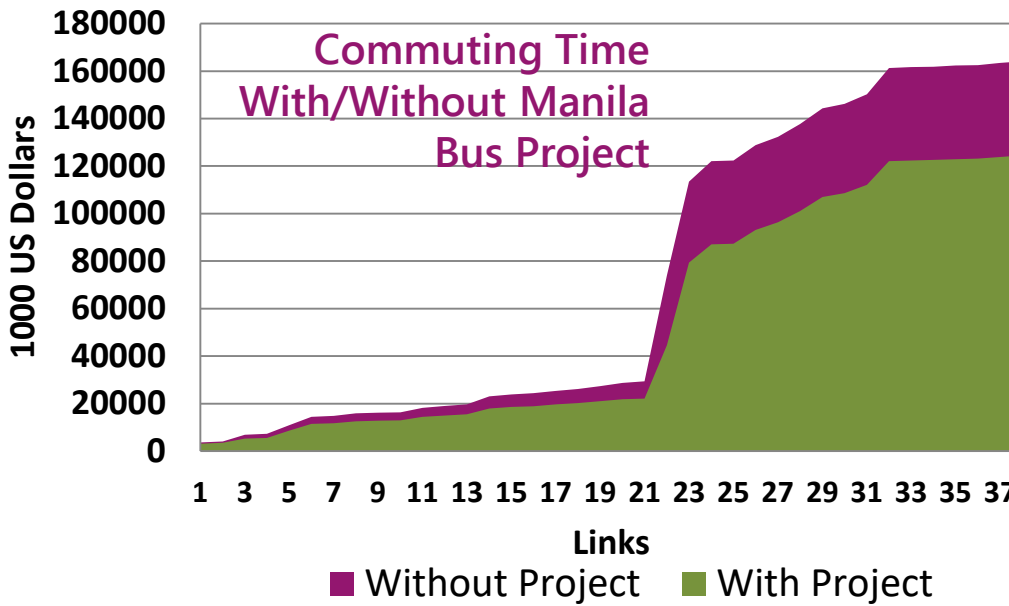
# 4 Estimating multiple benefits

## Health Impact Assessment



- MVIS ( Motor Vehicle Inspection System )
- CNG ( Compressed natural gas )
- CME ( Coco-methyl esters )
- RAILWAYS
- Diesel Traps
- Bike MM
- TC 4stroke (Two stroke tricycles switching to four-stroke engines)
- TDM ( Transportation Demand Management through license plate scheme )
- Combo1 ( Combination of policies: all policies except railways and switching of two stroke to four stroke tricycles )
- Combo2 ( All policies except railways )
- Combo3 ( All policies including railways )

(Source: IGES based on IES 2005)



(Source: CAA 2013)

## Case Study 2: Heat Only Boiler in Ulaanbaatar

1

Want to reduce air  
pollution and GHGs!



2

Develop the scenario



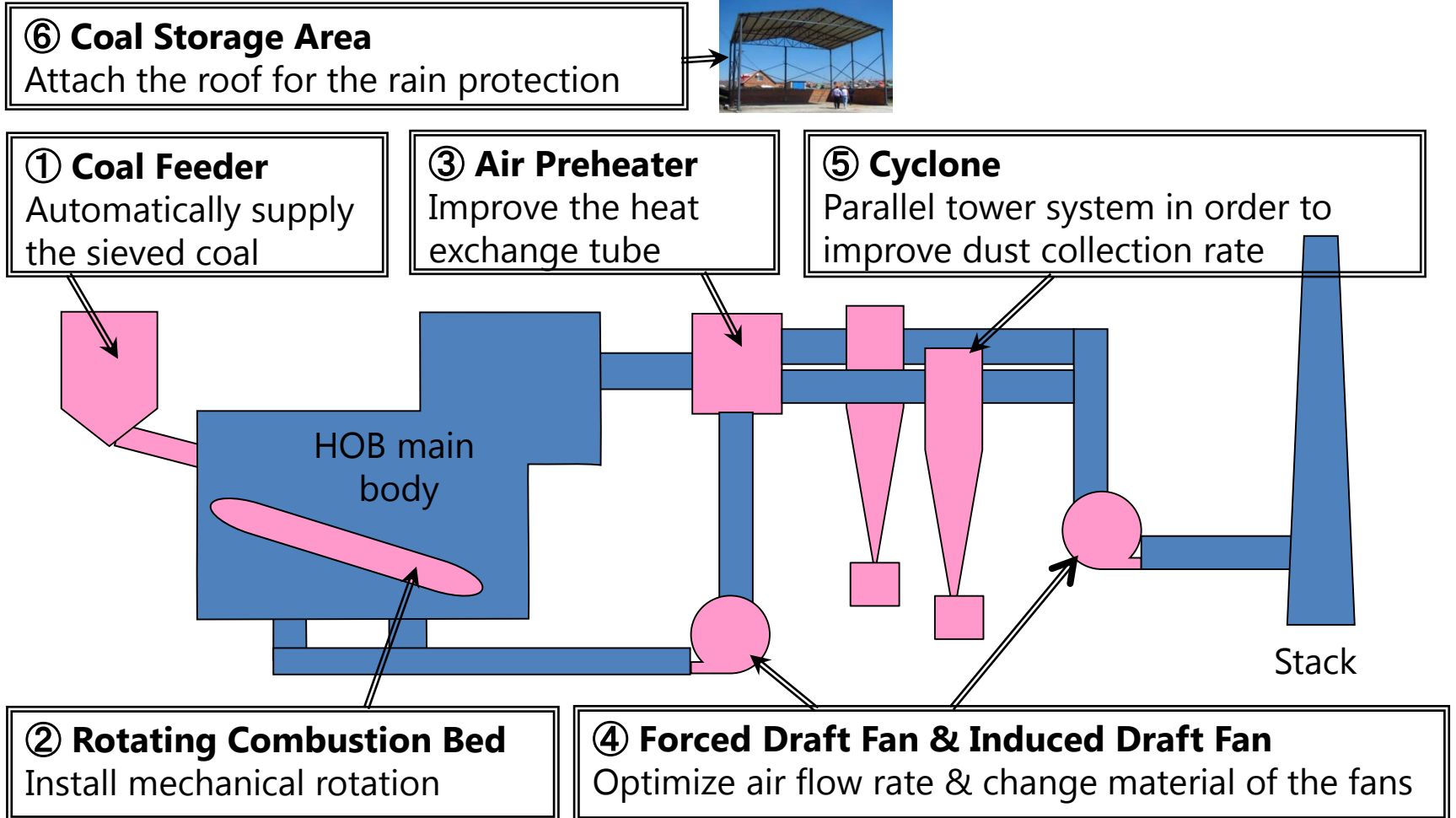
$$ER_p = RE_p - PE_p$$

$ER_p$  : Emission reductions during the period  $p$  [tCO<sub>2</sub>/p]

$RE_p$  : Reference emissions during the period  $p$  [tCO<sub>2</sub>/p]

$PE_p$  : Project emissions during the period  $p$  [tCO<sub>2</sub>/p]

## 2 Develop the scenario



## 3

## Develop baseline (reference case)

$$ER_p = RE_p - PE_p$$

$$RE_p = PHp / \eta_{RE, HOB} \times EF_{CO_2, Coal}$$

$PHp$ : Net heat quantity supplied by the project HOB during the period  $p$  [GJ/p]

$\eta_{RE, HOB}$ : Boiler efficiency of the reference HOB [%]

$EF_{CO_2, Coal}$ : CO<sub>2</sub> emission factor of coal [tCO<sub>2</sub>/t<sub>Coal</sub>]

$$ER_p = RE_p - PE_p$$

$$PE_p = (PHp / \eta_{RE, HOB} \times EF_{CO_2, Coal}) + (ECp \times EF_{CO_2, grid})$$

$ECp$ : Electricity consumption of the project HOB during the period  $p$  [MWh/p]

$EF_{CO_2, grid}$ : CO<sub>2</sub> emission factor of the grid electricity consumed by the project HOB [tCO<sub>2</sub>/MWh]

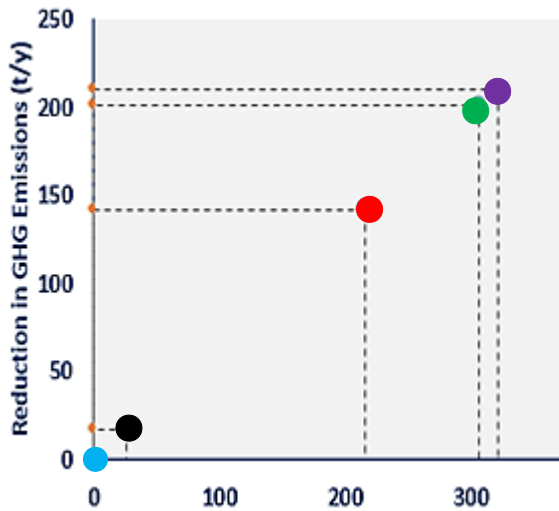
$EF_{PM, Coal}$ : PM emission factor of coal [tPM/GJ]

Note: GJ is a Gigajoule=1 billion joules, 1 GJ=278 MWh

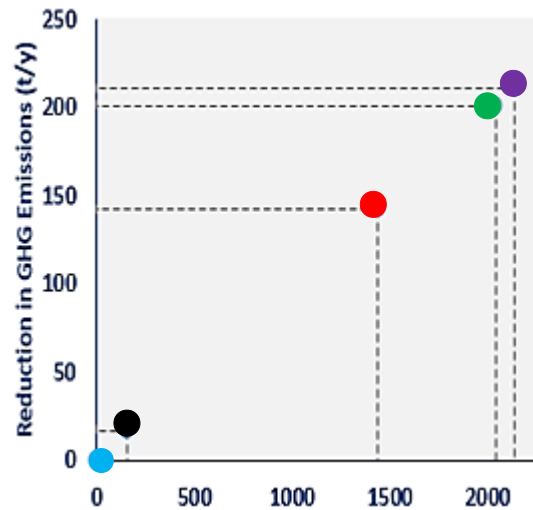
# 4

## Quantified Co-benefits from HOB

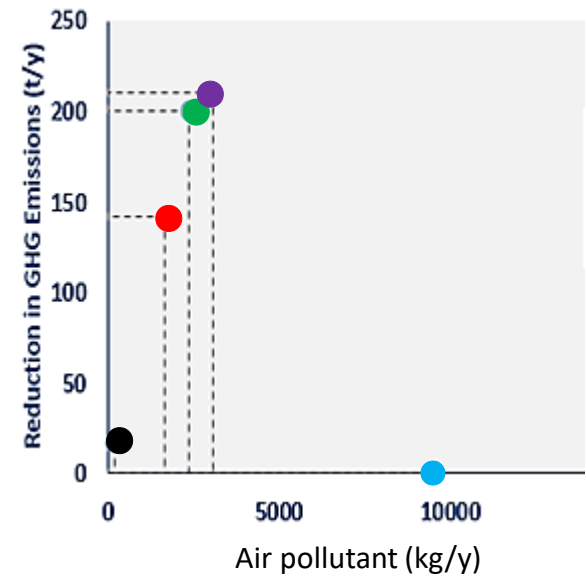
GHGs & NOx



GHGs & SO<sub>2</sub>



GHGs & PM



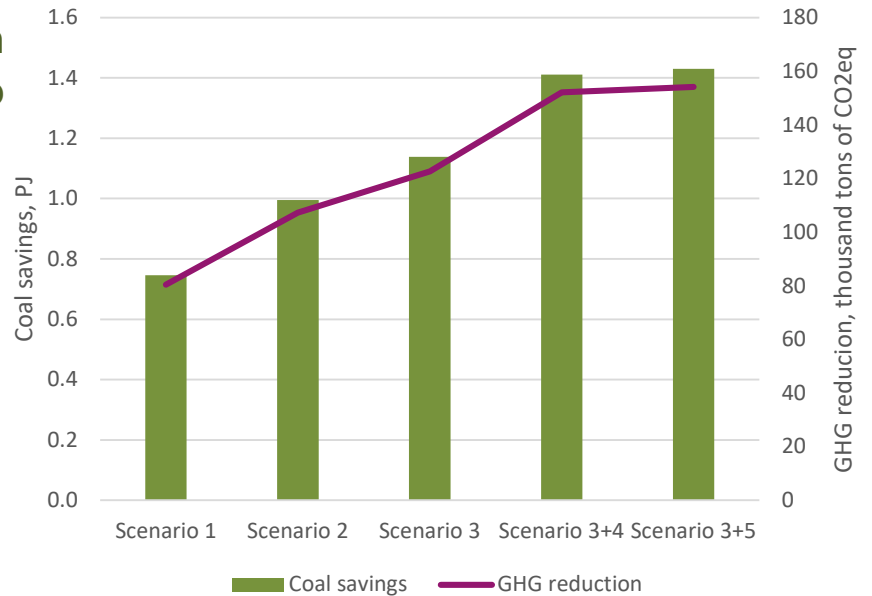
- Coal Storage
- Air Preheater
- Air Feed Adjustment
- Coal Feeder Selection
- Cyclone Dust Collector



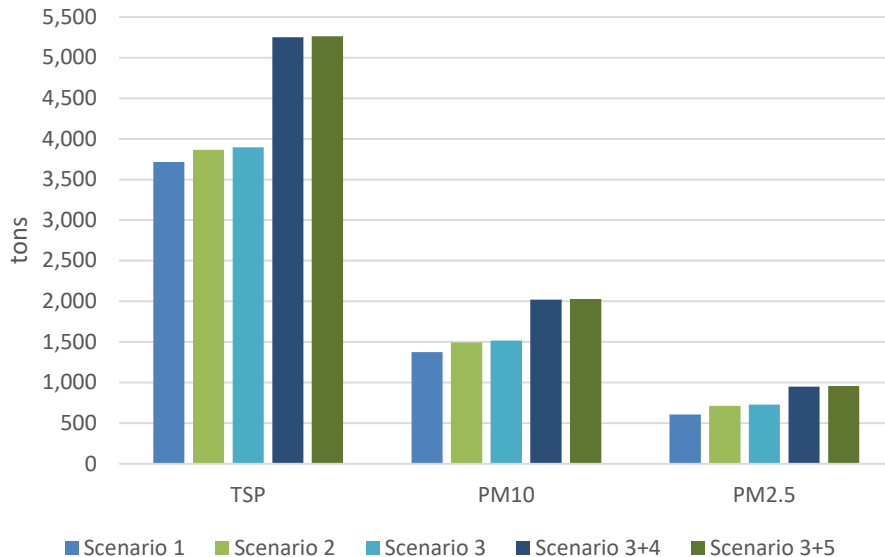
## Coal savings and reduction of GHGs by scenario

### SCENARIOS FOR SCALED UP

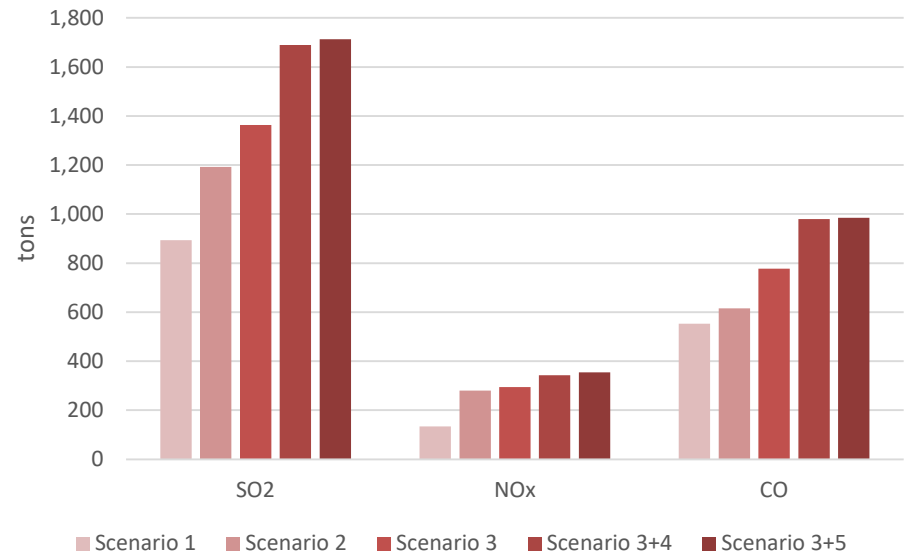
1. Replacement of conventional HOB with improved ones
2. Connection of buildings using small boilers to the local 30 MW heating plant
3. Connection to the district heating network serviced with large boilers of about 300 MW
4. Replacement of conventional HOB with the improved ones in other Mongolian towns
5. Connection of buildings heated with small boilers in other towns to the local 30 MW heating plants



## Reduction of emissions of total particles, PM10 and PM2.5 by scenario



## Reduction of emissions of SO2, NOx and CO by scenario



## Co-benefits action plan phase II

- Please add to your group's action plan by deciding on the following:
  - ✓ The main benefits you will quantify
  - ✓ The tools and methods you might use to estimate the benefits
  - ✓ The data that you will need to estimate the reductions in GHGs, air pollutants and other benefits
  - ✓ The scenario you will estimate and how you will develop that scenario
  - ✓ The types of challenges or constraints you may confront in estimating the benefits

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Case studies

**5**

## **Integrating Co-benefits into Policies**

How have co-benefits been integrated into policymaking process?

Institutions and Process with Case Study

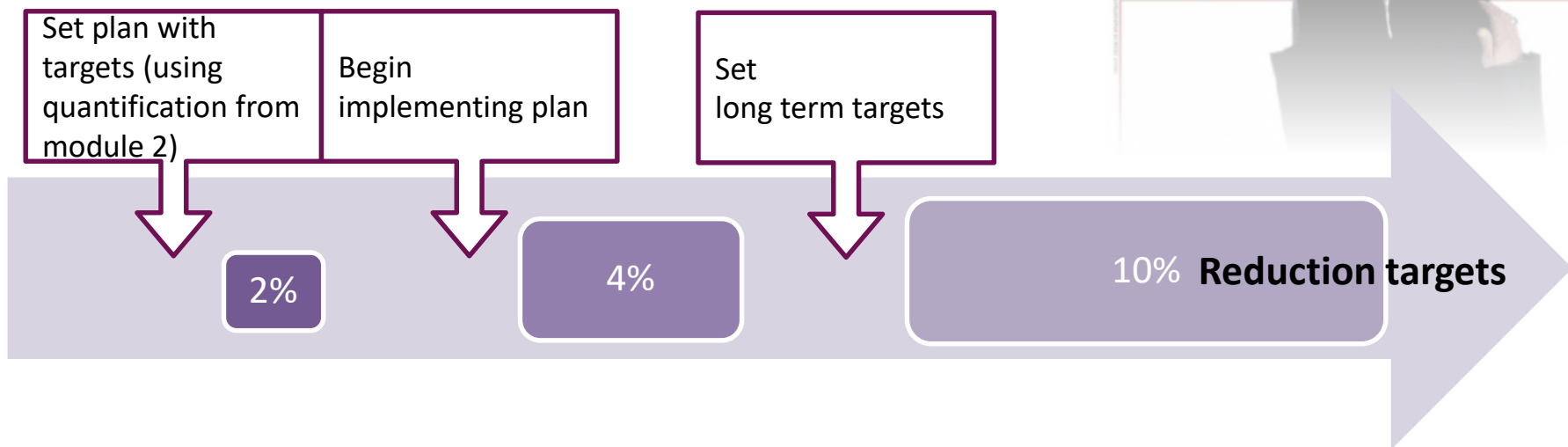
Enabling Environment with Case Study

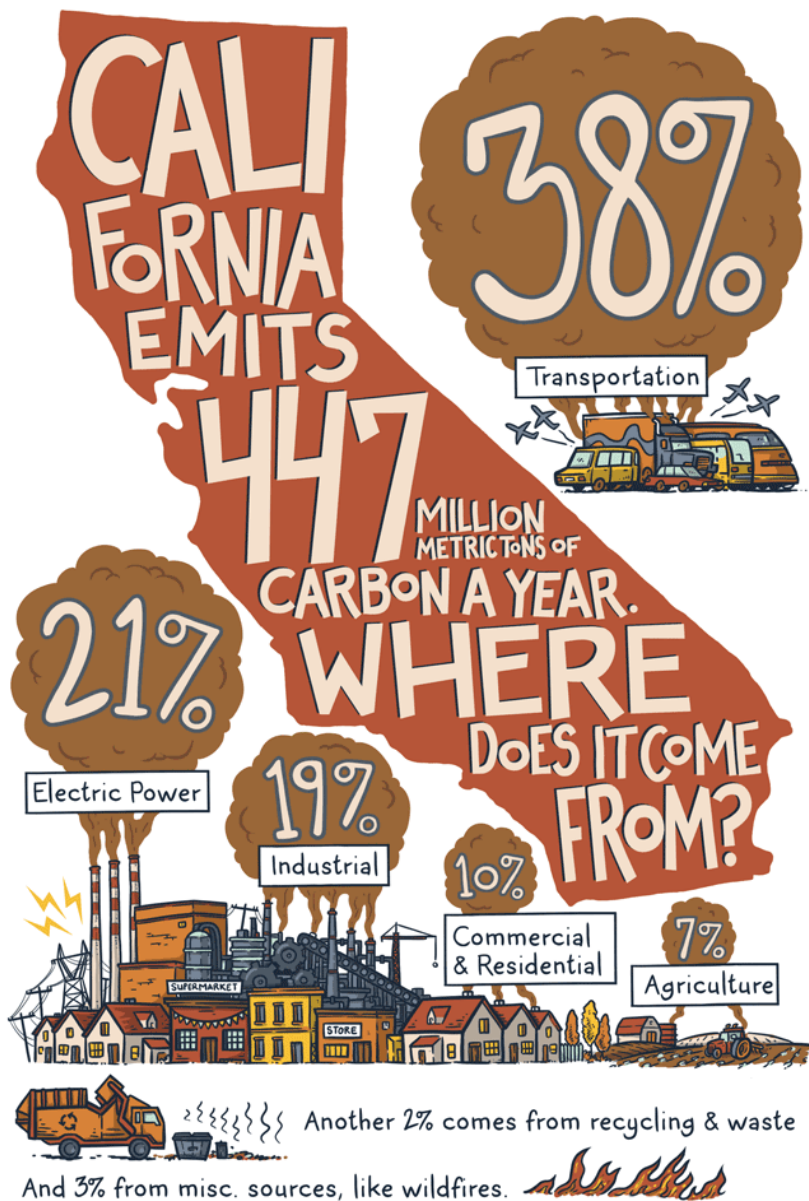
# Case Study 3: California Global Warming Solutions Act, Assembly Bill (AB) 32

Lets start by thinking about INSTITUTIONS



Lets continue by thinking about PROCESS





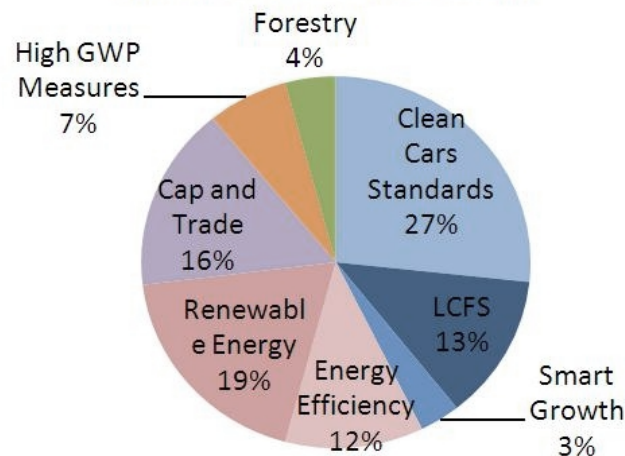
Based on 2010 data from the CA Air Resources Board. Illustrated by Andy Warner.

## Objective of AB 32

Mandates development of rules and regulations to return California's GHG emissions to 1990 levels by 2020 (Reduction of ~43 MMTCO<sub>2</sub>E by 2020).

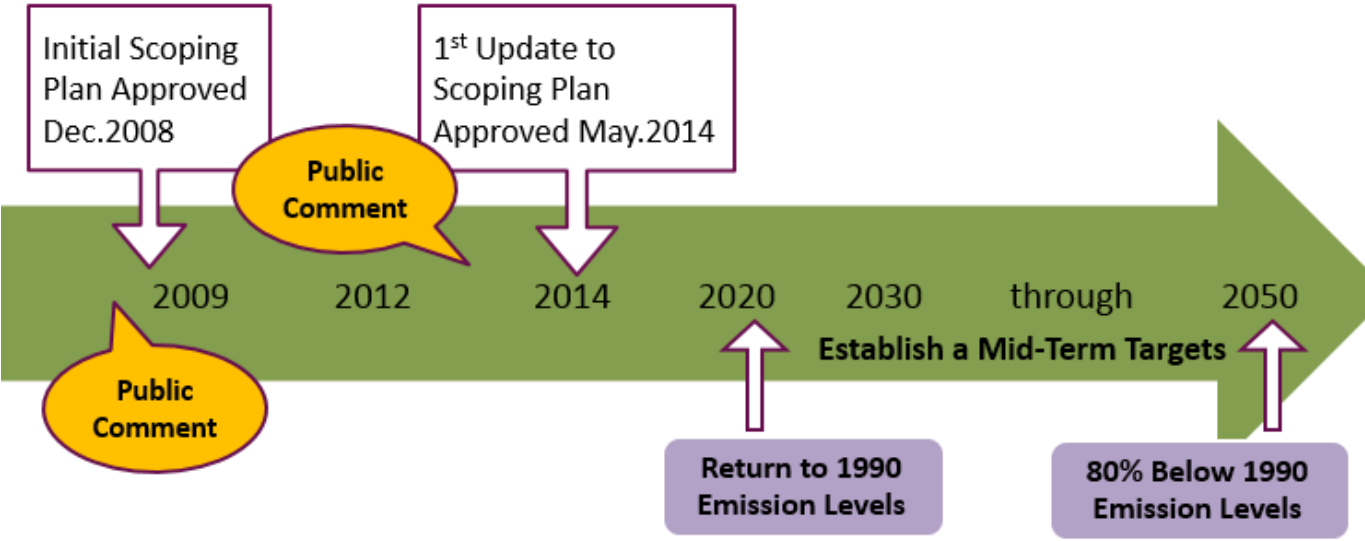
## AB32 Starts with 2020 targets

**AB 32 Emission Reduction Strategies (Measure, Percent of Total)**

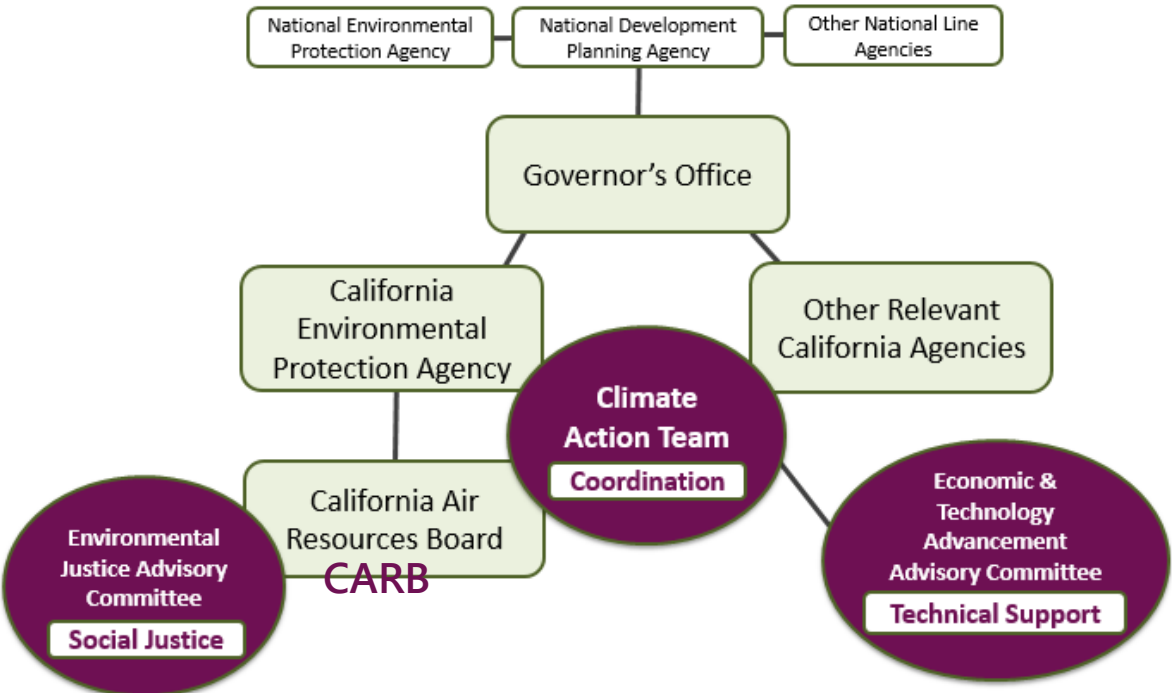


Source: CARB, Emissions Reductions from Scoping Plan Measures; 2020 GHG Emissions Forecast

The process introduced a path to 2020 and beyond



The Institutions supporting this process were important



- ✓ Method: 44 sector-specific climate strategies in 5 sectors
- ✓ Estimation: The cost of mitigating a ton of GHG in 2020, The benefits of energy savings, The benefits of reduced air pollution

## Selected & Estimated Co-benefits

### Economic

#### Energy Efficiency, Energy Access, Economic Development

- Homeowners can save about \$200/year through energy efficiency
- \$76 billion increase in Gross State Product (GSP)
- \$48 billion increase in real household incomes

### Environmental

#### Improved Air Quality, Land use, Ecosystem Services

- Air Quality
- Reduce combustion-generated soot (PM2.5): 15 tons/day
- Reduction of nitrogen oxides: 61 tones/day

### Social

#### Public Health, Green Jobs (Job Creation)

- \$4.3 billion in 2020: 770 fewer premature deaths and 76,000 fewer work days lost
- The creation of 403,000 new efficiency and climate driven jobs

### CALIFORNIA'S INNOVATIVE CLIMATE LAW Saves Drivers Money



#AB32Saves

Lets look at how those benefits were communicated

# Case Study 4: Jakarta BRT

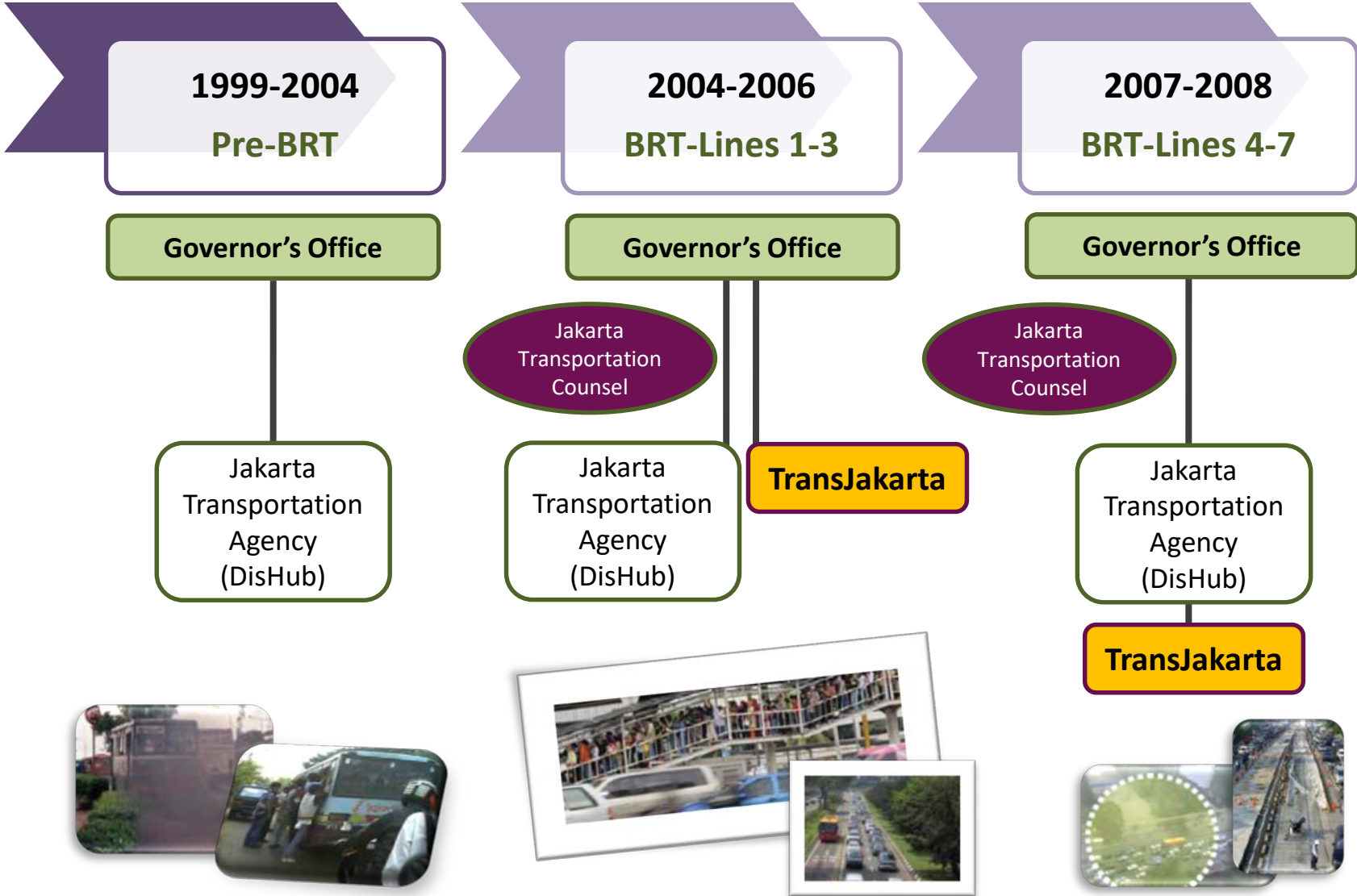
After a slow start, TransJakarta delivers benefits



We need an effective enabling environment...



# Case Study 4: Jakarta BRT



# Case Study 5: Seoul's One Less Nuclear Plant

As of 2012, 94.6% of Seoul's energy came from oil, LNG and electricity for households, commercial, transport (86.2%).



Reducing the city's energy demand equals to the capacity of 1 nuclear power plant (1GW, 2 million TOE) by 2014.

The longer-term objective was reaching 20% energy self-sufficiency by 2020.

[Electricity Consumption of Nation and Major Cities]

(Unit: GWh)

|         | 2011    | 2012    | 2013    | 2014    | Rate        |
|---------|---------|---------|---------|---------|-------------|
|         |         |         |         |         | (2011→2014) |
| Nation  | 455,070 | 466,593 | 474,849 | 477,592 | 4.9         |
| Seoul   | 46,903  | 47,234  | 46,555  | 45,019  | -4.0        |
| Daegu   | 14,822  | 14,955  | 15,080  | 14,859  | 0.2         |
| Gwangju | 8,047   | 8,131   | 8,274   | 8,197   | 1.9         |
| Daejeon | 9,060   | 9,160   | 9,225   | 9,103   | 0.5         |

# Seoul, Energy Self-Sufficient City where Citizens Produce Energy and Consume Them Efficiently

## Energy Self-Sufficient



## Energy Saving

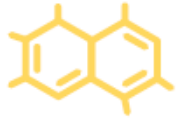


## Energy Public Participation



## Phase 2

# Energy Revitalising City, Seoul



**Decentralized Energy Generation**  
Seoul's energy needs are met by our own energy production.



**Efficient and Low Energy Consumption**  
Citizens use energy efficiently and wisely.



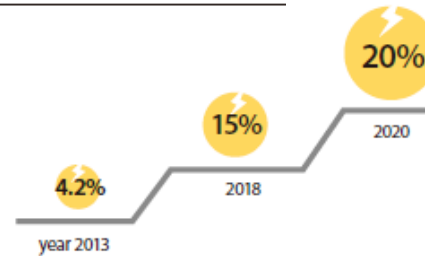
**Innovation and Energy Jobs**  
Promoting energy industry means that more energy can be generated.



**Energy-Sharing Community**  
Energy produced by citizens is shared with other citizens.



Total Energy Production and Savings  
**4 Million TOE**



By 2020  
**20% Energy Self-Reliance**



Reduction of GHG Emission  
**10 Million Tons CO<sub>2</sub>/uiv.eq**

- All 10 million Seoulites lead the energy self-sufficiency movement by turning themselves from energy consumers to energy producers.
- Energy production and efficiency consumption of energy become entrenched in citizens' daily lives.
- Sustainable, quality jobs are created by promoting the energy industry.
- A virtuous cycle is created in which citizen participants to energy production make profits and donate back to the society.



## Social Fiction



## Public Debate



## 聽 政策討論會



시민의 의견을 듣고  
정책에 반영합니다.

# 청취정책토론회

## Policy Listening Forum



## Town Hall Meeting



The Comprehensive Plan for One Less Nuclear Power Plan was finalized by citizens. A draft was made in April 2012 as a result of 16 three-way talks between SMG, the Hope Policy Advisory Group and civil society over the course of 4 months. The draft was reviewed at the Policy Listening Forum as well as town hall meeting which had more than 400 citizens' participation through 22 group discussions and presented a total of 109 ideas those later reflected in the municipal policies. To devise projects in Phase 2, the opinions of citizens were actively collected through discussions and internet forums.

2013 ————— Magnification of governance (citizen participation) —————> 2030  
Monitoring (Seoul Plan)

Future Orientation

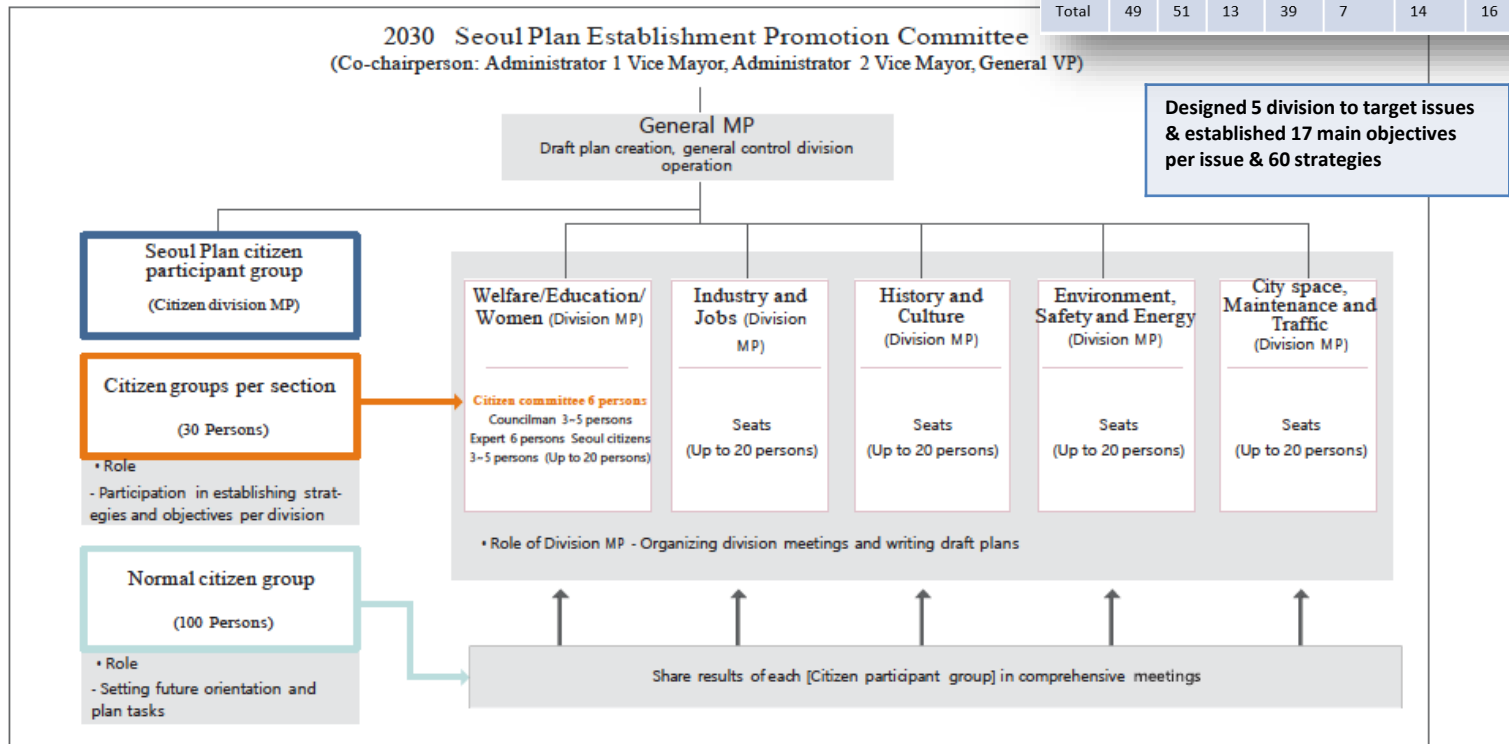
Citizen's City with Communication and Respect

100 Citizen group chooses the future orientation

The process introduced a path to 2030

The Institutions supporting this process are important

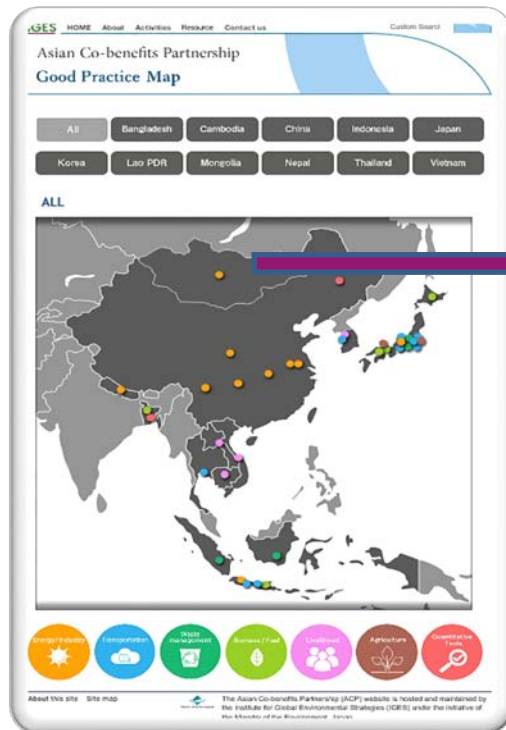
| Age   | Sex |    | Occupation |        |             |              |            | Others |           |            | Total |
|-------|-----|----|------------|--------|-------------|--------------|------------|--------|-----------|------------|-------|
|       | M   | F  | Student    | Worker | Businessman | Self-employe | House wife | Senior | Disabl ed | Foreign er |       |
| 20s   | 9   | 11 | 13         | 5      |             |              |            |        |           | 2          | 20    |
| 30s   | 7   | 10 |            | 14     |             | 1            | 2          |        |           |            | 17    |
| 40s   | 15  | 11 |            | 8      | 6           | 6            | 5          |        | 1         |            | 26    |
| 50s   | 10  | 15 |            | 10     | 1           | 5            | 7          |        | 2         |            | 25    |
| 60s+  | 8   | 4  |            | 2      |             | 2            | 2          | 6      |           |            | 12    |
| Total | 49  | 51 | 13         | 39     | 7           | 14           | 16         | 6      | 3         | 2          | 100   |



(Source: modified from [www.seoulsolution.kr/en/content/2030-seoul-plan](http://www.seoulsolution.kr/en/content/2030-seoul-plan))


## Co-benefits action plan phase III

- Please add to your group's plan by deciding on the following:
  - ✓ The institutional structure(s) that will support the design and implementation your action plan
  - ✓ The policymaking process that will support your action plan
  - ✓ Other elements of an enabling environment that will support your plan



## Asian Co-benefits Partnership (ACP)

**Mongolia** close X



Since 2014, the Ministry of the Environment, Japan has been working with counterparts in Mongolia to implement pilot projects that can help achieve co-benefits from improving coal-burning heat only boilers in public facilities in Ulan Bator. This case study describes how this pilot project was implemented and the co-benefits it achieved.

[Achieving Co-benefits Heat Only Boilers in Mongolia](#)

[www.cobenefit.org](http://www.cobenefit.org)

# COURSE OUTLINE

## Identifying Co-benefits

What are co-benefits?

Why are co-benefits important?

How can co-benefits be illustrated?

## Quantifying and Applying Co-benefits

Why is it important to quantify co-benefits?

How can co-benefits be quantified?

Case studies

## Integrating Co-benefits into Policies

How have co-benefits been integrated into policymaking process?

Institutions and Process with Case Study

Enabling Environment with Case Study

## Linking

# Clean Development Mechanism

## The Indian Bagepalli Biogas Program

Introduced 5,500 biogas units that convert cow dung into cooking fuel in poor households. Local women and communities benefited from the income generated by selling emission credits



## Co-benefits



# Nationally Appropriate Mitigation Action

## Bus Rapid Transit for Kampala

Aims at reducing transport-related GHG emissions by building 9 BRT routes and non-motorized transport lanes linked to the BRT

## Bio-energy in Pakistan

Seeks to develop and disseminate environment-friendly and cost-effective technologies and management practices of bio-energy generation from organic waste



# GCF released \$183 million for the initial 8 project in SIDS & LDCs (as of 2015)



## Proposal Outline

## Funding Proposal

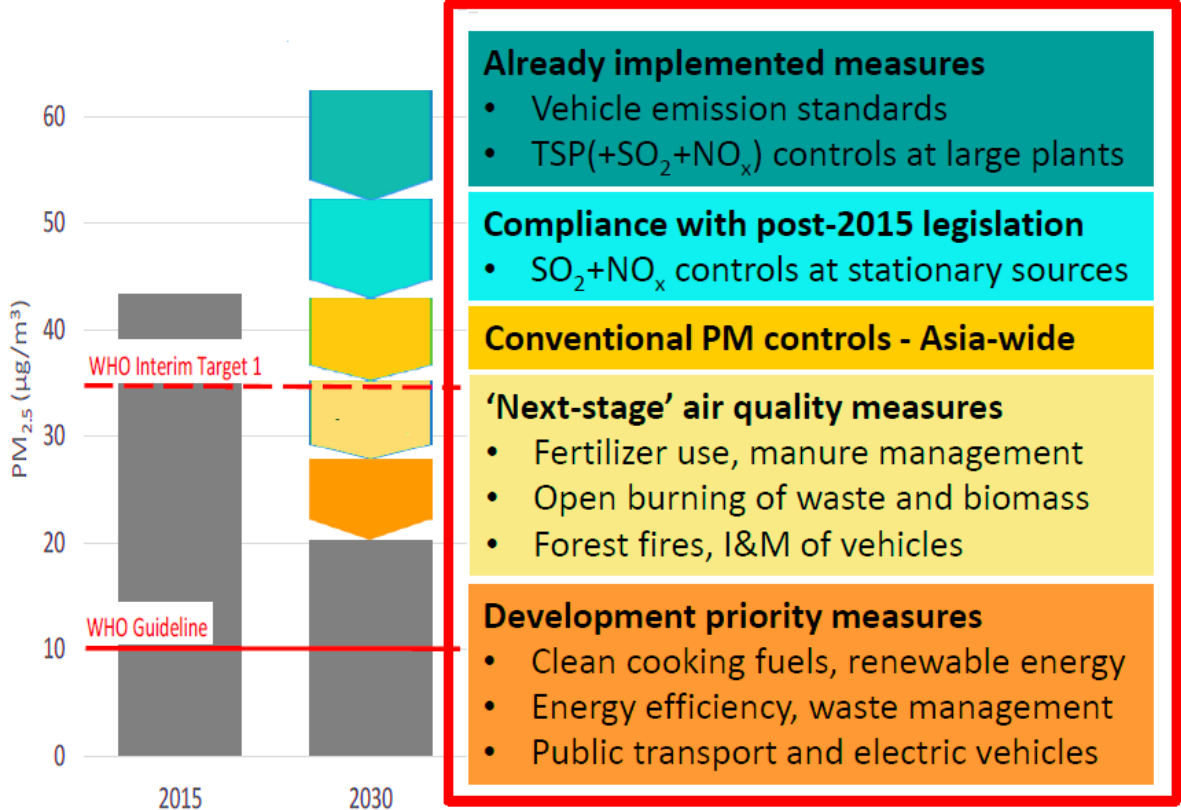
- A. Summary
- B. Detailed Description
- C. Rationale for GCF Involvement
- D. Expected Performance against Investment Criteria
  - D.1. Impact Potential
  - D.2. Paradigm Shift Potential
  - D.3. Sustainable Development Potential.**  
*Describe environmental, social and economic co-benefits including the gender-sensitive development impact.*
  - D.4. Needs of the Recipient
  - D.5. Country Ownership
  - D.6. Efficiency and Effectiveness
- E. Appraisal Summary
- F. Implementation Details
- G. Risk Assessment and Management
- H. Results Monitoring and Reporting
- I. Timeline

**) is seeking high-quality funding proposals.**  
ed to develop their funding proposals, in close  
nt national designated authority, with due  
vestment Framework and Results Management  
oposals should demonstrate how the propose  
l perform against the investment criteria and  
ategic impact results.



# 25 Clean Air Measures by UNEP in 2019

## Potential Contributions of the Measures to Population-weighted mean exposure to PM<sub>2.5</sub>



- Already implemented measures**
  - Vehicle emission standards
  - TSP(+SO<sub>2</sub>+NO<sub>x</sub>) controls at large plants
- Compliance with post-2015 legislation**
  - SO<sub>2</sub>+NO<sub>x</sub> controls at stationary sources
- Conventional PM controls - Asia-wide**
- 'Next-stage' air quality measures**
  - Fertilizer use, manure management
  - Open burning of waste and biomass
  - Forest fires, I&M of vehicles
- Development priority measures**
  - Clean cooking fuels, renewable energy
  - Energy efficiency, waste management
  - Public transport and electric vehicles

(Source: IIASA 2019)