

ASIA CLEAN BLUE SKIES PROGRAM | KNOWLEDGE SHARING EVENT  
SYNERGIES AND CO-BENEFITS OF AIR QUALITY AND CLIMATE CHANGE ACTION



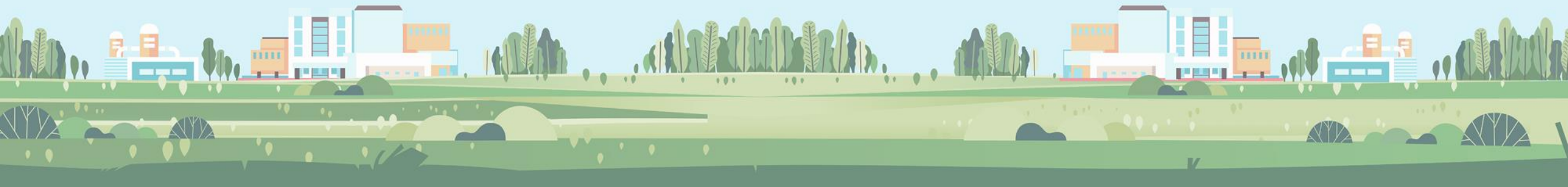
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# The Costs of Inaction of Air Pollution and Climate Change

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# Air Pollution in ASEAN: the Problem

- Over 85 % of the population of ASEAN were exposed to ambient PM<sub>2.5</sub> concentrations above the 2021 WHO guidelines of 5 µg/m<sup>3</sup> in 2015
- This number is expected to increase without further legislation being introduced

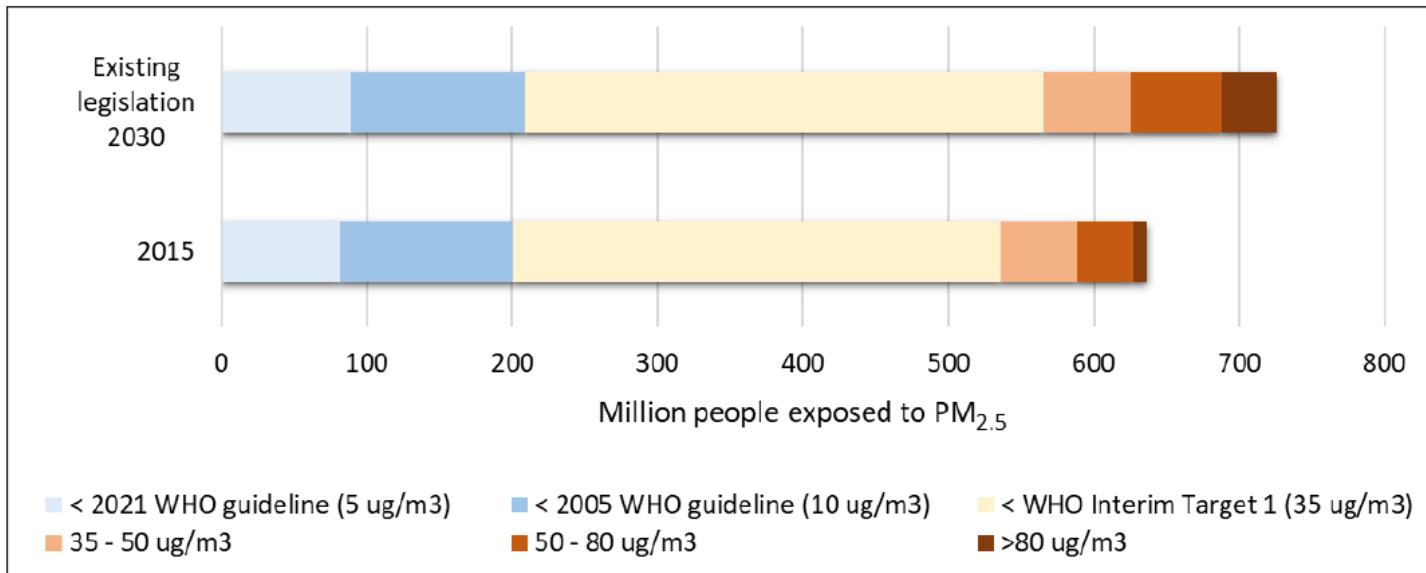
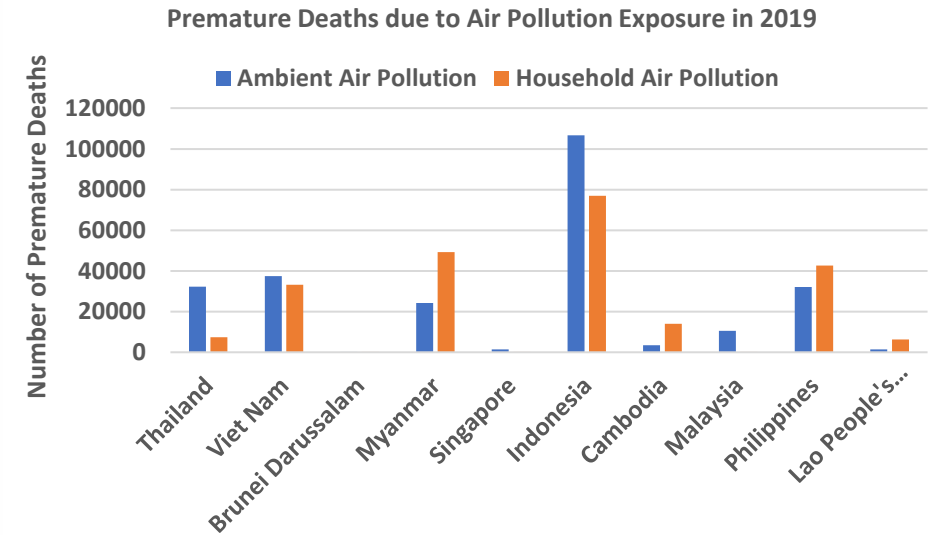


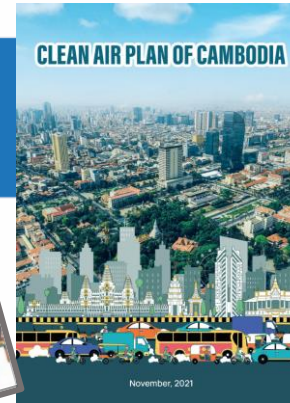
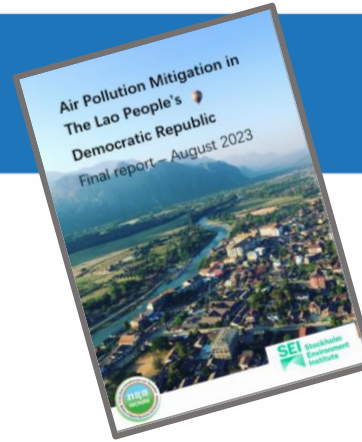
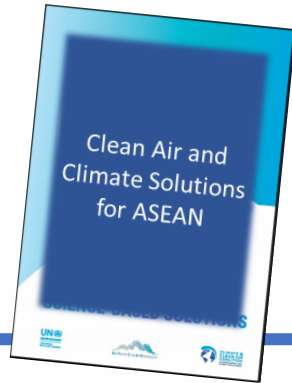
Figure 3. Population exposure to ambient PM<sub>2.5</sub> (household pollution excluded) in the ASEAN region in 2015 and 2030 assuming successful implementation of current policies



\* Source: GBD2019



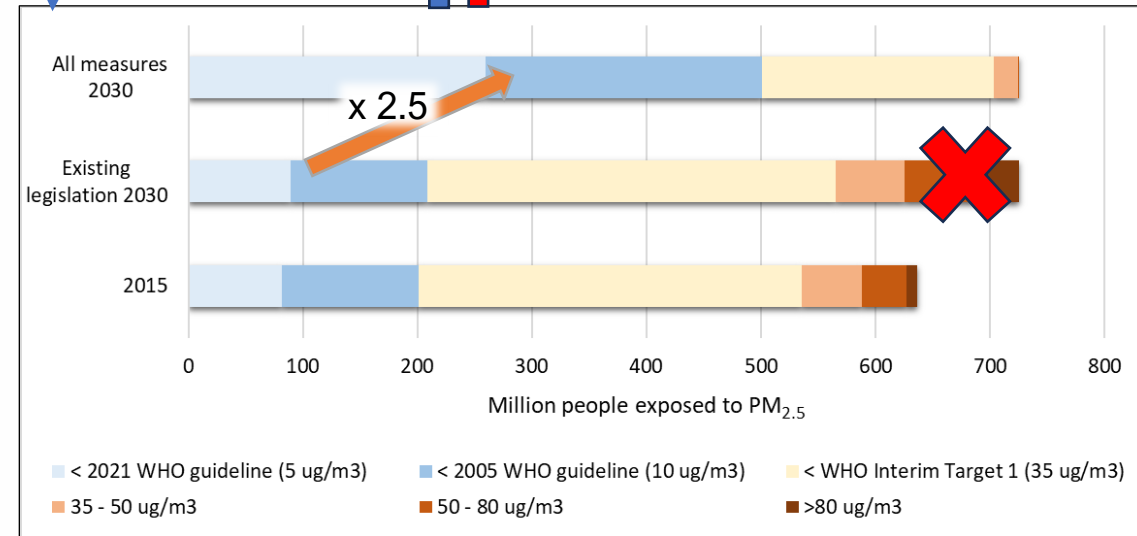
# Mitigation assessments show what can be achieved



## 12 Solutions

 Expand Access to Clean Cooking	 Dietary Changes	 Improved Waste Management	 Livestock and N Fertilizer Application	 Ban Agriculture Residue Burning	 Prevention of Forest and Peatland Fires
 Stricter Vehicle Emissions Standards *	 Vehicle Inspection and Maintenance	 Tighter Standards for International Shipping	 Improved Industrial Process Standards	 Renewable Energy and Post Combustion Controls	 Fossil Fuels **

> 35 % ← → < 65 %



\* Includes also potential for Evs, \*\* Reducing fugitive emissions from coal, oil, gas production and distribution  
**its of Air Quality and Climate Change Action**



# But there are often barriers to implementation



## Cost of Inaction Assessments can help to:

- Overcome some of the barriers which may stand in the way of action
- Provide motivation and increase the evidence base for policy action

Fina



ITS OF Air Quality and Climate Change Action

4 Lack of Cross-Governmental communication

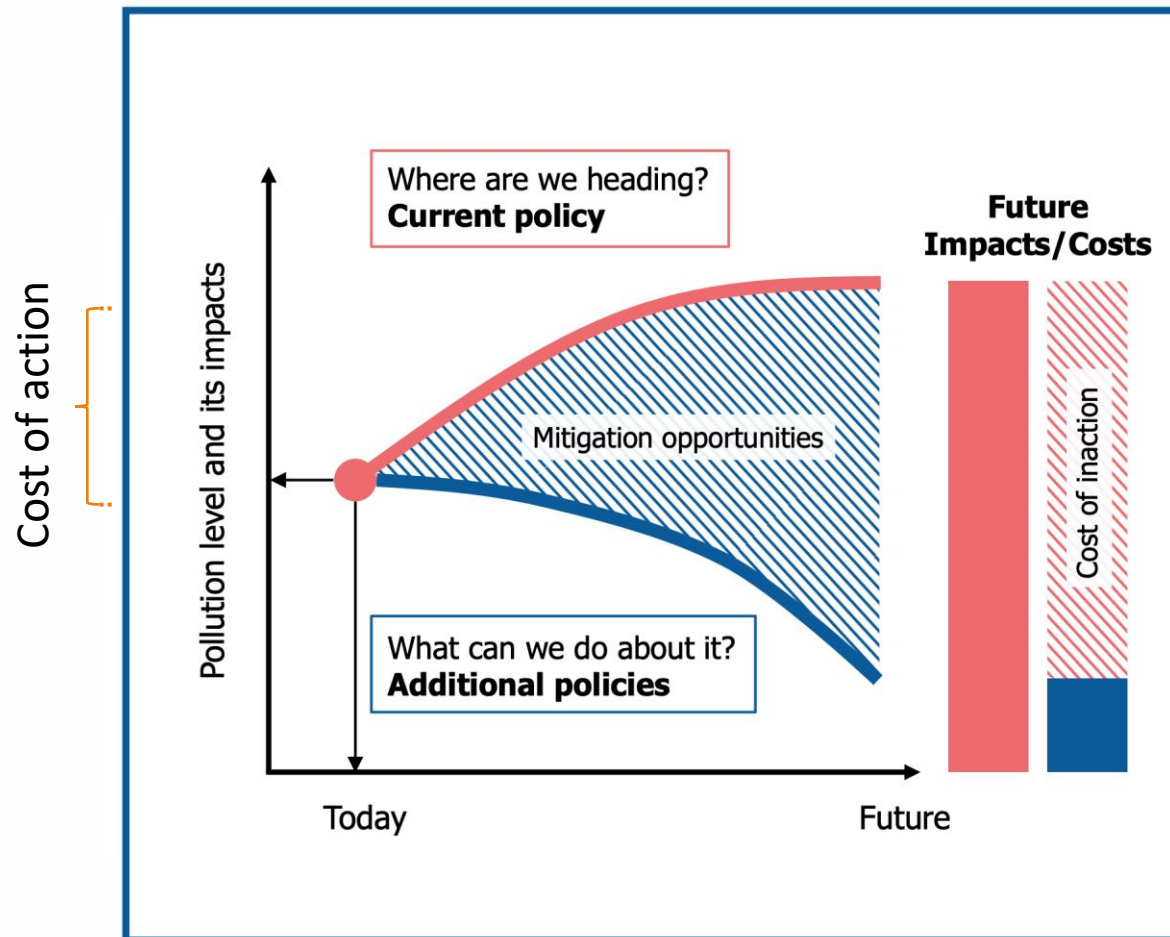


Lack of Regional Cooperation

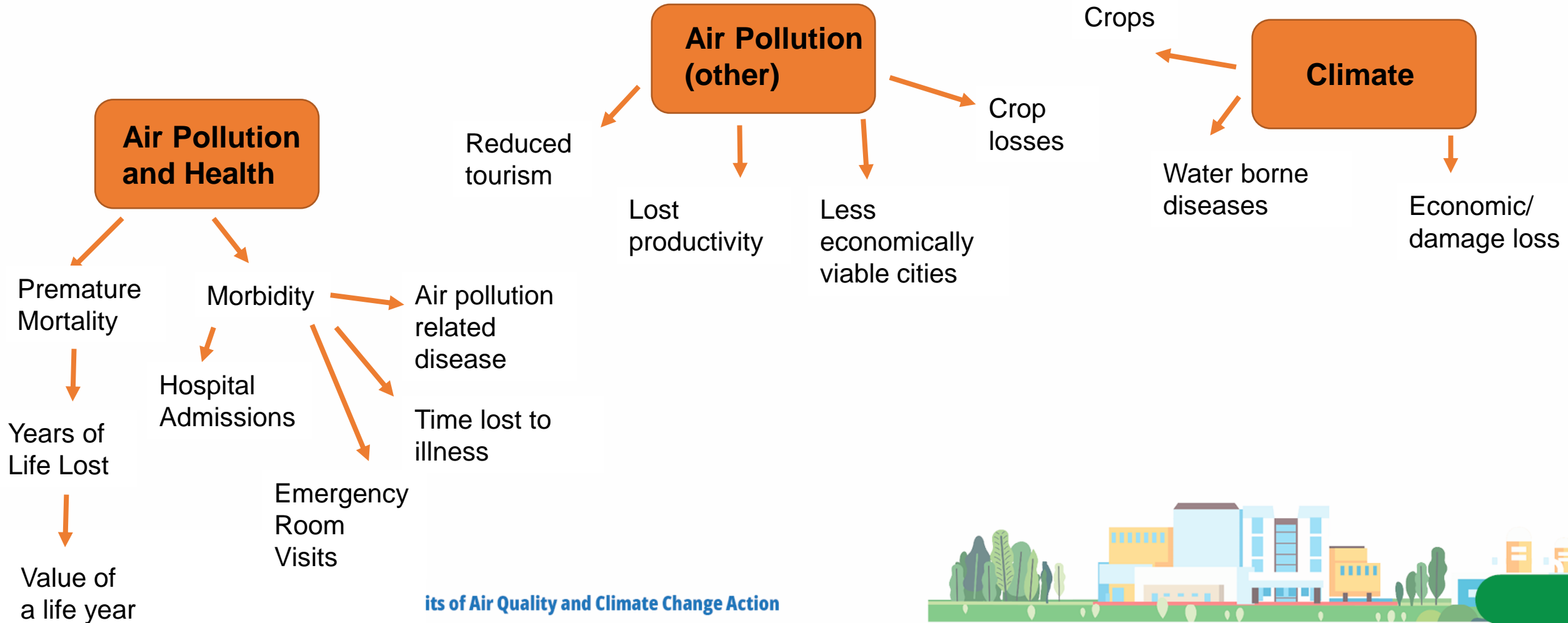
# Cost of inaction: Concept

Simply put the cost of inaction is the economic cost related to not taking action (or implementing an ambitious action scenario)

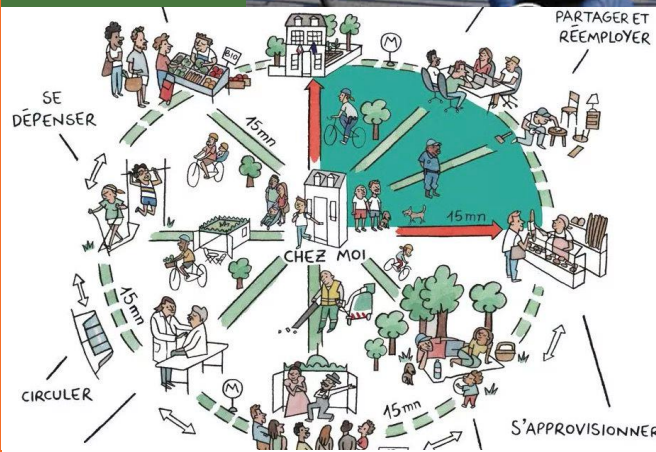
- For *Baseline* and *Alternative Policy* scenarios, develop and evaluate:
  - Emissions and ambient PM<sub>2.5</sub> levels
  - Control costs
  - Health impacts and the related impact costs
- Difference of policy costs for Baseline vs Additional policy = cost of action
- Difference of impact costs for Baseline vs Additional policy = cost of inaction



# There are multiple impacts of air pollution and these have economic costs



# Example – costs of promoting walking and cycling



- Health costs from air pollution exposure
- Other costs from air pollution
- Costs associated with climate change
- Costs from having a less active population
- Costs from not reducing congestion
- Costs from road traffic injuries





# Developing Cost of Inaction Assessments for Thailand, Cambodia and Indonesia

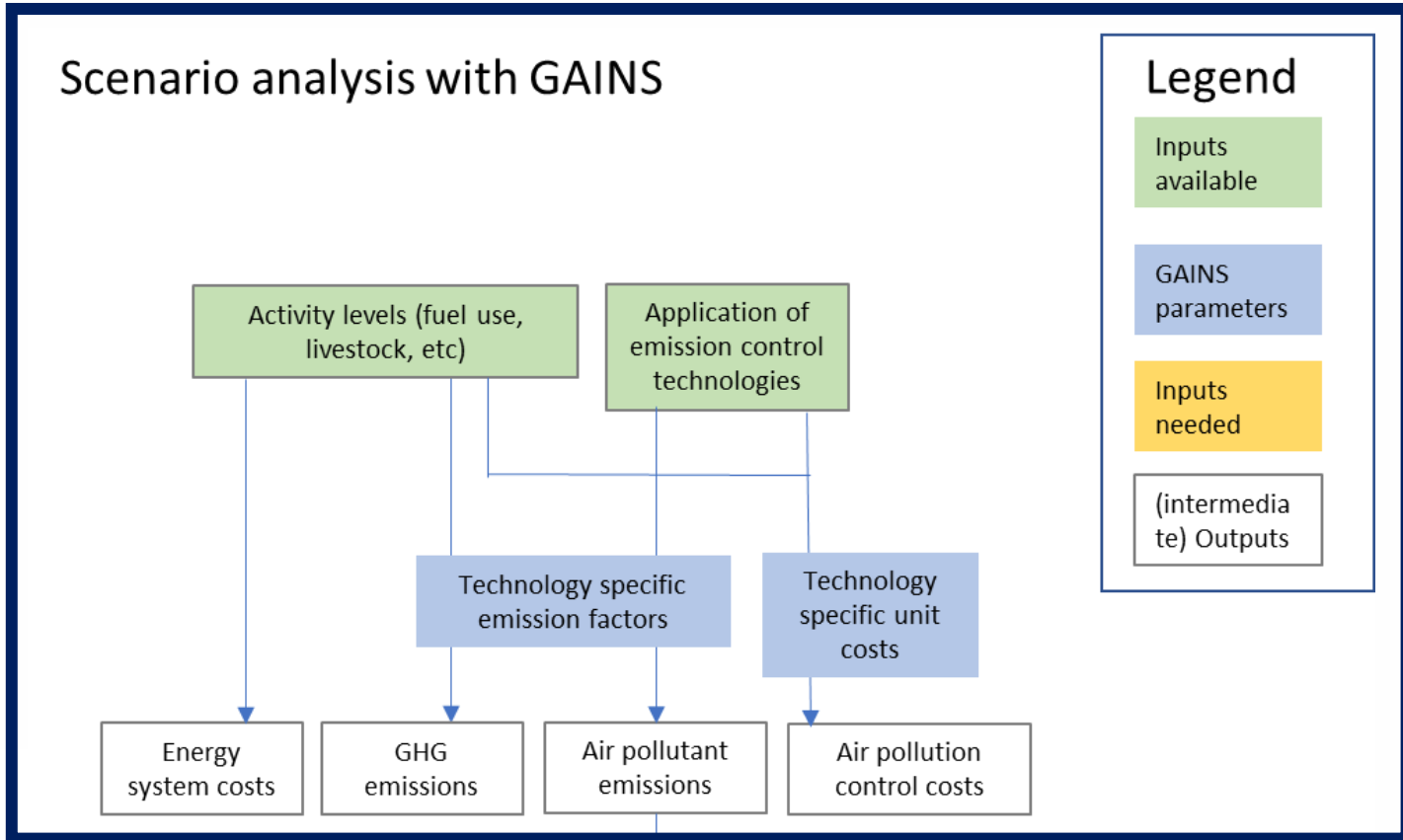
**\*Focusing on selected health indicators only**





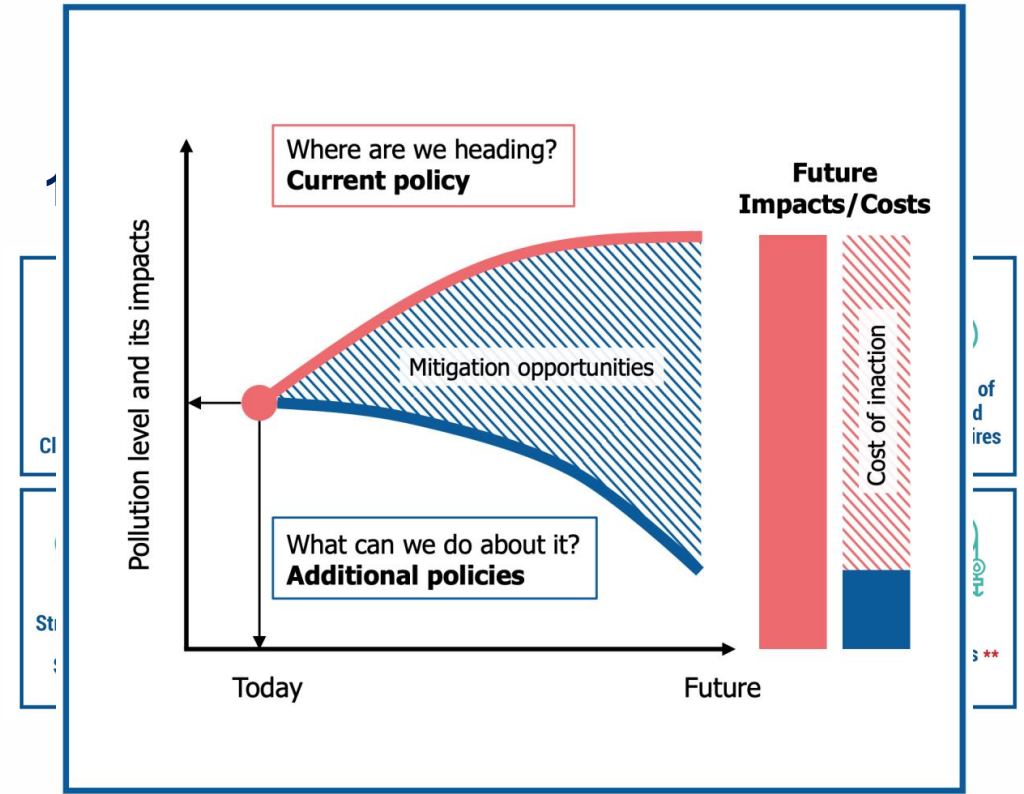
# Step 1: Quantify emissions in two alternative policy scenarios

**Emissions = Activity Variable x Emission Factor**



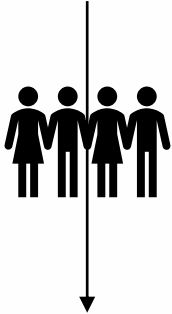
**Legend**

- Inputs available
- GAINS parameters
- Inputs needed
- (intermediate) Outputs

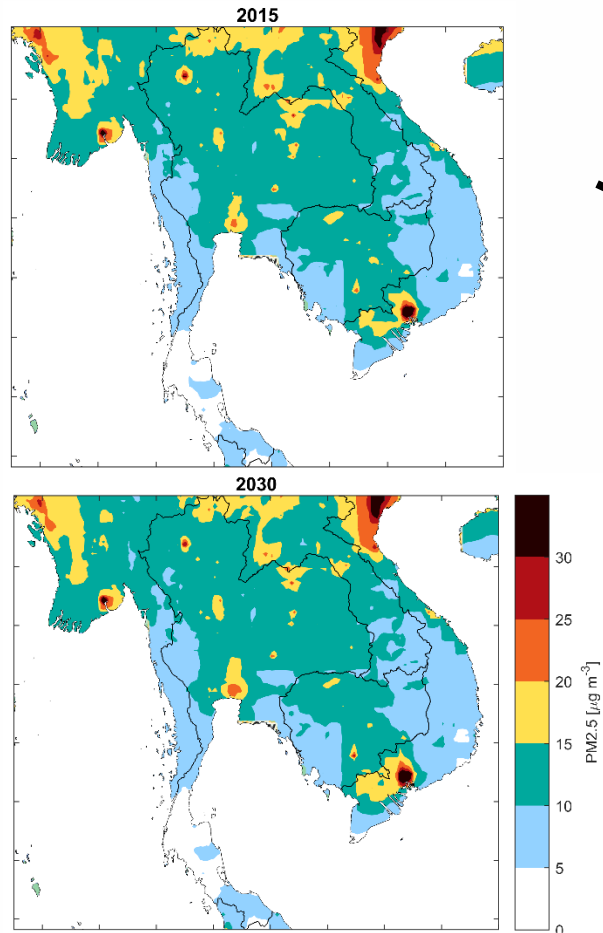


# Step 2: Quantify differential air pollution exposure in two alternative scenarios

$PM_{2.5} \text{ concentrations} = PM_{2.5} \text{ precursor emissions} \times \text{Transfer Coefficient}$

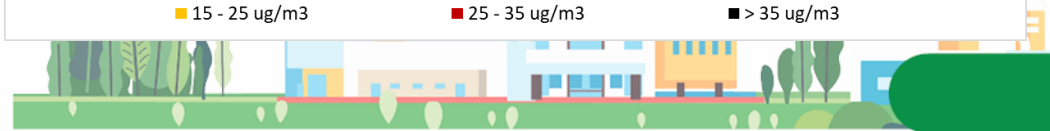
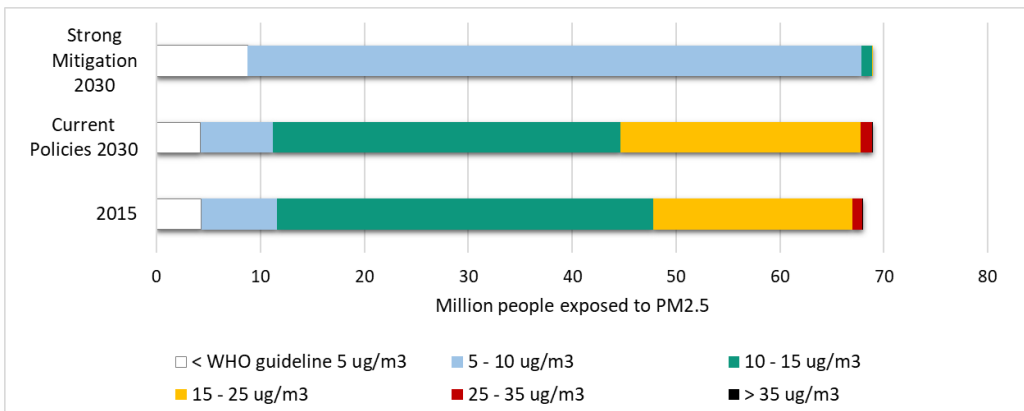


Population weighted exposure to PM<sub>2.5</sub>



- Taken from Chemical Transfer Model
- Relates emissions to concentrations
- Using meteorology and atmospheric reactions

Fig . 2.3 Population exposure to PM<sub>2.5</sub> modelled with the GAINS model for 2015 and for 2030 under different scenarios



# Step 3: Quantify the health impacts of air pollution exposure



$$\Delta Mort = y_0 \left( \frac{RR_{mort} - 1}{RR_{mort}} \right) Pop$$

Exposure to PM<sub>2.5</sub>

Concentration-Response Function

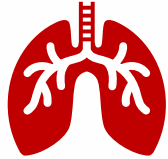
$$\Delta Morb = y_0 \left( \frac{RR_{morb} - 1}{RR_{morb}} \right) Pop$$

Baseline mortality levels

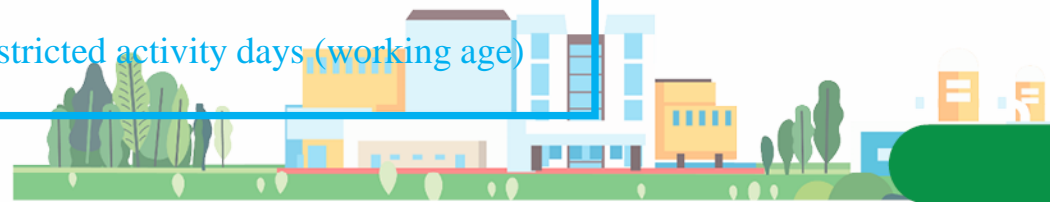
Baseline morbidity levels

New concentration-response functions for seven morbidity endpoints associated with short-term PM<sub>2.5</sub> exposure and their implications for health impact assessment

Muye Ru<sup>a, b</sup>, Ariyani Challapalli<sup>a</sup>, Fabian Wagner<sup>f</sup>, Gregor Kiesewetter<sup>f</sup>, Drew Shindell<sup>a, c</sup>, Joseph Y. Spadaro<sup>d</sup>, Jean-François Lamarque<sup>e</sup>

- ### Mortality Indicators
- ⊕ Chronic obstructive pulmonary disease (COPD)
  - ⊕ Ischemic Heart Disease
  - ⊕ Stroke
  - ⊕ Lung Cancer
  - ⊕ Acute Lower Respiratory Infection
  - ⊕ Type 2 Diabetes
- 

- ### Morbidity Indicators
- ⊕ Asthma – related emergency room visits
  - ⊕ Cardiovascular Hospital Admissions (</+ 65 years)
  - ⊕ Respiratory hospital admissions
  - ⊕ Respiratory restricted activity days (working age)



# Step 4: Quantify the costs of the health impacts in each scenario

## Mortality costs

- Economic Value of a Statistical Life year x Number of Life Years Lost

Mortality Indicator	Unit Cost (USD)
Premature Deaths	1,094,019
Year of Life Lost	41,370

## Morbidity costs

- Cost per hospital visit x number of hospital admissions
- Cost per emergency room visit x number of emergency room visits
- Cost of a lost work-day x number of restricted activity days

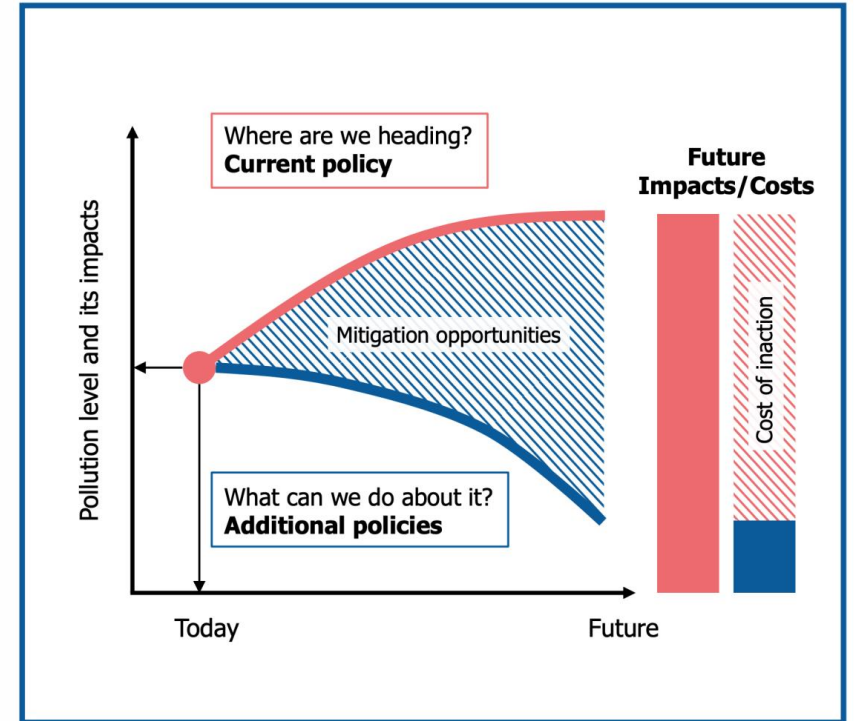
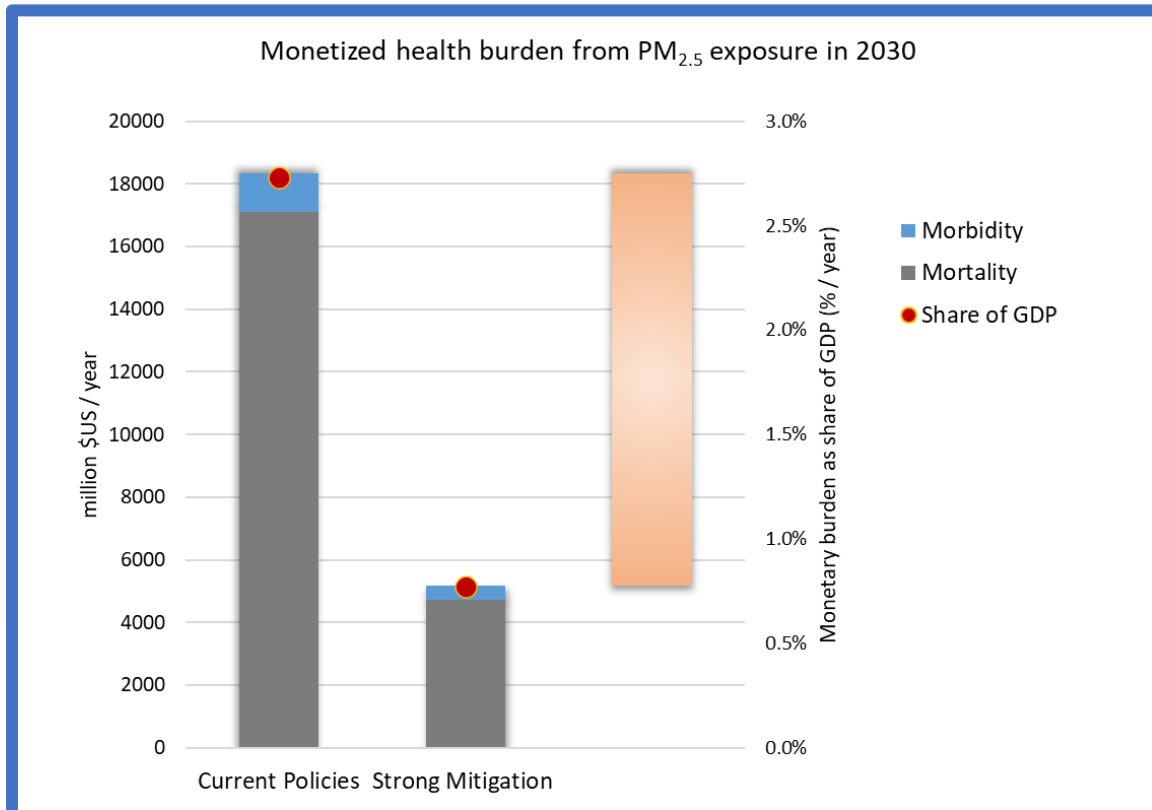
Morbidity Indicator	Unit Cost (USD)
Asthma (emergency room visits)	15
Cardiovascular hospital admissions < 65 years	920
Cardiovascular hospital admissions > 65 years	920
Respiratory hospital admissions	920
Respiratory restricted activity days	33

$$\ln(\text{Unit cost}_{ij}) = \beta_{0i} \ln(\text{GDP per capita}_j + \beta_{1i})$$



## Step 5: Calculate the cost of inaction as the difference

- The cost of inaction is the difference between the total impact costs in the baseline scenario and the total impact costs in the policy scenario
- It represents the costs of not implementing the ambitious actions



# Key Results

## NATIONAL ASSESSMENT OF THE COSTS OF INACTION OF TACKLING AIR POLLUTION IN INDONESIA



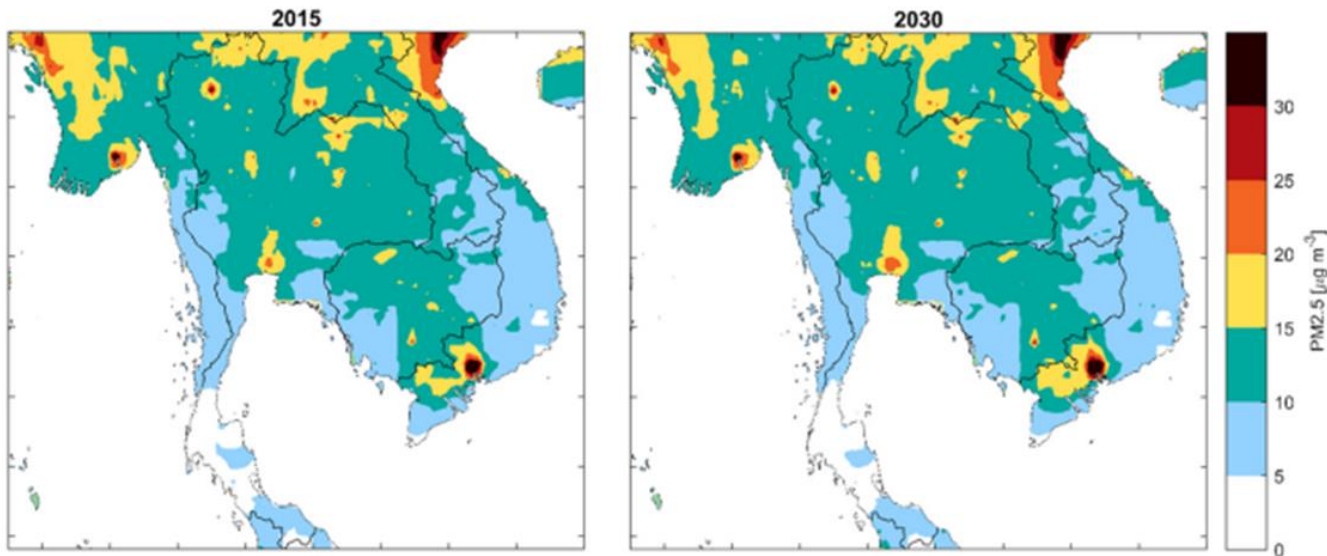
## ASSESSMENT OF THE COST OF INACTION OF TACKLING AIR POLLUTION IN CAMBODIA



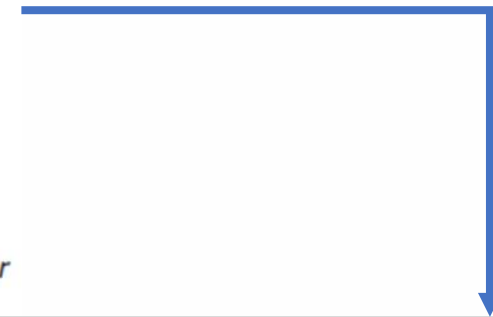
## NATIONAL ASSESSMENT OF THE COST OF INACTION OF TACKLING AIR POLLUTION IN THAILAND



# Without future ambitious action the health impacts of air pollution are expected to increase

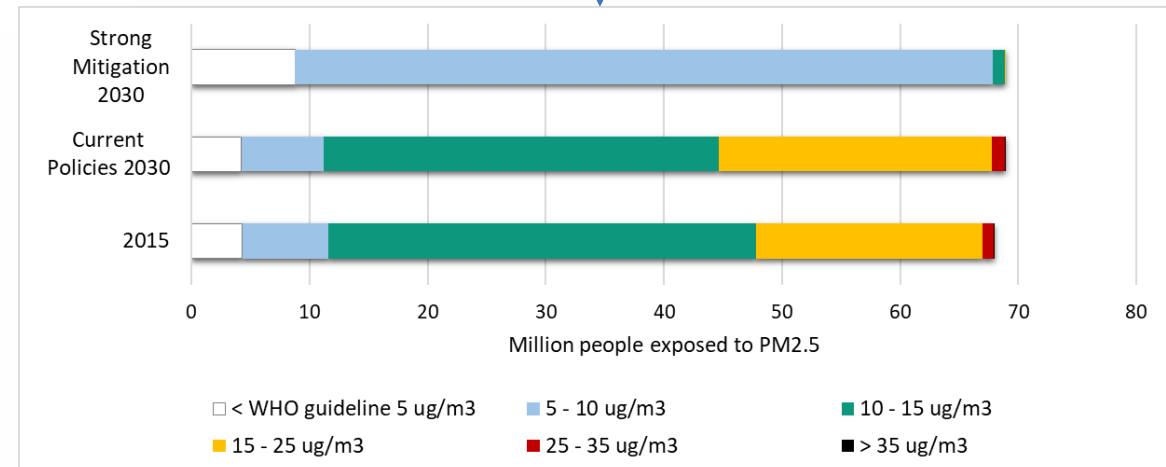


Even including current policies, the health impacts of air pollution exposure are likely to increase in all 3 countries (example from Thailand)

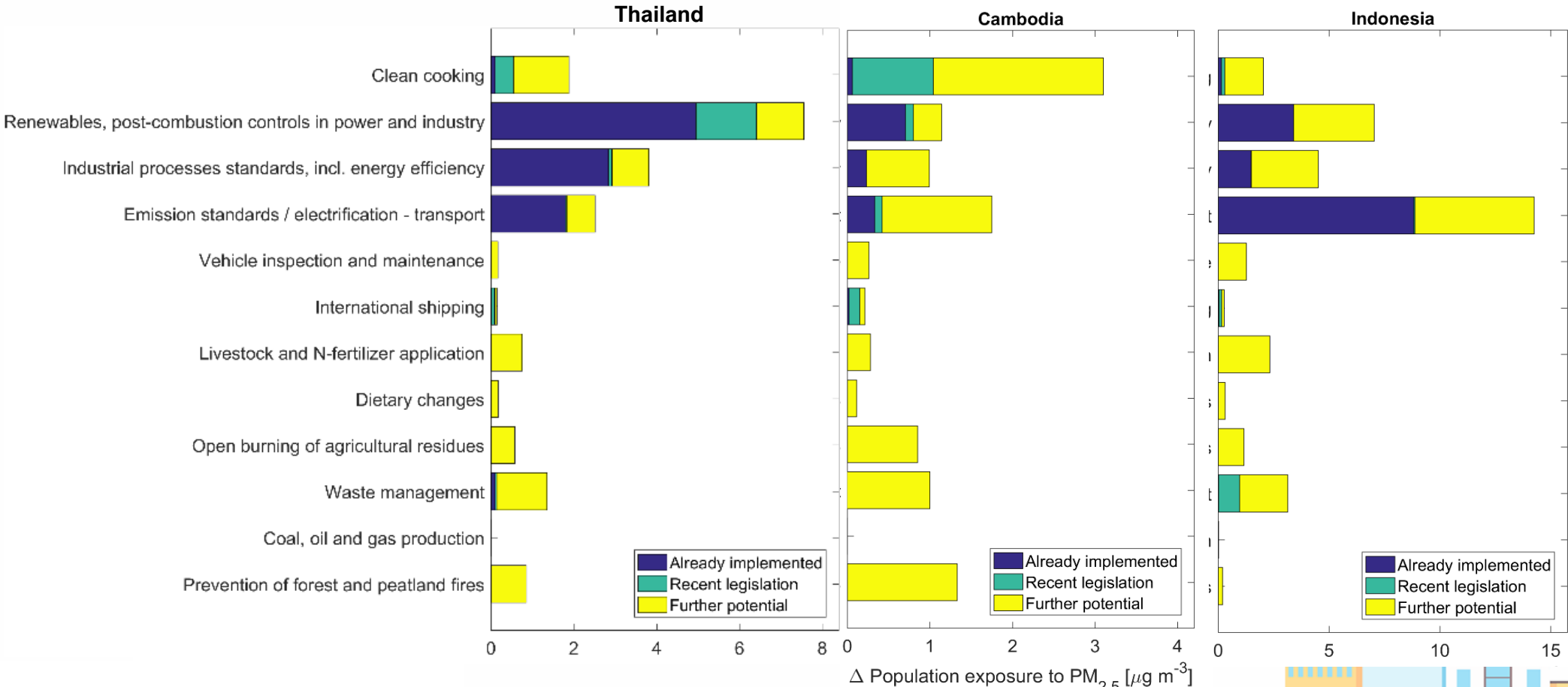


**Fig. 2.2**  $PM_{2.5}$  concentrations for Thailand modelled with the GAINS model for 2015 (left) and for 2030 under Current Policies (right)

This is due to population growth and aging as well as increases in PM in certain areas

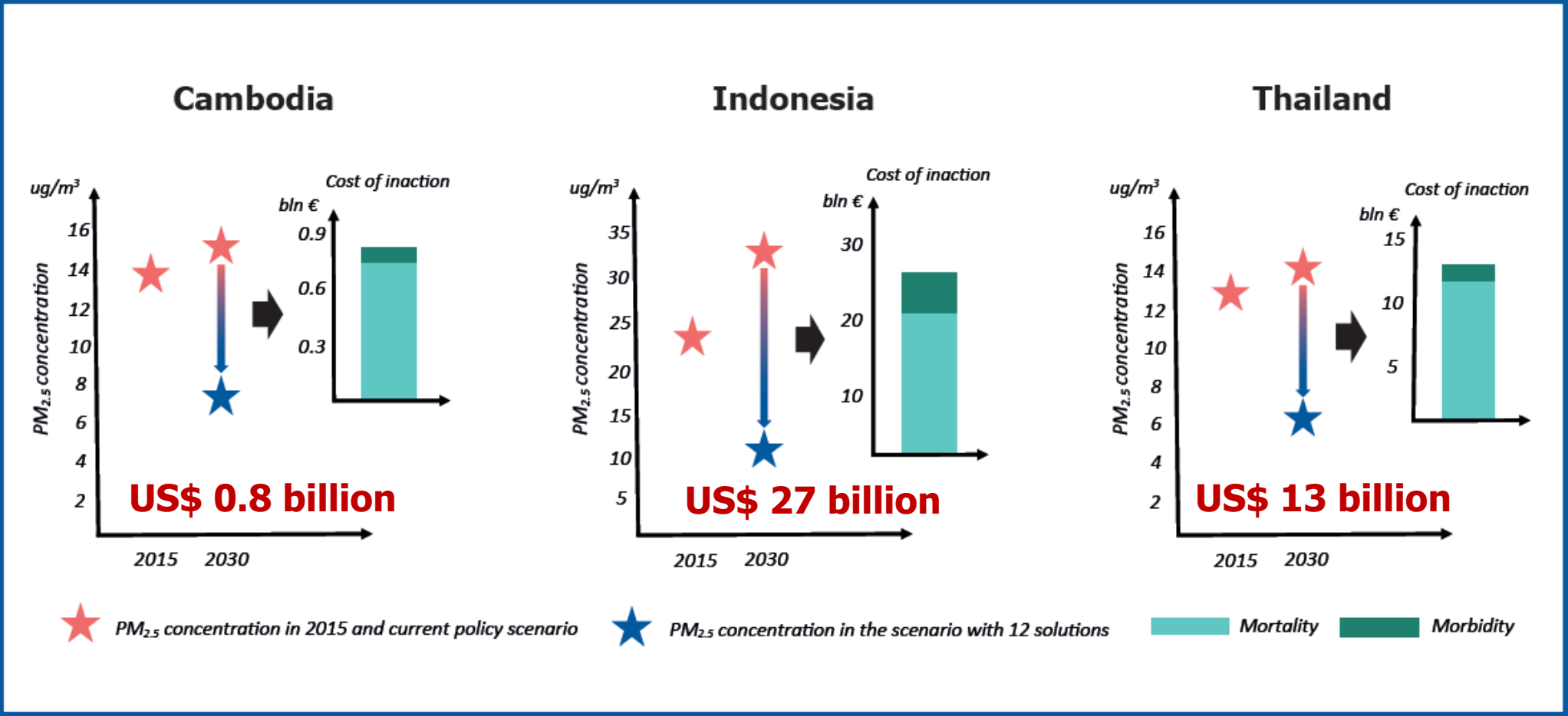


# Solutions exist and the impact of each solution varies by country

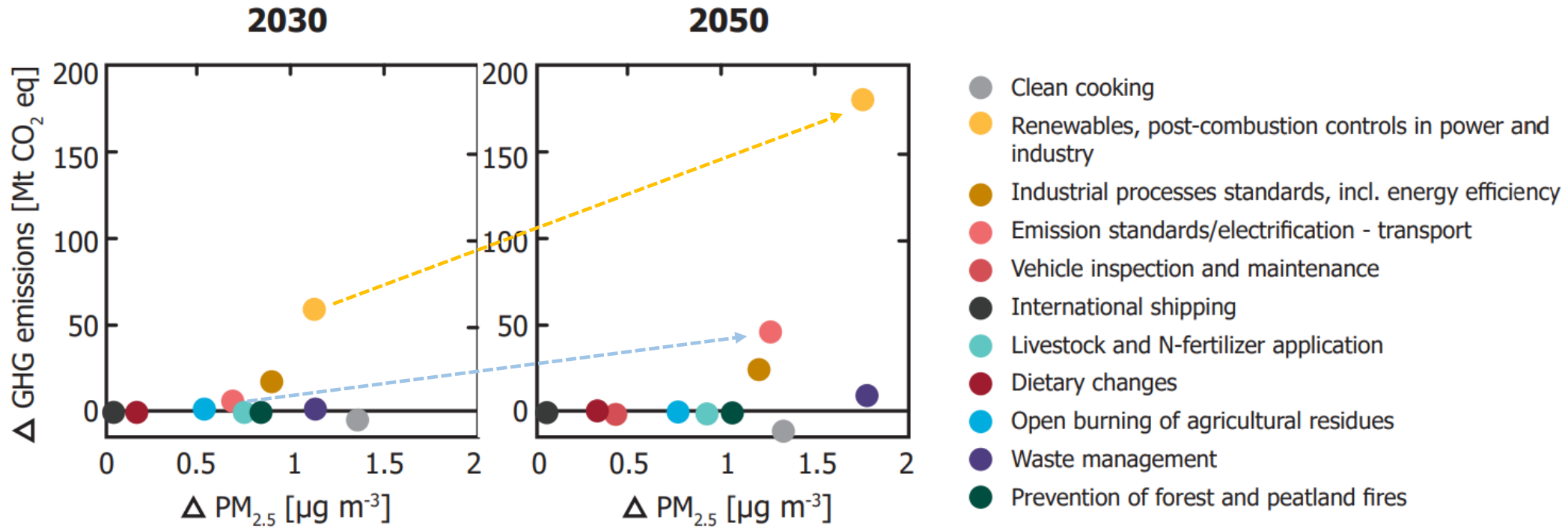




# Inaction on air pollution is costly



# There are also climate co-benefits (not yet costed)



**Fig. 2.9** Co-benefits of individual measures for GHG emissions (CO<sub>2</sub> + CH<sub>4</sub>) when fully implemented in 2030 (left) and 2050 (right)

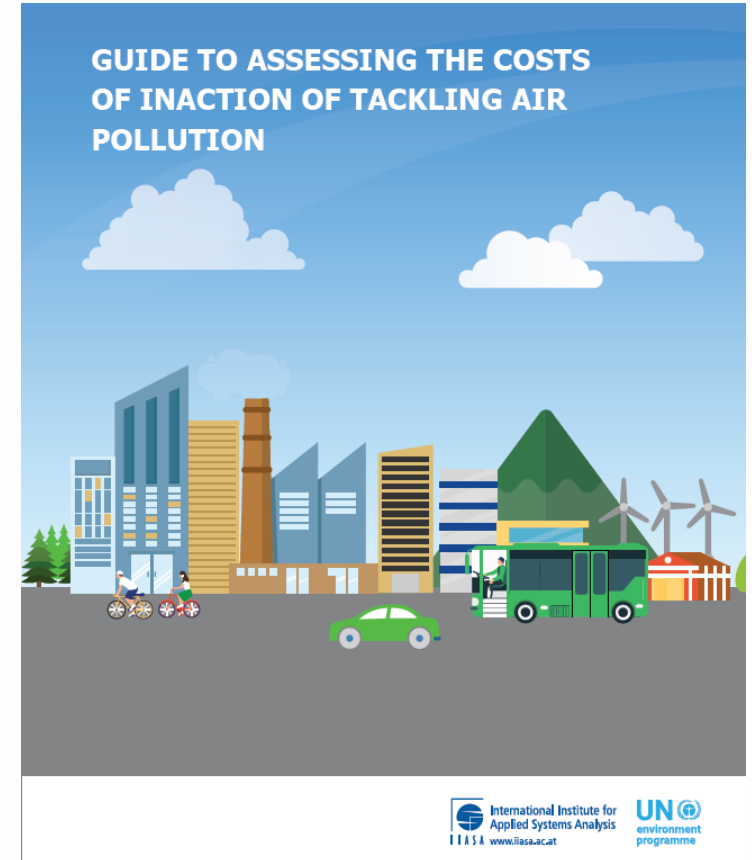


# Guidance Document and Resources

A Guide to Assessing the Costs of Inaction of tackling Air Pollution is [available](#)

**Provides practical guidelines for developing cost of inaction assessments, including:**

- Detailed steps to follow
- Links to useful resources
- Good Practices to follow
- Key Opportunities and Recommendations



# GAINS Tool

**GAINS Online**  
Greenhouse Gas - Air Pollution Interactions and Synergies

Choose a region for your GAINS analysis:

Europe  
East Asia  
South Asia  
Asia  
Global \*  
IAM  
Local Models \*

\*)) Research versions, only for IIASA collaborators

[Access GAINS](#)

