

Annex 6. Environmental and Social Management Framework

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E-Motion Program

List of Acronyms

AE	Accredited Entity
AFD	Agence Française de Développement
BAU	Business As usual
CAF	Corporacion Andina de Fomento
CB	Capacity Building
EHSG	Environmental, Health and Safety Guidelines
ESCP	Environmental and Social Commitment Plan
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMF	Environmental and Social Management Framework
ESMS	Environmental and Social Management System
ESS	Environmental and Social Standard
E&S	Environmental and Social
ESRM	Environmental and Social Risk Management
EV	Electric Vehicle
FPIC	Free Prior and Informed Consent
GCF	Green Climate Fund
GHG	Greenhouse Gases
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
IFC	International Finance Corporation
ILO	International Labor Organization
KFW	Kreditanstalt für Wiederaufbau
LCV	Light Commercial Vehicle
NDC	National Determined Contributions
PMU	Program Management Unit
PPP	Public Private Partnership
PROPARCO	Promotion et Participation pour la Coopération Économique (French financial development institution)
PS	Performance Standard
PT	Public Transport
SCA	Sociocultural Analysis
SDG	Sustainable Development Goals
SEAH	Sexual Exploitation, Sexual Abuse and Sexual Harassment
TA	Technical Assistance

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1 Executive summary

The ESMF presents the general context of the Program, the potential impacts and risks of the projects, potential mitigation measures as well as roles and responsibilities for appraisal and supervision.

The Programs goal is to accelerate Electric Vehicle (EV) deployment and enable a large-scale regional transition towards electro-mobility in Latin America through financial and technical assistance.

This Program is structured in 3 components:

Component 1: Establishment of a sustainable mobility ecosystem encouraging electrification and shift to public transport (TA).

Component 2: Investive measures for PT mode shift (FA). The outcome of this component is (2) Reduced GHG emissions from the transport sector.

Component 3: Deployment of EV fleets. This component addresses the barrier of limited commercial attractiveness to invest in e-buses (barriers initial CAPEX barrier, profitability barrier and performance risk barrier).

The Program finances only category C and B risk projects under GCF risk categorization. Only low-risk activities (category C activities) and minimal or no adverse environmental and social risks and impacts will be included by the Technical Assistance part of the Program, which are contained under Component 1.

The Program is anticipated to generate numerous positive social, economic and environmental co-benefits in addition to the direct climate benefits. The positive impact of EVs are basically reduced GHG emissions, reduced air pollution, reduced noise levels, reduced dependence on fossil fuels and increased energy efficiency. Regarding potential adverse impacts include issues related to labor influx, SEAH, and gender-based violence, also temporary changes in landscape, terrain and accessibility surrounding the site of the project, as well as temporary changes in air quality and noise levels, among others, and potential mitigation measures are proposed.

Three steps are determined for the appraisal at the project level, being: identification, instruction and commitment: Early E&S screening verifications, requirements and categorizations carried out by the project owner and PMU specialists; elaboration of ESDD to be conducted under the responsibility of the project owner with review of the PMU's E&S specialist, elaboration of the ESCP having the project owner responsible for including E&S specifications from the ESMP into procurement documentation and contract works. Regarding the supervision component, the implementation of the ESMP and ESCP measures conducted by the project owner and PMU's E&S specialist, in coordination with AFD. The evaluation step is defined by an environmental and social ex-post evaluation conducted by AFD or external consultants.

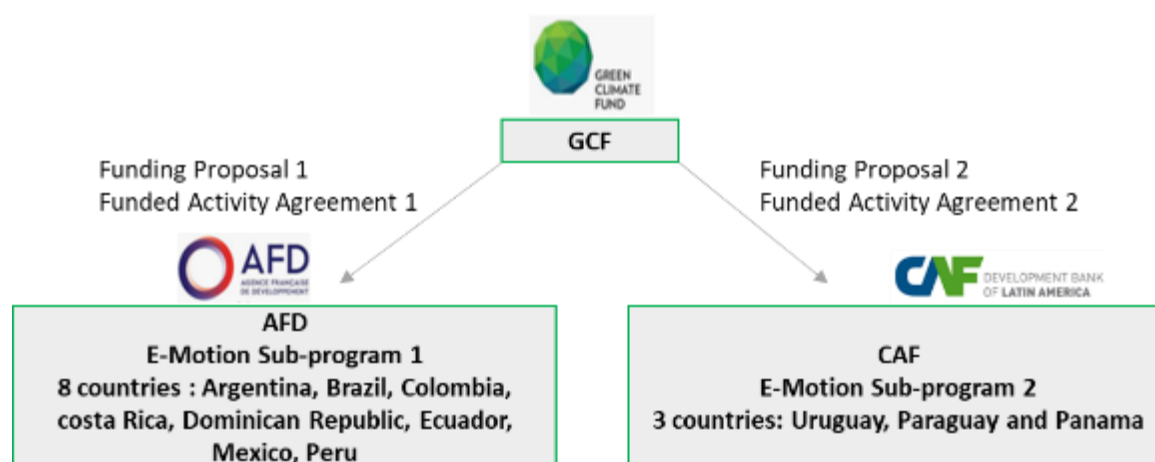
Stakeholder consultations have been carried out during Program appraisal phase at country level in Argentina, Brazil, Colombia, Costa Rica, Dominican Republic, Mexico, and Peru. During the development of the feasibility study, over 120 interviews were held with relevant stakeholders. The meetings conducted in each country were key for the development of feasibility studies, as

they identified the main technical and financial barriers, risks perception, technical assistance needs for electric mobility investment and deployment.

2 Introduction

The E-Motion Program will be implemented through two Funding Proposals: one by AFD as an Accredited Entity to cover eight countries, and one other by CAF as an AE to cover three countries.

Figure 1 E-motion Program: two funding proposal



This present document establishes the Environmental and Social Framework of the AFD and GCF ‘**E-Mobility and Low Carbon Transportation**’ Program or ‘**E-motion**’ Program referring to Funding Proposal¹. It describes how the potential environmental and social impacts and risks of the Program will be managed and supervised when funding from AFD-GCF is accessed. This Environmental and Social Management Framework (ESMF) for the proposed Program has been established in accordance with AFD’s Environmental and Social Risk Management Policy¹ and GCF’s Revised Environmental and Social Policy². The ESMF presents the general context of the Program, the potential impacts and risks of the projects³, potential mitigation measures as well as roles and responsibilities for appraisal and supervision.

As part of the **E-Motion**, the present Environmental and Social Framework will be applicable in seven countries involved in the Program:

- Argentina
- Brazil
- Colombia
- Costa Rica

¹ <https://www.afd.fr/en/ressources/environmental-and-social-risk-management-policy-afd-funded-operations>

² <https://www.greenclimate.fund/decision/bbm-2021-18>

³ Annex J.

- Dominican Republic
- Mexico
- Peru

This Program will foster and accelerate the transition towards low carbon transport in Latin America, in coherence with the NDC fixed by the countries of the region within the context of the Paris Agreement.

3 Program Overview

3.1 Program Objectives

The Programs goal is to accelerate Electric Vehicle (EV) deployment and enable a large-scale regional transition towards electro-mobility in Latin America through financial and technical assistance. The Program implements interventions to kick-start EV mass deployment significantly earlier than under a Business as Usual (BAU) scenario by reducing the risk profile of investments and by comprehensive technical assistance. The key strategic value of the Program is that it functions as market accelerator enabling a far faster uptake of e-mobility than under a BAU scenario avoiding a lock-in of long-lived assets in fossil technology. The Program fills the gap between initial pilots already existing in the region and long-term targets. These interventions are made in a time where e-mobility is commercially not yet viable and thus require initial investment support -like is the case in all countries which have a significant uptake of e-mobility.

The electrification of public transport is coupled with innovative business models and public and private partnership which modernize the sector making it financially more stable and more efficient. The attractiveness of the public transport system is increased with improved services and new buses. This can reverse the trend of decreasing mode shares of public transport and result in a sustainable urban transport system.

The Program focuses on pure electric commercial vehicles i.e. buses, taxis and urban freight vehicles, together with the required charging infrastructure and grid connection and bus depot upgrades. No private usage vehicles are financed. The main investment area is on electric buses. Investments are linked with new business models based on a separation of asset ownership and operations which have been developed in countries of the region (Chile, Colombia) and service delivery structures which enhance the attractiveness and sustainability of the public transport sector, and thereby is an important component to ensure that current public transport ridership levels are sustained or even increased. The Program has thus also an important contribution towards mode shift.

The Program supports a paradigm change towards low-emission transportation systems. The Program shall overcome the identified barriers to kick-start the mass deployment of commercial EVs. The following impacts shall be achieved:

- Reduction of Greenhouse Gases (GHG): EVs in all countries included in the Program have significantly lower lifecycle GHG emissions than fossil units in all countries included in the Program. Public transport mode shift results in additional GHG reductions.
- Improved air quality: EVs have no combustion emissions and are a crucial instrument to achieve clean air in cities. Commercial vehicles are a major source of PM_{2.5} and NO_x emissions in cities. Replacing fossil, diesel powered commercial vehicles with EVs improves air quality significantly. Public transport mode shift results in additional reductions of pollutants.
- Reduced energy dependency: EVs use domestic resources and reduce reliance on imported fossil fuels. They thereby also increase the resilience of the country's economy to external oil price shocks.
- Increased energy efficiency: EVs are up to 4 times more energy efficient than fossil vehicles. Electricity consumption, even if pursuing an ambitious EV penetration level such as proposed by the EV30@30 target supported by the International Energy Agency, is marginal compared to national production levels – however, localized grid problems need to be addressed. Public transport mode shift results in additional energy efficiency impacts.

The Program is structured in 3 components:

- Component 1: Establishment of a sustainable mobility ecosystem encouraging electrification and shift to public transport (TA). This component provides technical assistance to create a policy and business framework conducive for sustainable mobility and massive deployment of EVs. Includes a set of activities aimed at overcoming the barriers faced by the development of sustainable mobility in general and multiplication of electromobility projects in particular.

The outcome of this component is (1) Improved public & private sector capacity & regulatory environment for e-mobility. Component 1 is linked with Output (1.1.) Establishment of a sustainable mobility ecosystem encouraging electrification and shift to public transport. Work will be done to overcome the barriers associated with this output through the implementation of a set of activities that were specifically selected and subsequently structured according to a differentiation of scope at regional, national or local levels.

The activities of this component are:

Activity 1.1.1 Implement a local e-mobility conducive framework: TA supports the FA components by working with the cities⁴ in which FA activities will take place to create the conducive environment for sustainable mobility based on electric buses, as described above. This includes required local policies and frameworks for electric vehicle deployment and support to cities to develop the system in a gender sensitive manner and catering to a diverse set of users. It further supports cities to optimise public transport systems, including route planning, depot design and location, and city planning, including

⁴ Indicative 4 cities; the activity 1.1.1 is realized in all cities where investment projects take place

the integration with active mobility. TA targets all stakeholder groups involved in public transport planning and operation in the selected cities, as well as utilities and grid operators.

Activity 1.1.2. Establish a national e-mobility conducive framework: TA supports all eight countries in developing a national EV ecosystem conducive for electrification of buses in cities throughout the country in the context of an overall sustainable urban transport system that aims to enhance demand for public transport in a gender sensitive way. This means including gender from the perspective of users and as parts of the supply chain, for example the role of women as drivers, technicians and planners. TA targets transport and energy ministries and other institutions potentially involved in or responsible for urban planning and energy in the respective countries.

Activity 1.1.3. Establish a regional e-mobility conducive framework: Capacity-building, knowledge sharing and experience exchange are conducted at the regional level. Activities include exchange and training between countries as well as between cities. The program will utilise existing platforms and institutions where available to disseminate information and experiences generated within the program.

Activity 1.1.4. Implement a Gender Action Plan Implementation of the Gender Action Plan. The technical assistance component will work to ensure that: (i) The design and revision of roadmaps and policies includes a gender perspective and adequately considers the gender equality gaps and opportunities for enhancing the participation of women in related jobs; (ii) The design of transport projects and investments considers gender equality; (iii) Gender-disaggregated data on urban transport is collected to enhance the knowledge base; (iv) Protocols against sexual harassment are promoted through communication campaigns.

- Activity 1.1.5. Project sourcing, structuring and monitoring: This includes technical, financial and institutional advisory and the full feasibility of the project including economic, environmental, social, gender and legal. This includes the definition of a project contractual scheme, ensuring a proper risk allocation amongst key stakeholders and assuring the bankability of the project and securing a proper allocation of GCF concessional resources. This support is key as innovative business models are often needed to bridge the cost gap between EVs and internal combustion engines (ICEs). Project preparation can also support the verification at the suppliers' of the conformity of e-buses with the bidding documents and test developments. Projects sourced and designed under this activity will be financed within components 2 and 3 and result in the Outputs (2.1) and (2.2.) Project monitoring is also part of this activity.
- Component 2: Investive measures for PT mode shift (FA). The outcome of this component is (2) Reduced GHG emissions from the transport sector.

Component 2 is linked with Output (2.1.) E-mobility is combined with PT measures to foster mode shift to low carbon transport. Component 2 is only FA.

The activities of this component are:

Activity 2.1.1. Implement urban mobility measures to foster PT in 2 countries. Urban mobility measures are implemented by the city. They are measures to increase the attractiveness of public and NMT and can include demand as well as supply measures. Declining PT shares are a fact in many countries. One of the reasons is the lack of attractiveness and convenience of PT. The program will work in the involved cities to increase PT attractiveness through measures such as bus only lanes thereby reducing travel time and making PT faster than private means of transport, route restructuring, tariff and mode integration, transport policies which favour in cities PT and de-incentivize private means of transport e.g., through parking policies. E-bus projects are embedded in urban transport projects which include measures such as bus route restructuring, exclusive bus lanes, integrated fare systems, or inter-modal integration to increase the attractiveness and usage rate of PT. Projects are also integrated with measures to increase the usage of NMT including segregated cycling lanes, increased pedestrianization and improved accessibility, and improved last-mile mobility services including (electric) micro-mobility (see component 1). Common urban spaces and new urban mobility services facilitate the independence and mobility of all residents and are key to promote sustainable, competitive cities while increasing the quality of life of citizens taking into account the different mobility patterns in women and men.

For the advancement of low-carbon sustainable mobility, this component will finance (i) the allocation and improvement of supporting urban spaces and infrastructure for public e-transport; (ii) the creation of urban mobility plans and policies; (iii) public transport improvements. The Program will prioritize solutions that integrate into the urban fabric, are compatible and conducive to modes of sustainable mobility guaranteeing universal access. This can include the infrastructure connecting public transport systems to alternative modes of urban mobility (electric and non-motorized) such as cycling lanes, pedestrian streets, etc., and/or providing the infrastructure conditions to facilitate these alternative modes of urban mobility as bicycle parking, park and ride, waiting areas, charging areas etc.

- Component 3: Deployment of EV fleets. This component addresses the barrier of limited commercial attractiveness to invest in e-buses (barriers initial CAPEX barrier, profitability barrier and performance risk barrier). The outcome of this component is (2) Reduced GHG emissions from the transport sector. Component 3 is linked to the Output (2.2) EV fleets are deployed with innovative business models to enable their mass application.

The activities of this component are:

Activity 2.2.1. Deployment of e-buses: It is expected that this component will be applied in 4 countries with investment projects (Brazil, Colombia, Peru and Mexico) with an indicative number of 850 e-buses deployed of different sizes. The goal is to identify, design and implement localized innovative business models in public transport which modernize and increase the attractiveness of public transport and which deploy large-scale fleets of

electric buses to showcase their technical and commercial viability to operators. Technology-wise this includes different e-bus technologies (slow-, fast-, opportunity and ultra-fast charged buses), different bus sizes (8m to 26m buses) and different operational structures (mixed traffic buses as well as units operating on bus-only routes).

Activity 2.2.2. Deployment of charging infrastructure for e-buses: Charging system for 850 e-buses in 4 cities.

Activity 2.2.3. Implement bus depot upgrades for e-buses: bus depot upgrades which include e.g. roofs over chargers and increased space or layout changes to the bus depot as buses cannot be stacked equally if they are charged with plug-in. Charger network types and numbers depend on each city and the final feasibility study. This can be e.g. ultra fast charging at stations whilst passengers board, end of route opportunity charging, intermediate fast charging or overnight charging. This changes the number of chargers, the charging system, the output power of chargers and also results in different bus depot layout changes as well as different grid impact and grid upgrades. Bus depot upgraded for 850 e-buses in 4 cities.

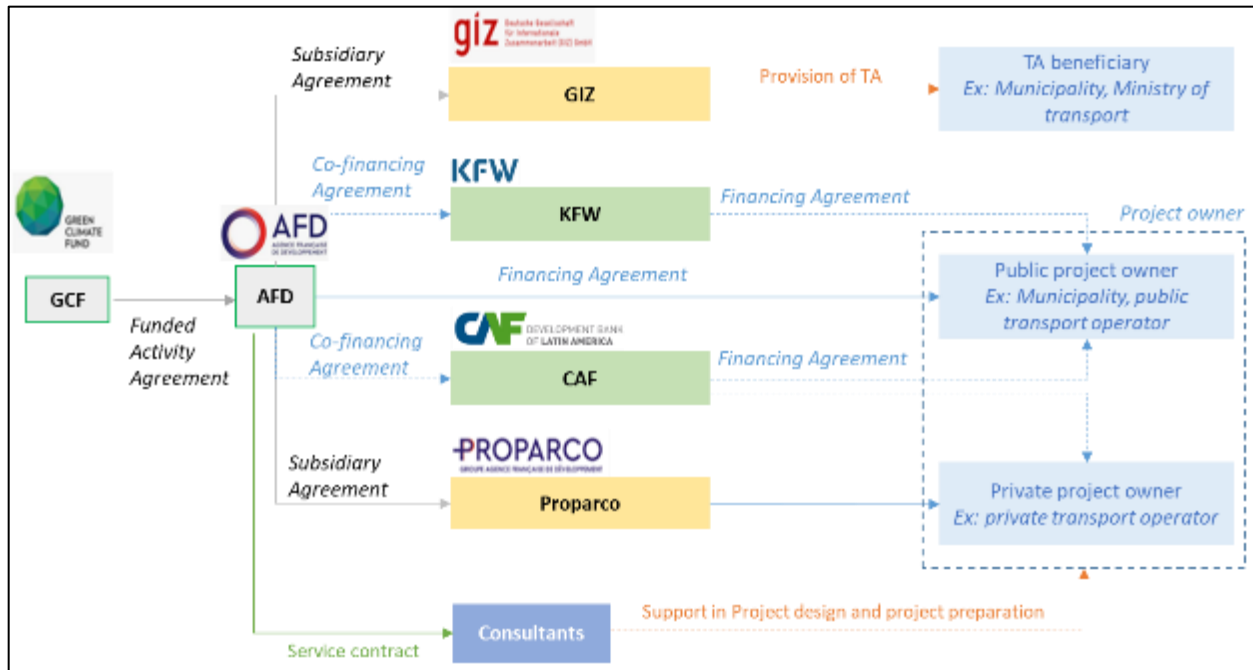
Activity 2.2.4. Implement grid upgrades for connecting e-bus chargers: grid upgrades to accommodate the charging infrastructure especially at bus depots but also, if on-route charging or opportunity charging is used, in the areas of chargers (this involves the installation e.g. of mini-substations). Grid system upgraded for charging system for 850 e-buses in 4 cities.

The Program will not finance pilot projects but mass application linked with innovative business models. Buses are operated by municipal transport operators or private parties (see above for pre-identified business models).

3.2 Program implementation scheme

The following figure shows the Program implementation scheme.

Figure 2 Program implementation scheme



The Program will be led by AFD and implemented jointly by four institutions⁵:

- AFD, as accredited entity, executing entity and co-financier for the Financial Assistance targeting public sector project owners (Component 2 and 3), for the technical assistance dedicated to Projects' preparation (Component 1.1.5), and for the gender action plan activities related to the investments projects. AFD project teams will be responsible for the identification, appraisal, implementation and evaluation of eligible investments in the public sector. The projects' appraisal process will follow AFD's procedures. In particular, task team leaders will carry out due diligence and appraisals on each project in accordance with AFD Group standards and procedures⁶.
- PROPARCO, as executing entity and co-financier for the Financial Assistance targeting private sector project owners. PROPARCO will be in charge of E-Motion implementation within the private sector. As per AFD projects, PROPARCO project teams will be responsible for the identification, appraisal, implementation and evaluation of eligible investments and appraisal process will follow PROPARCO's procedures, which are in line with AFD Group standards and involve AFD at decision taking stage.
- GIZ, as executing entity for Technical Assistance activities 1.1.1, 1.1.2, 1.1.3 and 1.1.4 (i) to (iv) (Component 1). GIZ will ensure the implementation of activities using a combination of own technical staff based in respective partner countries as well as independent consultants. GIZ will report to the E-Motion Steering Committee and to the AFD Program Manager.
- KFW and CAF, as co-financiers for the Financial Assistance. KFW and CAF will act as co-financiers of the Financial Assistance. The co-financing modalities will be defined depending on the feature of each project (parallel or joint co-financing depending of the number of works/supply contracts to be financed under the project). In each case, a lead financier will be

⁵ All the institutions must apply AFD standards.

⁶ <https://www.afd.fr/en/ressources/procurement-guidelines-afd-financed-contracts-foreign-countries>

identified to ease the relationship with the Borrower. KFW will co-finance projects implemented by public bodies while CAF will co-finance projects implemented by both public and private bodies.

The following table summarizes the responsibilities and roles for these institutions, the information was taken from Annex 21 of FP.

Table 1: Responsibility and role of the main stakeholders

Stakeholder	Responsibility	Main roles⁷
a) AFD	accredited entity, executing entity and co-financier for the financial assistance. For the technical assistance dedicated to Projects' preparation, and for the gender action plan activities related to the investments projects	<ul style="list-style-type: none"> • Develop, co-finance and supervise the Programme • Carry out the appraisal process and finance Projects under the Programme • Carry out due diligences and assessments on each Project owners in line with AFD Group's policies and requirements • Prepare the Loan Documentation which specifies the financial and legal terms and eligibility criteria for the projects financed under the Programme • Design support to Project owners through technical assistance • Monitor the implementation of the Programme with each Project owner • Ensure follow-up and supervision activities through field visits and screening of the Project owners' reports at various stages of the Project cycle • hire consulting companies to implement the TA dedicated to the preparation of the projects and to support the PMU activities • hire external consultants as part of the Program Management Unit
b) PROPARCO	Executing entity and co-financier for the Financial Assistance targeting private sector project owners	<ul style="list-style-type: none"> • Finance projects directly with the private sector • Carry out due diligences and assessments on each Project owners in line with Proparco requirements
c) GIZ	Executing entity for technical assistance activities	<ul style="list-style-type: none"> • Administer enabling facility technical assistance funds • Implement activities in the enabling facility • Reach the results attributed to the enabling facility • Contribute to communicating, reporting, monitoring and evaluating efforts on the overall E-Motion program relating to the enabling facility
c) Green Climate Fund (GCF)	Co-financing	<ul style="list-style-type: none"> • Co-finance the Programme • Receive technical and financial reporting of the Programme
d) KFW and CAF	Co-financing	<ul style="list-style-type: none"> • KFW will co-finance projects implemented by public bodies while CAF will co-finance projects implemented by both public and private bodies
e) Project owners (public and private)	Prepare and implement projects in meeting the Programme	<ul style="list-style-type: none"> • Submit necessary information for AFD/Proparco to determine with the support of the TA, eligibility of the project according to the eligibility criteria and E&S standards. • Appraise climate-related project with the support of the TA

⁷ To be adapted according to the specific Project's context.

	objectives and the eligibility criteria	<ul style="list-style-type: none"> • Sign loan and make payments with project funds, keep updated record of indicators and report to TA and AFD Group • Participate to the capacity building activities organised by the TA (when relevant) • Formalise the Project environmental and social due diligence and report to AFD/Proparco on the implementation of the E&S measures planned in accordance with the Project documents.
f) Project TA consultants	Provide support to the Project stakeholders	<ul style="list-style-type: none"> • To be adapted to each situation • Support the project owner in the preparation of the project and its implementation (carbon footprint, preparation of procurement documents, etc.) • Define training programs for Project owners and other local actors when required • To be part of the Project Management Unit to assist with knowledge on e-mobility, ESG, communication, gender etc.

According to the Environmental and Social Risk Management Policy for AFD-funded Operations, when the AFD is the lead or coordinator of the financing, AFD procedures are used for the due diligence required by the co-financier and implemented by the client⁸ (project owner)⁹. All projects need to comply with these requirements. All projects undergo environmental and social appraisal both to help AFD decide if the project should be financed and, if so, the way in which environmental and social risks and impacts should be addressed in its planning, implementation and operation. In addition, all projects are required to comply with the GCF's Revised Environmental and Social Policy.

3.3 Country context

The Program has been designed to ensure alignment with national policies and regulations in the selected countries: Argentina, Brazil, Colombia, Costa Rica, Dominican Republic, Mexico and Peru. Countries were evaluated in terms of their climate policy and relevant transport policies and strategies.

The updated Nationally Determined Contributions (NDCs) of these countries all include measures to reduce transport emissions. The majority of countries have included in the NDCs electric mobility as a core mitigation measure to reduce transport emissions and have formulated concrete electrification targets through regulations, policies or EV roadmaps.

The following section is an overview of the countries, including population, vehicle data, major EV policies and the climate policies of the involved countries. Summary per country are based on the diagnostics performed by AFD¹⁰. A general analysis between national regulations and AFD standards for E&S, including gender aspects, is also included.

⁸ AFD. 2017.

⁹ <https://www.afd.fr/en/ressources/environmental-and-social-risk-management-policy-afd-funded-operations>

¹⁰ See Reports 4: Summary E-motion Argentina, Brazil, Colombia, Costa Rica, Dominican Republic, Mexico and Peru.

3.3.1 Argentina

Argentina has an area of 2,737,000 km² and 45 million inhabitants. In 2022, the GDP per capita was 13,700 USD. Argentina is, along with Brazil, Mexico and Colombia, one of the main producers of automobiles and auto parts in Latin America. Lithium reserves represent a unique opportunity for the transition towards electric mobility.

Climate and Energy Policies

Argentina's total GHG emissions are estimated at 361 MtCO_{2e} in 2020 (excluding LUCF) of which the transport sector 39 MtCO_{2e}.¹¹ In its NDC (Nationally Determined Contribution, 2015) Argentine commits to an absolute net emission target of 359 million tCO_{2e} by 2030. The updated NDC of 10/2021 includes that electric mobility is a core mitigation measure in the transport sector. Road transport, mainly trucks and automobiles, accounts for more than 90% of GHG emissions in the transport sector.

Argentina launched the development of its National Electric Mobility Strategy in May 2018 with the support of UN Environment. Argentina is currently formulating specific legislation on electric vehicles, establishing the conditions for the installation or operation of charging centers, and at the same time, exploring possible options for the local development of the electric mobility industry. In May 2019, a pilot test was conducted to assess the feasibility of implementing electric buses in the Autonomous City of Buenos Aires and in the same year the Government of the Province of Mendoza purchased 18 electric buses.

In 2019 25% of electricity was produced with renewables. In the NDC, the country commits to increase the share of non-conventional renewable energies by 2030. The carbon grid factor is 0.288kgCO₂/kWh (IFI version 3.2., 2022).

Transport Sector

Argentina has a vehicle fleet of nearly 19 million units in 2019. Road transport GHG emissions of Argentina in 2019 are estimated at 55 million tCO_{2e}. Commercial vehicles including taxis, buses and LCVs are responsible for around one quarter of GHG emissions and 30% of pollutants (PM_{2.5} and NO_x). GHG emission from the transport sector are expected to grow under a BAU scenario by around 10% reaching 61 million tCO₂ by 2030.

3.3.2 Brazil

Brazil has an area of 8,512,000 km² and 215 million inhabitants. In 2022, the GDP per capita was 8,900 USD. The Brazilian automotive industry is among the ten most important in the world.

Transport Sector

2020 some 98 million vehicles were operating in Brazil. Road transport emission costs are close to 18 billion USD for 2019, around 20% of costs are due to local pollutants. Road transport GHG

¹¹ Climatewatch data; in 2020 COVID-19 resulted in large GHG reductions of the transport sector of more than 20% compared to pre-COVID whilst total GHG emissions dropped by only 4%.

emissions of Brazil in 2019 are estimated at 290 million tCO_{2e}¹². Commercial vehicles including taxis, buses and LCVs are responsible for around 40% of GHG emissions and 60-80% of pollutants (PM_{2.5} and NO_x). GHG emission from the transport sector are expected to grow under a BAU scenario by 16% reaching 336 million tCO₂ by 2030.

Climate and Energy Policies

Brazil's total GHG emissions in 2020 were 1.06 GtCO_{2e} (excluding :LUCF) and transport emissions 190 MtCO_{2e}¹³. In its updated NDC of 11/2023 Brazil commits to reduce GHG emissions by 53% by 2030 compared to the year 2005 with the goal of achieving climate neutrality by the year 2050.. The NDC indicates that the transportation sector shall promote efficiency measures, improve urban public transportation infrastructure and biofuels to achieve mitigation targets. Brazil has already established various tax incentives for the import and purchase of EVs. There are 21 bills pending in the Chamber of Deputies on electric mobility that seek greater incentives for electric vehicles.

Electricity production comes from 82% renewable sources and 18% from fossil fuels (2019). The carbon grid factor is 0.150 kgCO₂/kWh (IFI version 3.2, 2022).

3.3.3 Colombia

Colombia has an area of 1,141,748 km² and 52 million inhabitants. In 2022, the GDP per capita was 6,600 USD. Colombia has an automotive industry dedicated mainly to vehicle assembly, auto parts production and motorcycle assembly. 76% of the municipalities with monitoring of the air quality in Colombia register PM₁₀ levels which surpass the annual norm of 50 µgm. Emission inventories of large cities show that around 80% of particle emissions are due to transport and 20% due to industry. Depending on the methodology chosen the cost of air pollution is estimated at the equivalent of 0.2 to 1.5% of the GDP of Colombia.

Transport Sector

In 2018, around 14 million vehicles were officially listed in the statistics of the Ministry of Transport - however, based on an analysis of vehicle insurance and annual registrations, the actual number of operating vehicles is estimated at around 8.5 million units. Road transport GHG emissions of Colombia in 2018 are estimated at 33 million tCO_{2e}¹⁴. Around 50% of these come from commercial vehicles including taxis, buses and LCVs. GHG emission from the transport sector are expected to grow under a BAU scenario by around 40% reaching 46 million tCO_{2e} by 2030. With this growth the NDC target will be difficult to achieve.

Climate and Energy Policies

¹² Tank-to-wheel approach; taking into account biofuels and assuming that biofuels have no upstream emissions the GHG emissions from the transport sector are 253 Mt CO_{2e}; Using a well-to-wheel approach including Black Carbon emissions are 361 Mt CO_{2e}.

¹³ Climatewatch data; in 2020 COVID-19 resulted GHG reductions of the transport sector of 5% compared to pre-COVID whilst total GHG emissions dropped by only 1%.

¹⁴ Tank-to-wheel approach; well-to-wheel approach including Black Carbon: 43 MtCO_{2e}

Colombia's GHG emissions for 2020 are estimated at 187 MtCO_{2e} (excluding LUCF) Transportation emissions for the same year are 28 MtCO_{2e}¹⁵. Colombia's NDC Update estimates that according to the reference scenario for 2030 emissions would reach 346 MtCO_{2eq}. Within the mitigation goals Colombia commits to emit a maximum of 169 MtCO_{2e} in 2030 (equivalent to a 51% reduction of emissions). The NDC contemplates for the transportation sector amongst others to achieve 600,000 registered electric taxis, buses, light commercial vehicles including small trucks and official vehicles. The Electric Mobility Law has managed to provide for measures in public transportation services such as compliance with a minimum quota of 30% of EVs in new acquisitions or contracts, taking into account the commercial offer in Colombia. According to the same law, the goals for the incorporation of EVs in the acquisition of the fleet of zero-emission mass transportation systems must follow the scheme of minimum proportions of 10% in 2025, 20% in 2027, 40% in 2029, 60% in 2031, 80% in 2033 and 100% in 2035 (Congress of Colombia, 2019). As a complement to the Law, the National Government has developed the National Strategy for Electric Mobility (ENME), which aims to promote the electrification of the transportation sector. In addition to the above, the National Energy Plan (PEN) 2020-2050 presents projections for the incorporation of EVs, under the scenario of meeting the GHG reduction commitments (20% by 2030) (UPME, 2019). Projections for 2030 include 630,000 electric motorcycles, 370,000 electric light vehicles, 40,000 e-taxis and 20,000 electric urban freight vehicles..

Bogota has purchased, as of end 2020, nearly 1,500 electric buses, whilst Cali and Medellin have e-buses pilot fleets. However, all purchased e-buses are 9-12m units and are not operating on bus-only lanes. Initial pilots of e-taxis have also been deployed with mixed success.

In 2020 the share of renewables in total electricity generated was slightly above 70%. Colombia still has a considerable non-exploited renewable energy capacity in terms of hydroelectric, solar and wind power. The carbon grid factor of Colombia is 0.208 kgCO₂/kWh (IFI Version 3.2., 2022).

3.3.4 Costa Rica

Costa Rica has an area of 51,100 km² and 5 million inhabitants. In 2022, the GDP per capita was 13,300 USD. The metropolitan area of San José concentrates half of the population. Costa Rica has no vehicle manufacturing or assembly industry.

Transport Sector

The vehicle fleet of Costa Rica has grown on average annually by 6% between 1980 and 2019, whilst the population has only grown by 2%. In 2019 more than 1.5 million vehicles were operating in the country. Road transportation emission costs are close to 500 MUSD for 2019 with around 30% of costs due to local pollutants. Road transport GHG emissions of Costa Rica in 2019 are estimated at 6.4 million tCO_{2e}¹⁶. Commercial vehicles including taxis, buses and LCVs are responsible for around 1/3rd of GHG emissions and 50% of pollutants (PM_{2.5} and NO_x). GHG emission from the transport sector

Climate and Energy Policies

¹⁵ Climatewatch data; in 2020 COVID-19 resulted GHG reductions of the transport sector of 14% compared to pre-COVID whilst total GHG emissions remained stable.

¹⁶ Tank-to-wheel approach; well-to-wheel approach including Black Carbon: 8.4 MtCO_{2e}

Costa Rica has a long tradition in being on the forefront of combating climate change. In its NDC, Costa Rica reaffirmed its aspiration of becoming a Carbon Neutral economy and aims for a decarbonized economy with net-zero emissions in 2050. Total GHG emissions of the country are estimated at 10.9 million tCO_{2e} in 2019 with land transport being responsible for more than 50% of total GHG emissions. Emissions under a BAU scenario are expected to increase by 45% by 2050. The updated NDC of Costa Rica includes as targets net emissions of 9.1 MtCO_{2e} by 2030. Greening the transportation sector is key to achieving this target. Electrifying mobility is considered as essential and a national priority.

The updated NDC has concrete 2030 e-mobility targets for public transport, passenger cars and fleets (8% of the vehicle stock). For other vehicle areas e.g. motorcycles, targets and measures shall be developed to migrate towards EVs. Costa Rica has also developed a national plan for electric transport which includes concrete steps towards electrification of vehicles and has approved 2018 the law on incentives and promotion of electric transportation which includes targets for EV penetration, the establishment of a public charging infrastructure, as well as important tax incentives for private EVs. Costa Rica has established special electricity tariffs for e-buses and for public chargers.

Electricity is produced nationally with 99% renewables, whilst 100% of fossil fuels need to be imported. Projections estimate that the share of renewables will remain constant at this level also in the future, with an annual increase of production by 2%. Electricity generation is sufficient to cover 100% of national demand year-round. The average projected carbon grid factor to 2030 is 0.039 kgCO₂/kWh (IFI Version 3.2., 2022).

3.3.5 Dominican Republic

Dominican Republic has an area of 48,442 km² and 11 million inhabitants. In 2022, the GDP per capita was 10,200 USD.

Transport Sector

In 2018, around 4 million vehicles were operating in the country. Road transport GHG emissions in 2018 are estimated at 7 million tCO_{2e}¹⁷. Commercial vehicles, including taxis, buses and LCVs are responsible for around 30% of emissions. GHG emission from the road transport sector are expected to grow under a BAU scenario by more than 70% reaching 12 million tCO₂ by 2030.

Climate and Energy Policies

The estimated GHG emissions of the Dominican Republic in 2020 were 37 million tCO_{2e} (excluding LUCF) of which 7.2 million tCO_{2e} from the transport sector¹⁸. The updated NDC has as target a 27% reduction in GHG emissions in relation to a BAU scenario by 2030. In terms of electric mobility, the NDC-RD proposes the (i) Electrification of the fleet of diesel buses; (ii) Renewal of public transportation vehicles, such as taxis and "conchos" with electric and hybrid vehicles; and (iii) Introduction of electric buses for school transportation service.

¹⁷ Tank-to-wheel approach; well-to-wheel approach including Black Carbon: 9 MtCO_{2e}

¹⁸ Climatewatch data; in 2020 COVID-19 resulted GHG reductions of the transport sector of 9% compared to pre-COVID whilst total GHG emissions dropped by 7%.

Specific plans on sustainable urban mobility have been developed, such as the Strategic Plan for Sustainable Urban Mobility of Greater Santo Domingo and the National Strategic Plan for Electric Mobility in the Dominican Republic, both developed by National Institute of Transit and Land Transportation in collaboration with other ministries and international entities. The National Strategic Plan for Electric Mobility aims at all modes of road transportation and has as target that 30% of official vehicles and public buses shall be electric by 2030, whilst the target for the private sector is 10%. 14,000 public charges shall be operational by 2030. By 2050 the respective goals are 100% EVs for official vehicles and public buses and 70% of all private vehicles shall be electric. For the freight sector the target for 2050 is 50% of all units to be electric.

In 2020 the share of renewables in total electricity generated was around 15%. The carbon grid factor of Dominican Republic is 0.426 kgCO₂/kWh (IFI Version 3.2., 2022).

3.3.6 Mexico

Mexico has an area of 5,144,295 km² and 128 million inhabitants. In 2022, the GDP per capita was 11,500 USD. The automotive industry has a 3% share of the national GDP generating 1.8% of the total employment in the country. Although no electric buses are currently produced in Mexico, various manufacturers have stated their intentions to produce such units in the next few years in the country. The Mexican Institute for Competitiveness generated in 2013 a study that evaluated in 34 Mexican cities, the costs associated with health damages from air pollution such as premature deaths, hospitalizations, consultations and losses in productivity based on PM₁₀ concentrations. On a national level the cost of air pollution was estimated at 323 MUSD in 2010.

Transport Sector

In 2019, more than 50 million vehicles were operating in the country. Road transport GHG emissions of Mexico are estimated at 141 million tCO_{2e} for 2019¹⁹. Commercial vehicles including taxis, buses and LCVs are responsible for around 30-40% of emissions. GHG emission from the transport sector are expected to grow under a BAU scenario by around 40% reaching 195 million tCO₂ by 2030.

Climate and Energy Policies

The GHG emissions of Mexico for 2020 are estimated at 592 MtCO_{2e}(excluding LUCF) with the transport sector contributing 109 MtCO₂²⁰. The baseline scenario for 2030 projects GHG emissions of 973 MtCO_{2e}, of which 266 MtCO_{2e} from the transport sector. The Government of Mexico committed in its NDC to reduce its emissions by 22% by 2030. For the transport sector the target is set at 18%, reaching 218 MtCO₂ by 2030. The *Climate Change Strategy to 2050* published in 2016 established that within 10 years the use of EVs in public transport shall be common and within 40 years in all types of transport.

¹⁹ Tank-to-wheel approach; well-to-wheel approach including Black Carbon: 172 MtCO_{2e}

²⁰ Climatewatch data; in 2020 COVID-19 resulted GHG reductions of the transport sector of nearly 30% compared to pre-COVID whilst total GHG emissions dropped by only 10%.

Mexico published the *National Electric Mobility Strategy Vision 2030*²¹, which sets a goal of having 10 urban areas with electric mobility in their public transportation by 2030, as well as a 5% share of total sales of new electric or hybrid vehicles by 2030, 50% by 2040 and 100% by 2050. In addition to the national instruments, the federal states incorporate within their programs strategies to incorporate electric mobility. As example the *Management Program to Improve Air Quality in the State of Mexico 2018-2030* proposes to prioritize the implementation of electric transportation and public systems over those that use fossil fuels, to provide the necessary infrastructure for electric vehicles, and to implement an electric taxi Program, among others. Mexico City published the *Strategy for Electromobility of Mexico City 2018 - 2030*, in which it proposes to promote electric public transportation with incentives and support for both public and private operators, with the goal that 20% of the fleet will be electric in 2030 and 80% of the taxis will be hybrid or electric for the same year. Metrobus in the capital city has an initial fleet of 18m full electric buses it is using on one of its BRT routes and has the intentions of expanding the fleet but eventually choosing a different charging technology.

In 2019 the share of renewables in total electricity generated was 17%. The carbon grid factor of Mexico is 0.359 kgCO₂/kWh (IFI Version 3.2., 2022).

3.3.7 Peru

Peru has an area of 1,285,215 km² and 34 million inhabitants. Lima, Arequipa and Callao are the only cities with more than 1 million inhabitants. In 2022, the GDP per capita was 7,100 USD. PM₁₀ measurements in Lima show that the maximum value of 50 µg/m³ is surpassed at most stations in most months. The same holds true for PM_{2.5}.

Transport Sector

In 2019, around 6.7 million vehicles were operating in Peru. Road transport GHG emissions of Peru in 2018 are estimated at 28 million tCO_{2e}²². Commercial vehicles including taxis, buses and LCVs are responsible for around 60% of emissions. GHG emission from the transport sector are expected to grow under a BAU scenario by around 32% reaching 38 million tCO₂ by 2030.

Climate and Energy Policies

The GHG emissions of Peru are estimated at 90 MtCO_{2e} for 2020 (excluding LUCF) of which the transport sector 20.5 MtCO₂²³. The Peruvian State committed in December 2020 that its net greenhouse gas emissions would not exceed 208.8 MtCO₂ in 2030 (unconditional target). In addition, the Peruvian government considers that GHG emissions could reach a maximum level of 179.0 MtCO₂ depending on the availability of international external financing and the existence of favourable conditions (conditional target). Adding both targets, unconditional and conditional, a total reduction commitment of 40% would be reached. This shall limit GHG emissions to a maximum of 209 million tons in 2030, and in case of international support, the limit is fixed at 179 million tons (NDC, 2020). The technical background document to determine the NDC target proposes the entry of around 7,000 electric buses and 170,000 electric light-duty vehicles by 2030.

²¹ The final version of this strategy is not published, these goals were released as a preliminary. The document is currently under legal review and is expected to be published soon. (IFI Version 3.2., 2022)

²² Tank-to-wheel approach; well-to-wheel approach including Black Carbon: 38 MtCO_{2e}

²³ Climatewatch data; in 2020 COVID-19 resulted GHG reductions of the transport sector of 22% compared to pre-COVID whilst total GHG emissions dropped by only 10%.

(measure ECM30) (Peru Ministerio de Ambiente, 2018). Initiatives will be limited for investment projects in areas without access to gas pipelines (as long as EVs are not competitive with CNG vehicles) with exception of TA activities which are also realized on a national level. The Competitiveness and Productivity Plan 2019 -2030 that includes (i) a regulatory package for the promotion of electric vehicles and their supply infrastructure by the end of 2019 (ii) technical standards for charging stations by mid-2025.

In 2019 the share of renewables in total electricity generated was 60%. Based on Ministry of Energy and Mines, Peru has a very large, not yet exploited renewable energy potential for wind (>22,000 MW exploitable), geothermal (3,000 MW potential) and solar photovoltaic. The carbon grid factor of Peru is 0.252 kgCO₂/kWh (IFI Version 3.2., 2022).

Under this Program, eligible projects must have low (Category C) or moderate (Category B) environmental and social risks (see section 2.4). According to AFD's Environmental and Social Risk Management Policy, projects with Moderate (B) and Low (C) environmental and social risk must be evaluated and implemented in compliance with the national and local regulations. In this sense, a general analysis between national regulations and AFD's environmental and social standards²⁴, including gender aspects, was carried out taking into account identified potential adverse impacts that can occur as result of the implementation of projects in the framework of this Program (see Annex F). This analysis shows that no relevant gaps were identified for all eight countries. These countries have national legislation in order to identify and mitigate potential environmental and social risks and impact within the Program, and cover the guidelines established in the World Bank's environmental and social standards (ESS) for ESS1 Assessment and Management of Environmental and Social Risks and Impacts, ESS2 Labor and Working Conditions, ESS3 Resources Efficiency and Pollution Prevention and Management, ESS4 Community Health and Safety, and ESS10 Stakeholder Engagement and Information Disclosure. For the remaining standards²⁵ are excluded because they do not apply to the Program, (see Annex H). It is important to mention that for each project under this Program must comply with the applicable national and local regulations.

3.4 Eligible projects

All investments entering within the AFD Exclusion List will be excluded from the Program (Annex A).

Eligible projects to the Program are expected to be of Risk Categories B to C. High risk Category A and Substantial risk Category B+ will be excluded.

Under GCF risk categorization only eligible projects to the Program are Categories B to C. Category A will be excluded.

²⁴ World Bank Group Standards, <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>

²⁵ ESS5: Land Acquisition, restrictions on land use and involuntary resettlement; ESS6: Biodiversity conservation and sustainable management of living natural resources; ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities, and ESS8: Cultural Heritage.

All investments must be compliant with the GCF's Revised Environmental and Social Policy, AFD's Environmental and Social Risk Management Policy and follow the principles, terms and conditions agreed by AFD and the co-financers, including project eligibility criteria, governance, implementation arrangements, environmental and social management systems, gender consideration, monitoring, evaluation and verification.

The Program assists in identifying climate change related projects and maximizing their GHG mitigation benefits, and contributes to the bankability of projects by introducing catalytic funding. The Program applies to all projects a standard GHG accounting methodology to determine GHG benefits going beyond the baseline.

Eligible projects must fulfill the following minimum criteria:

1. All investment projects financed under Components 2 or 3 must reduce GHG emissions relative to the baseline and have a positive sustainable development impact. The approach to be used is determined in Annex 22a²⁶ and is based primarily on UNFCCC methodologies registered under the Clean Development Mechanism (CDM);
2. All investment projects financed under Components 2 must be linked to transport demand policies encouraging shift to public transport;
3. All investment projects financed under Components 2 or 3 must demonstrate a transformational potential and increase ridership;
4. All investment projects financed under Components 2 or 3 must comply with economic internal rate of return of minimum 12%;
5. All investment projects financed under Components 2 or 3 must be in compliance with relevant national and local laws and regulations and have country ownership;
6. Investments in e-buses financed under Component 3 are realized in cities which are planning to or in the process of modernizing and upgrading their public transport system including initiatives to foster NMT and electric micro-mobility.
7. All investment projects financed under Components 2 or 3 shall have a gender action plan taking into account guidelines developed in Annex 8²⁷;
8. All investment projects financed under Components 2 or 3 shall strive to generate employment and local economic development;
9. Only full-electric battery-electric vehicles are eligible financed under Component 3. Hybrid trolleybuses (trolleybuses with battery) can also be financed if they prove to be a more cost-efficient option than usage of battery-electric buses considering also infrastructure replacement and maintenance costs.
10. No projects with less than 30 EVs are financed under Component 3.
11. The focus is on financing e-bus deployment in intermediate cities under Component 3. 50% of GCF FA resources shall be invested in intermediate cities. Cities which are not eligible under this criteria are: Colombia: Bogota, Barranquilla, Bucaramanga, Cali, Cartagena, Medellin, Pereira; Brasil: Belo Horizonte, Brasilia, Curitiba, Fortaleza, Manaus, Recife, Rio de Janeiro, Salvador, Sao Paulo; Peru: Lima; Mexico: Mexico City.

²⁶ Annex 22a Funding Proposal.

²⁷ Annex 8 of Funding Proposal.

12. All investment projects financed under Components 2 or 3 have a co-finance level (non-GCF funds) of minimum 40%. Minimum co-financing rate of 60% over total Program (all components).
13. In minimum 4 countries (indicative Brazil, Colombia, Mexico, and Peru) minimum 1 investment project with e-buses under Component 3 and in minimum 2 countries (indicative Brazil and Colombia) investments in upgrading PT and/or NMT infrastructure under Component 2 will be realized.
14. No investment grants are given for e-bus investments under Component 3.
15. Target to finance one e-bus investment project will be realized by the private sector or as PPP (indicative in Mexico) under Component 3.

Investment projects will be determined on a “first come, first served” basis, depending on their level of maturity at the time of availability of GCF proceeds. Not more than 35% of GCF funds shall be invested in one specific country. The Program will finance activities in the countries depending on the non-objection letters received.

4 Environmental and Social Standards

All projects must comply with AFD’s Environmental and Social Standards that are fully aligned with the GCF’s Revised Environmental and Social Policy. The GCF has provisionally adopted the IFC Performance Standards of the International Financial Corporation (IFC). IFC Performance Standards are comprised of 8 standards that cover the main environmental and social considerations that must be safeguarded when designing and implementing a project or program²⁸.

To review the applicability of IFC PSs for the AFD-GCF Program, see Annex H. The Program finances a low to moderate risk, financing only category C and B risk projects. high risk “category A” projects will be excluded. Regarding the applicability of IFC PSs for this Program the following points are a summary addressing the different IFC PSs:

- Assessment and management of environmental social risks and impacts (PS1): this standard is applicable to the program. The Performance Standard 1 aims at identifying environmental and social risks and defining appropriate mitigation measures for projects to avoid such risks and impacts. Particular focus is put on stakeholder engagement, included disclosure of information, participation of relevant stakeholders and grievance mechanisms.
- Labor and working conditions (PS 2): the projects supported by the Program have to ensure proper labor and working conditions of the project owner.
- Resource efficiency, pollution prevention and reduction (PS3) is addressed by an environmental and social risks assessment (PS1) to be conducted on projects as to identify the possible negative impacts of all kinds of pollution on communities and the environment, included the use of natural resources such as water consumption. That said,

²⁸ Pages 16 and 36: <https://www.greenclimate.fund/sites/default/files/document/gcf-b07-11.pdf>

environmental impacts are expected to not be significant under the Program. Small scale construction may be required for charging stations, grid connection and/or required bus depot upgrades. Minor short-term impact of natural resources due to construction activities.

- Community health, safety and security (PS4) through an environmental and social risk assessment to be conducted on projects, taking into consideration community health, safety and security aspects on project owners.
- Land acquisition and involuntary settlement (PS5): No applicability is considered regarding land acquisition and involuntary settlement, as land acquisition and involuntary settlement are unexpected under the Program. The Program will exclude projects that involves land acquisition and involuntary resettlement.
- Biodiversity conservation and sustainable management of living natural resources (PS6) is not applicable as eligible projects under the Program are not expected to affect any modified, natural and critical habitats or legally protected and internationally recognized areas. The Program will exclude projects that involve any modification to natural and critical habitats or legally protected and internationally recognized areas.
- The Indigenous Peoples Standard (PS7) and Cultural Heritages Standard (PS8) are not applicable, as eligible projects under the Program are not expected to affect neither issue. The Program will exclude projects that affect components related to both standards.
- All projects will comply with the requirements established in the GCF regarding Sexual Exploitation, Sexual Abuse, and Sexual Harassment²⁹.

For these projects A and B+, AFD applies World Bank Group Standards including the World Bank Environmental and Social Framework and International Finance Corporation (IFC) Performance Standards (PS)³⁰. For project with Moderate (B) and Low (C) environmental and social risk must be evaluated and implemented in compliance with the national and local regulations and IFC PS³¹. All projects and projects owners are also required to comply with the relevant obligations of the Environmental, Health & Safety Guidelines (EHSG) of the World Bank Group.³²

The following table indicates the equivalence between AFD and GCF regarding the categorization of environmental and social risk throughout the ESMF.

Table 1 Categorization of environmental and social risks AFD and GCF

²⁹<https://www.greenclimate.fund/document/revised-environmental-and-social-policy>

³⁰ Category A projects will be excluded at the screening stage.

³¹ All IFC PS Standards apply except numbers 5, 6, 7, and 8. For further details see Annex J

³² https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_policy_ehs-general

Risk Category - AFD ³³	Risk Category - GCF
<p><u>Category high:</u> Environmental and Social Assessment is required. Environmental and Social Commitment Plan is required. Environmental and Social Management Plan. Resettlement Action Plan is required (if apply)³⁴.</p> <p><u>Category substantial (B+):</u> Environmental and Social Assessment is required. Environmental and Social Commitment Plan is required. Environmental and Social Management Plan. Resettlement Action Plan is required (if apply)³⁵.</p> <p>Note: Projects in category high (A) or in category substantial (B+) will be excluded from the Program.</p>	<p><u>Category A.</u> Activities with potential significant adverse environmental and/or social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented. Examples of features of category A activities include: having large geographic scale; involving large-scale infrastructure; being located in valuable ecosystems and critical habitats; entailing adverse impacts to the rights, resources and lands of indigenous peoples; and entailing significant resettlement of affected peoples.</p> <p>For Category A activities that are anticipated to have significant environmental and social, including transboundary risks and impacts and SEAH risks and impacts, a full and comprehensive Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP) will be required.</p> <p>Note: Projects in category A will be excluded from the Program.</p>
<p><u>Category moderate (B):</u> Environmental and social assessment (simplified form, Annex C, Annex D, and Annex E) is required. Environmental and Social Commitment Plan is required.</p>	<p><u>Category B.</u> Activities with potential limited adverse environmental and/or social risks and impacts that individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures.</p> <p>For category B activities with limited impacts, a fit-for-purpose ESIA (Annex C), and ESMP (Annex D), with a more limited focus as may be appropriate, that describes the potential impacts, as well as appropriate mitigation, monitoring and reporting measures will be required.</p>
<p><u>Category low (C):</u> No environmental and social assessment is required.</p>	<p><u>Category C.</u> Activities with minimal or no adverse environmental and/or social risks and/or impacts. Category C activities are typically those that have no physical elements or defined footprints. However, in certain contexts, activities that have physical elements or a footprint may also be considered as low risk, particular where the activities are small-scale, undertaken within an already built environment, do not involve physical and economic displacement of people or have minimal or no adverse impacts on indigenous peoples.</p> <p>For Category C. Activities should have no expected significant environmental and social impacts and therefore may not require any assessments, although a pre-assessment or screening should confirm that the activities are indeed in category.</p>

AFD aims to promote sustainable and equitable development in all funded operations, by ensuring

³³ The classification takes into account the nature and scale of the operation, the location and sensitivity of the affected area, the severity of the potential environmental and social risks and impacts, as well as the project owner's capacity to manage them.

³⁴ As mentioned, land acquisition and/or involuntary settlement are unexpected under the Program. The Program will exclude projects that involves land acquisition and/or involuntary resettlement.

³⁵ Idem.

that these operations effectively contribute to the objective of sustainable development (combating poverty and ensuring the satisfaction of human needs, strengthening solidarity between human beings and between territories, preserving biodiversity, preserving habitats and natural resources, combating climate change).

All operations financed by AFD are required to comply with the national regulations of the country where the operation is implemented, including considerations for environmental and social issues. AFD has adopted World Bank's environmental and social standards for projects with High or Substantial environmental and social impacts³⁶.

In accordance with ESRM Policy of AFD, projects with Category B to C, WB's ESS do not apply. For those cases the projects must be appraised and implemented in compliance with the prevailing national environmental and social regulations in the country where the project takes place. However, for this Program projects need to comply with the GCF standards. In addition, Category A projects will be excluded at the screening stage.

³⁶ AFD Group does not have specific Environmental and Social Standards. AFD has adopted the World Bank's prevailing environmental and social operational standards. These standards apply to projects with environmental and social risks categorized as High or Substantial. For other operations, the projects must be appraised and implemented in compliance with the prevailing national environmental and social regulations in the country where the operation takes place.

5 Environmental and Social Risk Management

AFD has an environmental and social management system to assess the environmental and social risks and impacts associated with projects or programs which is in accordance with the requirements of the GCF's environmental and social safeguards and applicable policies of GCF as determined in the accreditation process as accredited entity by GCF³⁷.

The aim of the Program's Environmental and Social Risk Management System is to:

- Early screen E&S risks, to exclude the financing any highly or substantially risky or Category A projects, or projects likely to be targeted by AFD's exclusion list;
- Assess the environmental and social risks and impacts of each project;
- Propose appropriate measures to avoid, and minimize these risks and their impacts;
- Monitor the implementation execution of these measures during the implementation (construction and operation) of the project;
- Conduct an ex-post evaluation of the effectiveness of the proposed measures.

AFD may refuse to finance a project for environmental or social reasons. In accordance with AFD's exclusion list, there are specific types of activities that are not eligible for financing for environmental and social reasons, these are listed in Annex A.

All components of this Program, including activities of TA and FA need to follow the appraisal and Environmental and Social Risk Management Process at Project level indicates in table 2. The specific standards are established in the Annex H. (IFC performance standards).

The project owner (public or private) is responsible for performing the environmental and social assessment of its project. The project owner mobilizes the expertise and the environmental and social resources required at the different stages of project implementation (preparation, construction, operation, decommissioning) and contractually commits to meeting the environmental and social performance targets agreed upon with AFD during the appraisal process. The project owner monitors and documents the application of the environmental and social management measures during the implementation of project activities (Table 5 and Table 6). The project owner is required to implement any necessary corrective action should a failure be noted. AFD must be kept informed of developments through periodic monitoring reports.

AFD assists the project owner in defining environmental and social performance targets and ensures their implementation throughout the life cycle of the project. To this end, all requests for AFD financing are subjected to the conduct of Environmental and Social Due Diligence (ESDD). This makes it possible to assess whether the project is likely to be developed and implemented in accordance with AFD's environmental and social performance objectives. The ESDD is integrated by AFD into the review and the monitoring of the project as a whole.

For this program, the process will be articulated around the following main steps:

³⁷ AFD ESMS : <https://www.afd.fr/sites/afd/files/2018-09-02-18-12/environmental-social-framework-climate.pdf>

1. **Early E&S screening:** it will be produced by the Project owner with support of the PMU's³⁸ E&S specialist. This step determines whether project is excluded from the Program and whether project meets the eligibility criteria for the program. See Annex A and B.
2. **Project E&S categorization and ESDD requirements:** AFD's E&S expert will review the early E&S screening form produced by the Project owner, and produce an internal E&S assessment and categorization of the project with the support of the PMU's E&S specialist. For this purpose, depending on the potential environmental and social risks, AFD classifies projects into the following four categories: High risks³⁹, Substantial risks⁴⁰, Moderate risks and Low risks (see Table 1). AFD's internal E&S risk assessment will also identify the E&S due diligence (ESDD) required before financing approval. For further details refer to Annex I.
3. **ESDD elaboration:** Project owner will produce ESDD required by AFD at step 2, adapted to the nature and scale of the project and proportional to the level of environmental and social risks and impacts. For B category (moderate risks) projects financed under this program, ESDD can be an ESIA and ESMP (see Annex C and D). This ESDD must contain a Stakeholder Engagement Plan, including a grievance mechanism and SEAH. No environmental and social assessment is required for projects in the low risks category ("C").
4. **Review of ESDD:** The project owner will submit the ESDD to the PMU's E&S specialist for review. This ESDD shall receive AFD's no objection before financing approval.
5. **Environmental and Social Commitment Plan (ESCP, see template in Annex K):** AFD makes its financing conditional to the implementation of an ESCP to be defined with the project owner, and which shall be monitored on a regular basis during the implementation of project activities. For this program, A and B+ projects being excluded, an ESCP will apply for projects classified as having moderate risks. This ESCP will be part of the legal documentation. ESCP is finalized prior to the financing approval and is annexed to the financing agreement. The financing agreement supports the provisions of the ESCP by setting out any conditions precedent to disbursement that need to be fulfilled prior to any disbursement by AFD.
6. **Environmental and social monitoring:** During the project implementation phase, the PMU's E&S specialist will ensure E&S supervision of all projects. PMU's E&S specialist will be in charge of collecting and reviewing all E&S monitoring reports produced by the project owners, and transmit them to AFD for review. E&S experts can be mobilized during the implementation of the Project to supervise the progress of the Projects in coordination with AFD local office and informing local GCF NDA. Upon completion of the operation, AFD oversees the ex-post evaluation mission, in partnership with the project owner.

³⁸ The PMU staff will be composed of professionals from AFD group, GIZ, CAF and KfW that will be in charge of handling the respective components of the Program. The PMU will be chaired by an AFD Task Team Leader, part time dedicated to the Program and based in Latin America. A Task Team Leader from each partner institution (GIZ, CAF and KfW) will also be dedicated part time to the Program Management Unit.

³⁹ Projects categorized as "Category A" or "Category B+", "High" or "Substantial", are excluded from the Program.

⁴⁰ Idem.

PROPARCO, CAF and KfW as executing entities and co-financiers for the financial assistance and GIZ as executing entity for technical assistance activities ensure that their environmental and social management system complies with the principles set out in the environmental and social risk management policy for AFD- funded operations. PROPARCO, KfW, GIZ are accredited to the GFC.

The following table carry out the required steps necessary to appraise the project and necessary steps to followed at project level so to manage the E&S risks and impacts identified, including roles and responsibilities. This table applies for all components of the programme.

Table 2 Appraisal and Environmental and Social Risk Management Process at Project level

Project Cycle Step	Environment and Social Risk Management (ESRM) actions	Role and responsibilities
<i>Identification</i>	1. Early E&S screening: - Project screening through AFD exclusions list (Annex A) - Early screening form (Annex B).	1. Project owner with support of the PMU's E&S specialist produces early screening form.
	2. Project E&S categorization (see table 1) and ESDD requirements: -Assignment of Environmental and social categorization (B or C same categories under GCF risk categorization). Categories A and B+ are excluded (Category A under GCF risk categorization are excluded).	2. AFD environmental and social expert (internal) reviews, assesses, and approves the categorization of each project with the support of the PMU's E&S specialist.
<i>Instruction (Feasibility and Appraisal)</i>	3. ESDD elaboration: ESDD to be conducted under the responsibility of the project owner and submitted to AFD for no-objection before financing approval. Category B: conduction of ESIA (Annex C), ESMP (Annex D), SEP and Stakeholder Engagement Plan and Grievance Mechanism (Annex E). - Integration of environmental and social aspects to be addressed in the feasibility study (if relevant).	3. External consultant contracted by project owner to produce ESDD, or TA can support the project owner to produce ESDD.
	4. Review of ESDD: - Review of environmental and social documentation and possibly exchange sessions with project owner. - Verification of conformity with national regulations.	4. PMU's E&S specialist to review ESDD. AFD reviews and approves ESDD with the support of the PMU's E&S specialist. AFD give a no-objection before financing approval.
<i>Commitment</i>	5. Environmental and Social Commitment Plan (ESCP): a) Category B: Environmental and Social Commitment Plan (ESCP). b) The ESCP is developed to set out briefly, the measures and actions required for the project to comply with the environmental and social performance. c) Finalization of environmental and social clauses and integration to the credit agreement. d) E&S specifications from the ESMP is then introduced in the procurement documentation for works, and into works contracts.	5. a), b) y c) AFD environmental and social expert and project task team leader. Content of the ESCP to be discussed and agreed with the project owner. d) Project owner is responsible for including E&S specifications from the ESMP into procurement documentation and contract works. Then AFD will be in charge of giving a no objection on these documents

Project Cycle Step	Environment and Social Risk Management (ESRM) actions	Role and responsibilities
		(procurement and contract).
<i>Monitoring and Supervision</i>	6. Environmental and social monitoring: 6.1 Implement the environmental and social measures set out in the ESMP and ESCP 6.2 Monitoring and Supervision AFD: - Site visits by PMU's E&S specialist - Collection and review of ESMP and ESCP monitoring reports by PMU's E&S specialist, and transmission to AFD for review. - Potential E&S supervision mission conducted by AFD if needed (in case of presumption of non-conformities)	6.1 Project owner 6.2 PMU's E&S specialist, in coordination with AFD.
<i>Evaluation</i>	6.3 Environmental and social ex-post evaluation	6.3 AFD or external consultants

6 Environmental and social impacts and mitigation measures

Overall, it is expected that the Program presents a low to moderate risk⁴¹, financing only category C and B risk projects, high risk “category A” and substantial risk “category B+” projects will be excluded. A list of excluded projects that will not be eligible for financing is presented in Annex A.

Technical Assistance part of the Program implemented by GIZ (Component 1) will contain only low-risk activities (category C activities) and minimal or no adverse environmental and social risks and impacts. All planned activities are small-scale, undertaken within an already built environment (e.g. capacity development and trainings, planning support, institutional development and strengthening, advisory services, communication and outreach, etc.)

The Program is anticipated to generate numerous positive social, economic and environmental co-benefits in addition to the direct climate benefits. Nonetheless, there are potential impacts that could occur as a result of the implementation of the project.

This section provides an overview of positive impacts and potential adverse impacts and potential mitigation measures.

6.1 Positive impacts

The positive impact of EVs are basically reduced GHG emissions, reduced air pollution, reduced noise levels, reduced dependence on fossil fuels and increased energy efficiency.

⁴¹ Regarding SEAH risks, the program will develop and maintain a robust, systematic, accountable, inclusive, gender-responsive, participatory and transparent systems to manage potential risks and impacts.

The expected GCF fund-level impacts are a reduction of GHG emissions through increased access to low-emission transportation resulting in direct emissions reductions of 4,334,051⁴² tCO_{2e} over the assets lifetime of investments co-financed by the Program, (see Table 3).

Major environmental co-benefits are reduced emissions of pollutants and reduced noise emissions. The major concern for air pollution in the cities is PM_{2.5} and NO_x emissions. The projected reduction of pollutants⁴³ of the Program is 41 tPM_{2.5} and 4,842 tNO_x (see Table 3).

Table 3 Projected Lifetime GHG, Pollutant Reductions (tons) and Energy Savings (TJ)

Impact cumulative	Y 3 cumulative	Y 5 cumulative	Total lifespan	annual average
GHG tons	356,789	762,315	4,334,051	202,763
PM2.5 tons	4	9	41	3
Nox tons	499	1,104	4,842	303
Energy saved TJ	3,970	8,436	48,343	2,233

Source: Note: * Direct impact: based on the initial pipeline of projects and Indirect impact: based on acceleration of EV deployment. Grutter Consulting, (2021).

EVs are more energy efficient than fossil vehicles. The direct energy savings resulting from the Program (all countries) are estimated at 48,343 TJ over the lifetime of vehicles, and the total impact of nearly 820,000 TJ⁴⁴.

The COVID'19 pandemic has created an unprecedented challenge for many Latin American countries, from the health and economic perspectives, but it is also opening new opportunities for an accelerated sustainable transformation of its energy, transport, and urban landscapes, while contributing to economic recovery. A recent report prepared by the ILO shows that fostering of electric mobility can have a significant positive job impact primarily due to the induced impact of savings of consumers on petrol and maintenance resulting in increased spending on goods with a high income elasticity which tend to be labor intensive service-goods (ILO, 2020). A report of McKinsey also reveals that with the COVID pandemic the interest in EVs has risen amongst customers due to the fact seemingly that the pandemic has raised the awareness among people of the negative impact of fossil transport modes being suddenly being able to experience clean air during lockdowns⁴⁵.

In addition, the Program supports innovation and implement measures to combat climate change from a gender perspective, to contribute to reducing the gender gap, and to prevent and minimize harm is three-folded: First, the transport sector is a catalyst to change social norms and this Program will do it in many ways, like by raising awareness on sexual harassment and violence against women and girls, by providing visibility to women working in non-traditional roles in the EV (electric vehicle) markets, and by considering the mobility of care when designing transport operations. Second, this new e-transport paradigm will lever women's access to jobs in

⁴² Over the lifetime of the project based on the initial pipeline of projects, Actual Program emission reductions will depend on which projects are actually implemented and will be monitored by the Program.

⁴³ Using the same methodological approach as for GHG emissions.

⁴⁴ Idem

⁴⁵ [Mobility investments in the next normal | McKinsey](#)

traditionally sex-segregated occupations or improve access to investment loans for female entrepreneurs. Third, the capacity building, training, and sharing of know-how to women and men designing the investment plans in the program will systematize gender mainstreaming in the transport sector.

The Program contributes significantly to sustainable development goals (SDG) 3 (“good health and well-being”), SDG goal 7 (“affordable and clean energy”), SDG goal 9 (“industry, innovation and infrastructure”), SDG goal 11 (“sustainable cities and communities”), SDG 13 (“climate action”), and indirectly through the Gender Action Plan the Program will also contribute to SDG goal 5 (“gender equality”).

6.2 Potential adverse impacts

This Program encourages the deployment of electromobility in Latin American countries with as small negative impact as possible. Environmental and social risks are kept at a minimum. Therefore, no significant new constructions nor land acquisitions or involuntary resettlement are within the present scope. The installation of charging stations and its cabling will constitute the only small infrastructures within this Program⁴⁶.

EV batteries:

EVs excel at having positive impact while in operation. The main adverse impact will only manifest at the end of the EVs battery life, when they no longer match the high requirements needed for electromobility. Expended lithium-ion batteries, due to their chemical contents, are harmful to humans and the environment alike, and therefore need to be managed accordingly.

The batteries from EVs have an expected lifespan of approximately 8 to 10 years⁴⁷. After this, they are no longer fit for this application and must be swapped out for new ones. The disposal of the spent batteries would generate environmental and health hazards.

It has become clear, that electromobility will play a significant part in the mitigating efforts for climate change, and therefore the EV market has seen significant growth in past years. According to a study published by IDTechEx, by 2030 there will be over 6 million battery packs retiring from electric vehicles per year (Jiao, 2021). Two of the emerging challenges of this are the need for raw materials for the ever-increasing battery production, and a sustainable end-of-life management of these accumulators.

First, the high value elements such as lithium and cobalt are scarce and mined in only a few countries, likely creating in the future a risk in their availability and supply, which in turn could increase battery prices (Stewart, 2019). Secondly, the current linear battery economy, cannot be kept for the expected scale introduced by EVs without environmental deterioration and added health risks.

⁴⁶ [Potential cumulative impacts will not be expected at project level and the Program.](#)

⁴⁷ [The lifespan of a of an EV battery for buses is 8-10 years. However, the battery will not be disposed right away. It will have a stationary application for energy storage for at least another 10 years. Each country will have by then their Battery Disposal Plan.](#)

The need for solutions addressing these hurdles is clear, and some possibilities have already been tested in several pilot projects, as well as starting the creation of the needed regulatory frameworks. Regarding the latter, the EU has recently addressed this challenge by proposing an extensive reappeal on its Battery Directive 2006/66/EC to manage the increase of EVs and industrial use batteries. At the end of 2020 the EU started to tackle these new challenges, which need to be overcome to reduce GHG emission and creating a better battery waste management. It establishes requirements on sustainability, safety, labelling and information to allow the placing on the market or putting into service of batteries, as well as requirements for the collection, treatment, and recycling of waste batteries.

The reappeal on directive 2006/66/EC explicitly states its overarching effect on directive 2000/53/EC. This second directive is on improving the sustainability of vehicles by managing their end-of-life. With the inclusion of this document, the need to prevent the release of hazardous waste into the environment for vehicles is expanded towards the new EVs. It achieves this by requiring the design and production of new vehicles to take into full account, and facilitate the dismantling, reuse, recovery, and recycling, of end-of life vehicles, their components and material. It also encourages vehicle manufacturers, in liaison with material and equipment manufacturers, to integrate an increasing quantity of recycled material in vehicles and other products, in order to develop the markets for recycled materials (Directive 2000/53/EC, 2000).

The directive 2000/53/EC stated, as a goal for the year 2015, the reuse and recovery of at least 95% by an average weight per vehicle and year, as well as the recycling with the minimum of 85% by an average weight per vehicle and year (Directive 2000/53/EC, 2000). Thus, by extension of the reappeal of directive 2006/66/EC, similar high goals for recycling and reuse in Europe are to be expected for end-of-life EVs, and their batteries.

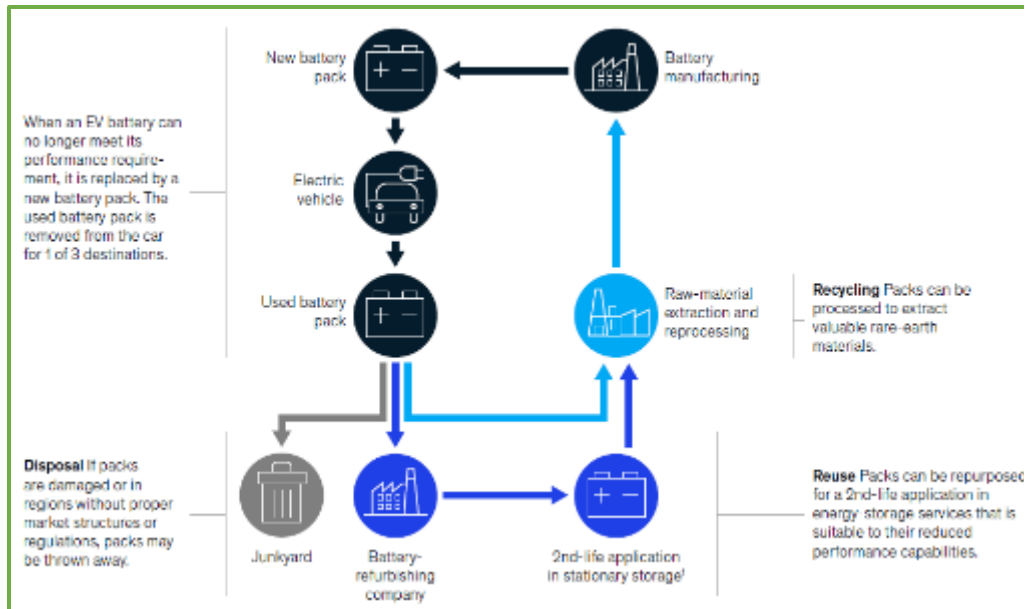
In the countries that are part of the Program, there are no specific regulations or policies for the handling, transportation, disposal, reuse or recycling of batteries for electric vehicles.

The three possibilities that currently exist to manage expended batteries, are:

- Recycling of the raw materials;
- Final disposal;
- Reuse of the batteries / “Second Life”

The lifecycle of batteries, and these three end-of-life options are illustrated in the following figure.

Figure 3: EV battery life cycle



Source: McKinsey, 2019.

Recycling provides a pathway to lower environmental impacts and a source of high value materials that can be used in producing new batteries. It seems to be the perceived default option for spent batteries. For recycling of used batteries to be efficient and economically beneficial, the reverse supply chain must be optimized and fully realized (Stewar, 2019). This chain is composed of collection, dismantling and then the recycling. For the Latin American countries, these logistic and industrial steps are non-existing.

Moreover, the battery recycling process as such is complex. Almost all dismantling occurs manually and there are very few options for automating it (Stewar, 2019). The amount of materials in each battery is different according to the model, which also makes it necessary for the processes to be manual. A 100% recycling of the high value elements of batteries has not yet been achieved.

The BAU solution for **final disposal** of simply dumping batteries into secure landfills or dedicated storage facilities, do not grant any further profitability and pose a latent danger to the community and environment in which these installations are located. This solution is therefore the least acceptable one.

Second-life constitutes, as shown in figure 2, a variation on the traditional recycling circular economics, in which the expended batteries are refurbished and then used for the original or an alternative application. This extends the life of the battery before being recycled, and therefore optimizing the use of its resources.

Currently, there is very little information on the costs of both recycling and the second-life approach. This strongly depends on the costs of collection, transport, storage, sorting, dismantling, reuse and eventually recycling of the batteries. The universal financial viability for these proposals for lithium-ion batteries can therefore still not be determined.

The two environmentally sustainable alternatives of recycling and second life evidently due to

many shared supply chain elements, present similar technical, regulatory, and financial challenges. Although the added benefits of a second life are significant and thus the most attractive opportunity to date. Extending the usable life of an EV battery, becomes even more attractive when the definition of “expended” EV batteries is inspected. These are classified as “expended” as soon as they no longer meet the high EV power delivery and usable charge requirements. But these batteries could still retain up to 70-80% of the original capacity, they most definitely can be used for applications with reduced requirements (Rößiger, 2018).

These, otherwise fine batteries, provide huge value opportunities for a range of stakeholders across the automotive and energy storage sectors. This potential value for a wider scale implementation is impacted by how the batteries are designed and used in their first life in the electric vehicles, how they are collected and used in second-life applications as well as the value of recycling (Jiao, 2021).

To meet safety standards for a second-life use, the batteries must be more regularized. For example, the proposed appeal to the EU’s battery directive 2006/66/EC describes the needed legal and technical actions, such as safety of use for end user, health assessment of used batteries, provision of information such as chemical composition and capacity, implementation of battery passports, and implementation of extended producer responsibility. Battery passports are going to be used for health assessment and information provision of the battery into which they are installed. This diagnostic will simplify the administration of batteries in a long term, even easing the implementation of second-life operation (Reappeal on Directive 2006/66/EC, 2020).

The potential uses for an EVs battery second-life depends strongly on battery health, but can range from other mobility application, such as for e-scooters or electric pallet jacks, to semi-stationary, as a battery for illumination on remote construction sites or completely stationary as a buffer for peak demand or production for the electric grid. Based on these “expended” EV batteries, new markets will emerge.

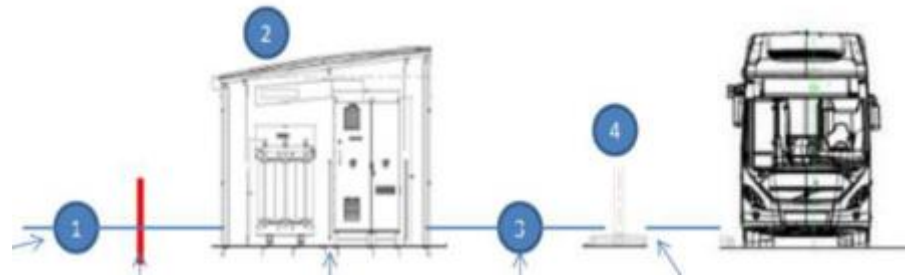
A direct involvement into the management of used battery is not part of this Program scope. Yet, the possible adverse impacts of batteries on humans and environment warrants groundwork for the preparation for this approaching challenge. The program anticipates critical risks of used batteries. Used EV batteries are an issue of concern in all countries which foster e-mobility. AFD will work with the partner countries under Component 1 to develop sound policies and regulations to avoid negative impacts of used EV batteries. This includes strategies, policies, and regulations in battery re-usage, battery recycling, and battery disposal.

Therefore, as a part of the Program, TA will be provided in order to develop regulations and policies for reuse, recycling and disposal of electric vehicle batteries for the eight countries that are part of the Program (the activities include legal and technical assessment, workshops, among others). Also, capacity building on proper battery management, which is needed for the safe handling of new and used batteries. This includes identification of best practices, identification of stakeholders e.g. hazardous waste recyclers, actualization of the regulation regarding dangerous waste, among others. As mentioned, GIZ would be in charge of implementation of this TA, together with national and local authorities as well as company in charge of managing of these hazardous wastes⁴⁸.

⁴⁸ [TA supports all countries in developing a national EV ecosystem conducive, including develop or adjust policies, regulations and business models that address the re-use, recycling and disposal of batteries at the end of their useful](#)

There are other possible adverse impacts due to the implementation of activities that are part of the Program. The following tables provide examples of these impacts due investments supported by the Program along with potential mitigation measures during preliminary and construction phases, operation and maintenance phase and decommissioning phase.

Preliminary and construction phases



1. Connection point; 2. Mini-substation; 3 and 4. Charger connection system



(a) Installation of mini substation in bus depot⁴⁹ (b) bus depot upgrade⁵⁰ (c) Bus charging station⁵¹

⁴⁹ <https://www.semana.com/pais/articulo/buses-electricos-del-sitp-en-bogota-asi-seran-las-estaciones-de-recarga/308269/>

⁵⁰ <https://www.enelx.com/co/es/historias/historias/movilidad-electrica-bogota-construccion-de-patios-de-transmilenio-en-suba-fontibon-usme>

⁵¹ <https://www.vehiculoselectricos.co/transmilenio-de-bogota-recibio-120-buses-electricos-ya-suma-133-en-operacion/>

Preliminary phase:

As mentioned, the Program excludes projects that involves land acquisition and/or involuntary resettlement, or affects properties and sites of archaeological, historical, cultural, artistic, and religious significance, that being tangible and intangible⁵²:

- Choice of charging stations must avoid all sites occupied by population or activities, formal or informal, to avoid any involuntary resettlement (physical displacement, or economic displacement) and must be built in public spaces that have already been intervened.
- Bus depot upgrades must be constructed within existing buildings (facilities).

Table 4 Construction phase: small scale construction may be required for charging stations, grid connection and/or required bus depot upgrades

Activity	Potential Adverse impacts and risks	Potential Mitigation Measures
Hiring of workforce	Labor influx, SEAH, and gender-based violence.	<ul style="list-style-type: none"> - Carry out calls within the framework of the legal guidelines of the territories where the project will be developed. - Promote the employability of local labor in the construction area with gender focus (both skilled and non-skilled). - Encourage, insofar as it is technically possible, the hiring of service providers in the project's areas of influence. -Design and implementation of a code of conduct: elimination of sexual harassment, gender violence, violence against women, interruption in the life of communities due to the presence of workers, among others. -Implementation of the SEAH procedures in accordance with WB policy (see Annex M).
Adequacy and operation of temporary facilities.		
Small excavations, cutting and earthworks (in case of occurrence)	Temporary decrease in vegetation cover: During the execution of this activity, could be generated a modification of the plant physiognomy and a decrease in biomass can be caused.	<ul style="list-style-type: none"> - Carry out stripping and removal of vegetation only in previously demarcated and authorized areas. - The felling of trees will not be carried out, unless prior authorization is given by the competent environmental authority. Compensation measures of at least 2 trees planted for each tree felled, or those indicated by the environmental authority, must be implemented. - Carry out the stripping in such a way that the correct extraction of the organic layer of the soil is guaranteed without it being mixed with the sterile material. Dispose of these materials correctly for storage and subsequent use, if required, in revegetation processes.
Construction machinery and equipment	Temporary change to air quality due to the emission of gases and / or particulate matter: Particulate material could be generated mainly due to the lack of vegetal cover of the ground; Additionally, emissions could be generated by the combustion processes of the equipment,	<p>Particulate matter mitigation:</p> <ul style="list-style-type: none"> - Periodic moistening should be done in areas devoid of plant cover. - Cover materials that are prone to generating particulate matter. - Carry out the transport of materials and construction debris with the dump truck deck covered. <p>Control of atmospheric emissions:</p>

⁵² Annex B.

Activity	Potential Adverse impacts and risks	Potential Mitigation Measures
	vehicles and machinery used for the potential interventions.	<ul style="list-style-type: none"> - Equipment, vehicles and machinery that generate atmospheric emissions must remain on only for the time strictly necessary. These must be in good condition and the preventive maintenance schedule must be met and corrective maintenance must be carried out in a timely manner. - The current environmental regulations that apply must be complied with.
	Change in noise levels: Short-term and localized noise may be generated during construction, especially if underground cabling.	<ul style="list-style-type: none"> - Implement noise control barriers whenever possible. - Carry out preventive and corrective maintenance of the equipment to minimize vibrations that can generate noise. - Workers exposed to high noise levels should wear hearing protection. - Comply with the maximum noise levels allowed in workplaces and generate awareness campaigns to mitigate sound pressure levels (if necessary). - Enforcement of occupational health and safety (OHS) standards.
	Change in landscape: A change in the perception of the visual quality of the landscape will be generated, which, depending on the project execution area.	<ul style="list-style-type: none"> - Demarcate and signpost the areas authorized for construction, as well as the access roads. - Organize the areas where solid and liquid waste is disposed of, in order to prevent it from invading the environment and affecting the landscape. - Cover the materials to prevent environmental elements such as rain, wind and sun from contributing to the dispersion and visual pollution that may be generated by the inappropriate disposal of these materials.
	Increase in the generation of construction debris: construction and demolition debris will be generated during the entire construction activity, whether they are susceptible or not susceptible to use. Hazardous waste and ordinary waste are included.	<ul style="list-style-type: none"> - Perform the segregation in situ of the construction debris and deliver them to authorized companies for further use and / or final disposal by managers that are authorized by the competent environmental authority. - Whenever technically possible, reuse demolition debris on site. - The final disposal of waste/debris will be carried out in the sites that have the current environmental permits, licenses or authorizations required by the regulatory entities.
	Temporary: Modification of accessibility, mobility and local connectivity.	<ul style="list-style-type: none"> - Design and implement the Traffic Management Plan so as not to affect more roads than necessary. - Perform road maintenance, especially on those roads on which vehicles and heavy machinery pass (if applicable).
	Temporary increase in vehicular traffic: There will be an increase in vehicular traffic due to the vehicles and machinery required for the execution of the construction.	Design and implement the Traffic Management Plan, according to the requirements established by the regulations and guidelines of the city in which the project will be developed.
	During the installation and cabling activities, fluctuations in the electric power service may occur in the projects area of influence, therefore, the community may have power outage; however, it is considered to be of a temporary	<ul style="list-style-type: none"> - Through communication programs, keep the community informed of the intervention schedule (days, hours, and frequencies). Additionally, communications may include preventive measures such as disconnection of electrical and electronic equipment that is more sensitive to energy fluctuations. - Management of intervention schedules, identifying and carrying out the works at hours

Activity	Potential Adverse impacts and risks	Potential Mitigation Measures
	nature and of low impact.	where the demand for energy by the affected community is the lowest. - Stakeholders Engagement Plan includes a telephone line to answer questions, complaints or claims from the community and design schedule meeting of interested parties (project and community) to answer questions, complaints, or claims.
	Occupational safety risks: Safety risks related to potentially dangerous voltages and human exposure to conductive parts and works to be carried out along heavy traffic roads, resulting in risk of road accidents.	- Special precautions applied as the standard practices of occupational health and safety, including electrical and fire safety of the charging stations. - Enforcement of occupational health and safety (OHS) standards - Actions for the prevention of road accidents such as demarcation of the work area, installation of warning signs, use of reflective elements by workers.

Note: Potential impacts and mitigation measures in the construction phase may occur during decommissioning phase (dismantling of charging stations/infrastructure).

1. Operation and maintenance phase



Charging station Taxis (Bogota)⁵³ and Buses (Bogota)⁵⁴

Table 5 Operation, maintenance and end of life phase: Electric vehicles and charging stations/infrastructure

Activity	Example Potential Adverse impacts and risks	Example Potential Mitigation Measures
Operation and maintenance	Change in employment dynamics: The change in employment dynamics is expected to be mainly positive, by increasing the need of hiring of skilled workforce in terms of the operation of the	- Capacity building and training primarily for the bus driver, maintenance staff on adequate maintenance and charging facilities as well as safety training for the staffs. - To prevent negative social impacts of potential lay-off of workers some options could be implemented: (i) gradual non-replacement of maintenance staff working on fossil engines

⁵³ http://www1.upme.gov.co/DemandaEnergetica/Consortio_Usaene_sumatoria_producto_3_estaciones_de_cargaVF.pdf

⁵⁴ <https://www.vehiculoselectricos.co/transmilenio-de-bogota-recibio-120-buses-electricos-ya-suma-133-en-operacion/>

	electric vehicle fleet. However, negative impacts are possible since there currently is more generalized knowledge in the operation of vehicle fleets operated with fossil fuels.	taking advantage of natural staff fluctuation through retirements or through job changes; (ii) re-training of maintenance staff either to continue work in the maintenance or re-training as bus drivers. - Include a percentage of employment opportunities (skilled and non-skilled jobs) for the employability of women, the LGBTI community and people with disabilities. - Promotion of gender equality at the work place.
	Increase in road accidents: Due to the low or non-existent noise of electric vehicles during operation, the occurrence of accidents with other road users is likely.	- Inform the community and road actors through campaigns, of the precautions needed with the circulation of vehicles with low or no noise generation, considering the characteristics of the population to whom it is addressed drivers (male or female), vehicle passengers, pedestrians (adults or children), charge station managers (if applicable). - Include this aspect in the training programs aimed at drivers, and thus allow the development of dexterity skills during vehicle operation. - Select manufacturers that incorporate sound alert systems in vehicles, which alert pedestrians, cyclists and / or the public, as well as people with visual disabilities who need a sound stimulus to become aware of the proximity of a vehicle.
	Occupational safety risks: Safety risks related to potentially dangerous voltages and human exposure to conductive parts.	- Special precautions applied as the standard practices of occupational health and safety, including electrical and fire safety of the charging stations. - Enforcement of occupational health and safety (OHS) standards.
	Interruption of transportation service due to potential failures in equipment and support infrastructure.	- Robust infrastructure (covers or ceilings) that guarantees durability over time. - Maintenance according to the manufacturer's recommendations, including routine or preventive, and corrective maintenance.
	Gender-based violence and SEAH.	- Delivery communication campaigns about sexual harassment in public transport. - Raise awareness on sexual harassment in public transport through capacity building. - Implementation of the SEAH Action Plan (Annex N).
End of life	Increase in the production of hazardous waste: The production of hazardous waste, mainly due to the disposal of expended electric vehicle batteries	Establish an integral hazardous waste management program ⁵⁵ , which will include: - Identify and comply with the regulatory requirements established by each country for the management and disposal. - Training days for hazardous waste handling for personnel, following the guidelines of occupational health and safety (OHS) standards. - Adequacy of independent and isolated spaces for the storage of batteries, if required, that comply with temperature and ventilation conditions. - TA to develop regulations and policies for reuse, recycling and disposal of electric vehicle batteries for the eight countries that are part of the Program (the activities include legal and technical assessment, workshops, among others). Each country will have by then their Battery Disposal Plan. - Capacity building on proper battery management, which is needed for the safe handling of

⁵⁵Establish an integral EV battery waste management program, which will comply with the regulatory requirements established by each country for their management, treatment and disposal. All the implementing partners will need to comply with the EV battery waste management program, reporting on its performance and results.

		new and used batteries. This includes identification of best practices, identification of stakeholders e.g. hazardous waste recyclers, actualization of the regulation regarding dangerous waste, among others.
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Finally, it is important to mention that the countries included in the Program are part of the following international conventions restricting the production, use and trade of certain hazardous chemicals including those relevant for the production or processing of batteries with the intention to protect the environment and human health. Among those are e.g.:

- The Basel Convention, on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention);
- The Rotterdam Convention on the prior informed consent procedure for certain hazardous chemicals and pesticides in international trade (Rotterdam Convention);
- Minamata Convention on Mercury (Minamata Convention).

These conventions mitigate potential illegal transboundary movement of EV related wastes.

7 Information disclosure, stakeholder engagement, and grievance redress

Stakeholder engagement and information disclosure:

Community and stakeholder engagement is a key component of the Program. Stakeholders are defined as groups or individuals who are directly and/or indirectly affected by a project, who have or may have interest in it, or may influence it in a positive or a negative way. As such, stakeholders can be local communities, individuals, their representatives, governmental bodies, civil society organizations, etc.

Stakeholder consultation has been carried out during Program appraisal phase at country level. Several meetings were held with stakeholders in the countries involved, which play an important role in the implementation of the Program. These stakeholders include public development banks, national and municipalities entities, utilities companies, transport operators, private companies, among others, for further details see Annex 7 Funding Proposal.

Kick-off meetings were held in each of the countries that are part of the program. A presentation of the program, including its objectives, scope and timeline was made. These meetings discussed the main issues that have been identified by AFD and its partners (Proparco, CAF, KfW, GIZ) in the different countries, such as regulations, strategies, policies, projects under development and list of key stakeholders, among other. Also, the meetings conducted in each country were key in the development of the feasibility study, as they identified the main technical and financial barriers, risks perception, technical assistance needs for electric mobility investment and deployment. Likewise, these interviews allowed the identification of electric vehicles in operation, implemented electric charging infrastructure, business models, financial mechanisms and potential investment projects to be included in the potential portfolio of the Program.

All the meetings were held in Spanish, as official language, in Argentina, Costa Rica, Colombia, Dominican Republic, Mexico and Peru, exceptuating Brazil which is a Portuguese speaking country. Due to covid-19 restrictions, most of the meetings were conducted through virtual platforms (google meet, zoom, skype, teams).

The following tables show a summary of the meetings held in each country with several stakeholders within the framework of the feasibility study.

- Argentina

Date	Entities	Summary of main points
10-dec-2020	Ministry of Transport	<p>Over 15 meetings with different stakeholders were held in Argentina. A summary of barriers and enabling factors identified in these meetings is presented below:</p> <p>Barriers:</p> <ul style="list-style-type: none"> - Lack of experience and know-how on creating an enabling surrounding for commercial EVs including regulations (e.g. concession contracts), business models and financial support policies which enable their massive uptake; - Lacking knowledge of the technology and building capacity for operation and maintenance (batteries); - Commercial EVs are perceived as lacking profitability and having much higher upfront costs; - Exchange rate from U.S. Dollar to Argentinian Peso, presumes high interest rates and derives in high investment cost of vehicles. - Lack of financial support for the purchase or operations of commercial EVs; - Lack of policies for defining funding mechanisms and business model guidance. <p>Enabling factors:</p> <ul style="list-style-type: none"> - The Government has passed some initial bills and regulations as well as an electric vehicle mobility law; - Argentina has realized various bus and LCV pilots, thus gaining initial experience with EVs; - Municipalities, public and private entities are interested in electromobility. Potential investment projects were identified; - Increasing efforts in fleet replacements and renewals for more sustainable alternatives.
10-dec-2020	Transportation Company of Mendoza (SAUPE)	
10-dec-2020	Government of the Province of Mendoza.	
24-jan-2021	Direction of Digital Transformation - Secretariat of Mobility - Municipality of Rosario. Province of Santa Fe.	
13-dec-2020	Department of Data and Statistical Analysis in Municipality of Cordoba	
27-jan-2021	MOVE LATAM	
18-feb-2021	Secretariat of Transportation and Works. City of Buenos Aires	
21-dec-2020	ATM - Metropolitan Transportation Agency	
29-jan-2021	Provincial Energy Company of Cordoba (EPEC)	
02-feb-2021	Provincial Energy Directorate of Corrientes (DPEC)	
22-dec-2020	Municipal Automotive Transport State Society (TAMSE)	
18-jan-2021	Government of the City of Salta	
21-jan-2021	Government of the City of Tucuman	
22-jan-2021	Grupo-TEK S.A.	
09-feb-2021		
16-feb-2021		

Source: Annex 7 Funding Proposal.

- Brazil

Date	Entities	Summary of main points
09-dec-2020	Ministério do Meio Ambiente (Ministry of Environment)	<p>Over 15 meetings with different stakeholders were held in Brazil. A summary of barriers and enabling factors identified in these meetings is presented below:</p> <p>Barriers:</p> <ul style="list-style-type: none"> - Lack of experience and know-how on creating an enabling surrounding for commercial EVs including regulations, business models and financial support policies which enable their massive uptake; - Lack of articulation between involved sectors and agents. (Federal government and regional) ; - Rooted mentality to maintain status quo and resistance for change within transport sector main actors; - Commercial EVs are perceived lacking profitability and having higher upfront costs;
17-dec-2020	Ministério da Economia (Ministry of Economy)	
18-dec-2020	ZEBRA	
08-jan-2021	Ministério de Ciências, Tecnologia & inovação (Ministry of Science, Technology & Innovation). Ministério da Economia (Ministry of Economy)	
15-feb-2021	Curitiba Municipality (Secretary of Transportation of Curitiba)	
17-feb-2021	Development Superintendence of the Grand Florianopolis Metropolitan Region (SUDERF) - Santa Catarina State	

Date	Entities	Summary of main points
17-feb-2021	Municipal Secretariat of Planning and Coordination / Teresina Municipality	<ul style="list-style-type: none"> - Skepticism regarding EV fleet performance and operation reflects on decision making; - Technological and technical lagging between electric mobility development and implementation; - Though energy matrix is clean, electricity rates are high and reliant on subsidies; - For taxi and LCV deployment an urban public fast charging infrastructure is required. This is not yet available making operations of such vehicles problematic; - Brazil focuses its efforts on the promotion of biofuels. This presents a barrier towards a shift to a more sustainable transportation technology. <p>Enabling factors:</p> <ul style="list-style-type: none"> - The Government has passed some initial bills and regulations for EVs; - Brazil manufactures vehicles which can be a barrier or an enabling factor towards e-mobility (barrier if the industrial policy is backwards oriented and trying to preserve existing structures and an enabling factor if the industrial policy is geared towards fostering new technologies and future markets) ; - Brazil has realized various EV pilots and is thus gaining initial experience; - Brazil has a very low carbon grid factor; - Brazil has implemented successfully large-scale transportation projects through international funding development efforts.
19-feb-2021	BHTrans / Belo Horizonte Municipality	
17-feb-2021	Salvador Municipality	
18-feb-2021	(National Bank for Economic and Social Development)	
18-feb-2021	C40 (NGO)	
18-feb-2021	Municipal Secretariat / Niteroi Municipality	
18-feb-2021	Institute for Climate and Society (NGO)	
19-feb-2021	World Bank	
19-feb-2021	World Resource Institute (NGO)	
22-feb-2021	Municipal Secretary of Transport / Rio de Janeiro Municipality	
23-feb-2021	SPTTrans / São Paulo Municipality	
25-feb-2021	Secretary of Transport & Mobility/ Brasilia Municipality	

Source: Annex 7 Funding Proposal.

- Colombia

Date	Entities	Summary of main points
03-dec-2020	Mining and Energy Planning Unit (UPME)	<p>Over 30 meetings with different stakeholders were held in Colombia. A summary of barriers and enabling factors identified in these meetings is presented below:</p> <p>Barriers:</p> <ul style="list-style-type: none">- Cheaper technology implementation for diesel and gas versus electric.- Lacking confidence from funding private sector over interested loaning parties due to short financial soundness and reliability on fulfillment of financial obligations;- Although the country has tax exemptions, the processes are lengthy and must be initiated in advance in order to receive the effective benefit.- Uncertainty over the operational performance of electric fleets in the country derives on a sense of risk and uncertainty of the operation of electric buses;- Restricted land availability in urban locations spikes land prices;
10-dec-2020	Financiera Nacional de Desarrollo -FDN	
16-dec-2020	TransMilenio S.A. (public entity – BRT TransMilenio)	
14-jan-2021		
20-jan-2021		
16-dec-2020	Empresas Públicas de Medellin (EPM) (utilities company)	
21-dec-2020		
18-dec-2020	ZEBRA	
21-dec-2020	Energy cluster - Chamber of Commerce	
21-dec-2020	Celsia (energy company)	
22-dec-2020	Metroplus S.A. (public entity – BRT Metroplus) – Metro de Medellin	
22-dec-2020	WWF	
22-dec-2020	Taxatelite (taxi company)	
27-dec-2020	TCC (logistic company)	
30-dec-2020	Auteco Mobility (private company)	
30-dec-2020	EMCALI utilities company)	
31-dec-2020	Blanco y Negro Masivo (Private operator BRT Mio)	
04-jan-2021	Masivo de Occidente (private operator, Medellin)	

Date	Entities	Summary of main points
05-jan-2021	Sunwin (electric buses supplier)	<ul style="list-style-type: none"> - Lack of electric technology manufacturing capacity that derives in shortage for the building, support and maintenance of electric vehicles; - Uncertainty about the useful life of batteries, including their final disposal. <p>Enabling factors:</p> <ul style="list-style-type: none"> - Government policies directed to boost electric mobility; - The National Government has stated incentives through an Electric Mobility Law; - National Government Agencies acknowledge importance of offering assistance for reducing technical gaps on implementation, operation and maintenance standards; - Goodwill on both private and public sector for developing electric mobility as core sustainable transport alternative; <p>Public and private entities are interested in electromobility. Potential investment projects were identified.</p>
12-jan-2021	Taxis libres (taxi company)	
12-jan-2021	Sumatoria (consulting company)	
12-jan-2021	Secretary of Mobility of Medellín	
14-jan-2021	Grupo Fanalca (private operators BRT systems)	
20-jan-2021	Sustainable Urban Mobility Unit (UMUS)/ Ministry of Transport	
25-jan-2021	Bancoldex (second floor bank)	
28-jan-2021	Electribus (concessionaire of fleet supply)	
28-jan-2021	National Planning Department (DNP)	
02-feb-2021	Secretariat of Mobility of Bogotá	
12-feb-2021	Corona (private company)	
18-feb-2021	Ministry of Environment and Sustainable Development	
21-feb-2021	Ministry of Energy	
26-feb-2021	Findeter (second floor bank)	
02-mar-2021	Ministry of Transport	
05-mar-2021	Findeter (second floor bank)	

Source: Annex 7 Funding Proposal

- Costa Rica

Date	Entities	Summary of main points
07-dec-2020	Protecto Mi Transporte - GIZ	<p>Over 10 meetings were held in Costa Rica with different stakeholders. A summary of barriers and enabling factors identified in these meetings is presented below:</p> <p>Barriers:</p> <ul style="list-style-type: none"> - Lack of experience and know-how on creating for commercial EVs an enabling surrounding including regulations (e.g. concession contracts), business models and financial support policies which enable their massive uptake; - Reformulation of outdated laws that include incentives for electric transportation; - Financing blockages due to short concessions period that do not guarantee payment fulfillment; - Commercial EVs are perceived to lack profitability and have much higher upfront costs. <p>The financial system has limited appetite for entering this market as it is not deemed to be profitable;</p> <ul style="list-style-type: none"> - For taxi and LCV deployment an urban public fast charging infrastructure is required. This is not yet available making operations of such vehicles problematic;
14-dec-2020	Ministry of Environment and Energy	
14-dec-2020	Public Transportation Council	
15-dec-2020	President's House/First Lady's Office	
15-dec-2020	National Bank	
29-dec-2020	Automercado (supermarket)	
05-jan-2021	Autoridad Reguladora de los Servicios Públicos - ARESEP (Regulatory Authority of Public Services)	
06-jan-2021	ONU - Environment	
11-jan-2021	Banco Popular (commercial bank)	
11-jan-2021	Banco Promérica (commercial bank)	
12-jan-2021	CTW Leasing	
13-jan-2021	Inter-American Development Bank	

Date	Entities	Summary of main points
13-jan-2021	Central American Bank for Economic Integration	<ul style="list-style-type: none"> - Lack of significant financial support for the purchase or operations of commercial EVs. Kick-starting EV deployment in this area without concessional finance and subsidies covering part of the incremental investment will not be possible. <p>Enabling factors:</p> <ul style="list-style-type: none"> - E-mobility is a topic since many years in Costa Rica. The Government has issued important laws and regulations as well as national development plans containing EV targets, incentives and support structures. - Public charging infrastructure (primarily for passenger cars) is being established and electricity prices for public charging as well as e-buses have been fixed; - Costa Rica produces close to 100% of electricity based on renewables and has sufficient additional production capacity.
15-jan-2021	Correos de Costa Rica (national postal service)	

Source: Annex 7 Funding Proposal

- Dominican Republic

Date	Entity	Summary of main points
21-dec-2020	Ministry of Environment and Natural Resources (NDA) Ministry of Economy, Planning and Development	<p>More than 15 meetings were held in Dominican Republic with different stakeholders. A summary of barriers and enabling factors identified in these meetings is presented below:</p> <p>Barriers:</p> <ul style="list-style-type: none"> - Lack of experience and know-how on creating an enabling surrounding for commercial EVs including regulations (e.g. concession contracts), business models and financial support policies which enable their massive uptake; - Reduced offer on lines of credit with uncompetitive interest rates for EV purchasing; - Lack of articulation between tax exemptions and incentives, and applied tax regulations; - The lack of a regulations e.g. for charging infrastructure or pricing; - Electric recharging infrastructure is limited; - Lack of knowledge of the technology (batteries, maintenance); - A high cost of EVs. Expensive importation taxes (higher than fossil fuel vehicles) and delays on merchandise nationalization. - No specialized providers of maintenance of EVs. <p>Enabling factors:</p> <ul style="list-style-type: none"> - Enabling regulatory framework through the national policy on EVs, the tax incentive law, or the law to support renewable energies; - Political interest in electric mobility expressed through the Strategic Plan for Electric Mobility;
21-dec-2020	Energy Consulting and Solutions, ENCOS, SRL / Cucama (private company)	
23-dec-2020	Dominican Electric Mobility Association (ASOMOEDO)	<p>Enabling factors:</p> <ul style="list-style-type: none"> - E-mobility is a topic since many years in Costa Rica. The Government has issued important laws and regulations as well as national development plans containing EV targets, incentives and support structures. - Public charging infrastructure (primarily for passenger cars) is being established and electricity prices for public charging as well as e-buses have been fixed; - Costa Rica produces close to 100% of electricity based on renewables and has sufficient additional production capacity.
12-jan-2021	Ministry of Energy and Mines (MEM)	
13-jan-2021	Superintendency of Electricity (SIE)	
13-jan-2021	APOLO TAXI (taxi company)	
14-jan-2021	GO ELECTRIC	
19-jan-2021	Zero Emission RD	
19-jan-2021	InterEnergy Holdings Ltd. (EverGo) Consorcio Energético Punta Cana – Macao (CEPM)	
20-jan-2021	TAINO EXPRESS (Courier)	
26-jan-2021	GIGA AUTO	
27-jan-2021	Caribe Tours (bus operator) / Caribe Pack (courier)	
27-jan-2021	DHL (courier)	
01-feb-2021	Metropolitan Bus Service Office (OMSA, public bus operator)	
02-feb-2021	Central Nacional de Transportistas Unificados - CNTU (A transportation union, affiliating small bus or taxis owners.)	
02-feb-2021	Instituto Nacional de Tránsito y Transporte Terrestre - INTRANT (public entity)	

Date	Entity	Summary of main points
04-feb-2021	Central Nacional de Organizaciones del Transporte -CONATRA (A transportation union, affiliating small bus owners.)	<ul style="list-style-type: none"> - Public and private entities are interested in electromobility; - Goodwill from private sector to develop electric mobility as sustainable transport alternative on fleet replacements and renewals.
04-feb-2021	AVA Electric/ECO Mensajería (Sustainable Entrepreneurship)	

Source: Annex 7 Funding Proposal

• Mexico

Date	Entity	Summary of main points
26-nov-2020	AFD	Over 25 meetings were held in Mexico with different stakeholders. A summary of barriers and enabling factors identified in these meetings is presented below:
30-nov-2020	KfW	
03-dec-2020		Barriers:
30-nov-2020	GIZ	
14-dic-2020		<ul style="list-style-type: none"> - Public transportation in Mexico is predominantly individually owned units in both buses and taxis. This makes the process of fleet renewal difficult, since they are not subject to credit and therefore do not have the financial conditions to acquire electric vehicles;
14-dec-2020	Metrobus (public entity)	
14-dec-2020	ENGIE (energy company)	<ul style="list-style-type: none"> - Duration of public transportation concessions: the concession length in many states is too short for electric buses i.e. they cannot recover their costs and the concession period does not match their technical lifespan including a one-time battery replacement. This makes financing more difficult and costly;
18-dec-2020	ZEBRA	
13-jan-2021	National Institute of Ecology and Climate Change (INECC)	<ul style="list-style-type: none"> - There is still no certainty of the operational performance of electric fleets in the country.
22-jan-2021	Servicios de Transportes Eléctrico de la Ciudad de México – STE (public operator - trolebus)	
28-jan-2021	Federal Electricity Commission - CFE (public energy company)	<ul style="list-style-type: none"> - Higher initial investment for electric technology and charging system versus diesel;
29-jan-2021	Secretariat of Mobility of Mexico City (SEMOVI)	
24-feb-2021		<ul style="list-style-type: none"> - Lack of knowledge of the after-sales service provided by electric bus manufacturers;
02-feb-2021	Secretariat of Finance and Public Credit (SHCP)	
05-feb-2021	Banco Nacional de Obras y Servicios Públicos – BANOBRAS (public bank)	Enabling factors:
05-feb-2021	Government of the State of Nuevo Leon	
10-feb-2021		<ul style="list-style-type: none"> - Experience in the automotive industry: Mexico has different production plants;
22-feb-2021	Nacional Financiera (NAFIN)	
11-feb-2021	Ascendal Group	<ul style="list-style-type: none"> - Existence of structured transport systems: the schemes that have been developed in different states for the provision of mass transport services have evolved and allow for a distribution of responsibilities and greater institutional capacity in regulation, which is conducive to the transition to electrical technologies;
16-feb-2021	Mobility ADO (private operator)	
16-feb-2021	Government of the State of Jalisco	<ul style="list-style-type: none"> - Ongoing pilot projects developing electric mobility implementation;
17-feb-2021	Secretariat of Environment and Natural Resources (SEMARNAT,)	
17-feb-2021	Programa de Apoyo Federal al Transporte Masivo (PROTRAM, Federal Support Program for Mass Transportation)	<ul style="list-style-type: none"> - Interest of EV manufacturers in the national market.
17-feb-2021	Government of the State of Sinaloa	
26-feb-2021	Municipality of Leon	<ul style="list-style-type: none"> - Public and private entities are interested in electromobility. Potential investment projects were identified.
04-mar-2021	Government of the State of Guanajuato	

Source: Annex 7 Funding Proposal

- Peru

Date	Entity	Summary of main points
07-dec-2020	Transporte Cruz de Sur (private operator of BRT El Metropolitano)	<p>Over 10 meetings with different stakeholders were held in Peru. A summary of barriers and enabling factors identified in these meetings is presented below:</p> <p>Barriers:</p> <ul style="list-style-type: none"> - The cost of the initial investment in the EV and its financing conditions including the cost of the associated infrastructure (charging station); - Lack of experience and know-how on creating an enabling surrounding for commercial EVs including regulations (e.g. concession contracts), business models and financial support policies which enable their massive uptake; - Finance funding is dependent of better interest rate offers and loan terms that adjust proportionally to investment efforts; - Accessibility to technical assistance on electric bus operation business models designing and management; - The cost of electric energy compared to CNG. <p>Enabling factors:</p> <ul style="list-style-type: none"> - Procurement policies: Procurement policies are not in line with e-mobility requirements with more focus on initial investment costs and with too short concession contract periods in relation to the long payback periods of EVs; - Lack of knowledge of the technology (batteries, maintenance); - Municipalities, public and private entities are interested in electromobility. Potential investment projects were identified; - Funding and finance interest and intentions from private sector towards EV investments; - Fleet renewal and replacement is committed to include EV as concession requirements; - Public and private entities are interested in electromobility. Potential investment projects were identified.
15-dec-2020	CALAC+ (Swiss Cooperation in Peru)	
16-dec-2020	Lima Bus International (private operator of BRT El Metropolitano)	
16-dec-2020	Ministerio de Transporte / Promovilidad (Ministry of Transport)	
07-jan-2021	Coordinator of Electric Operations of the Interconnected System (COES)	
11-jan-2021	Integra Peru SAC (private operator Arequipa)	
12-jan-2021	Lima Vías Express S.A. - Grupo Express del Perú SAC (private operator BRT El Metropolitano)	
26-jan-2021	Corporación Financiera de Desarrollo S.A.- COFIDE (second floor bank)	
27-jan-2021	Acceso Crediticio (vehicle credit finance company)	
05-feb-2021	AAP Asociacion Automotriz del Peru (Peruvian automotive association)	
24-feb-2021	Transportes Transmar (private operator)	
26-feb-2021	Transporte Consorcio Arequipa S.A (private operator Arequipa)	

Source: Annex 7 Funding Proposal

As a conclusion, during the development of the feasibility study, over 120 interviews were held with relevant stakeholders, including national authorities (Ministry of Transport, Ministry of Energy, Ministry of Environment), local and regional authorities, transport authorities, public development banks (Financiera de Desarrollo Teritorial – Findeter (Colombia), Banco de Desarrollo Empresarial - Bancoldex (Colombia), Financiera Nacional de Desarrollo -FDN (Colombia), Corporación Financiera de Desarrollo – Cofide (Peru), Banco Nacional de Desenvolvimento Econômico e Social – BNDES (Brazil), Banco Nacional de Obras y Servicios Públicos – Banobras (Mexico)) involved in the transport sector, utilities companies, private

operators, among other. The main points identified to the deployment of electric vehicles in these countries under analysis:

- Acknowledgment from national government agencies on including electric mobility as priority for alternative sustainable mobility.
- Articulation between public and private sector to international funding and technical assistantship on developing business models for electric mobility implementation and operation.
- Ongoing efforts for electric mobility project development either on implementation or operation stages in almost all countries surveyed.
- Lack of confidence from funding and finance sector due to reliable: policy making, time-frame concession duties and commitments, payment obligations.
- Lack of technical development regarding support, maintenance and operation of electric vehicles.
- For taxi and LCV deployment an urban public fast charging infrastructure is required.

In the framework of the Program and in line with GCF approach to stakeholder engagement, AFD requires project owner to ensure the effective engagement of different stakeholders that may be affected or potentially affected by the activities to be implemented within the scope of the Program. Information related to environmental and social issues on activities financed in the framework of the Program is made available in compliance with GCF Information Disclosure Policy and GCF Revised Environmental and Social Policy, and shall be disclosed on GCF, AFD and Project owner's website⁵⁶ as well as relevant locations that apply to stakeholders.

AFD will also disclose environmental and social documents at project level, in the same manner, and time frame as the safeguards documents, a summary of the activities, along with the environmental/social information, including the following at a minimum: (a) The purpose, nature, and scale of the activities, and the intended beneficiaries; (b) The duration of proposed activities; (c) A summary of stakeholder consultations and the planned stakeholder engagement process; and (d) The available grievance mechanism(s). This information will be disclosed in the form of environmental and social reports, including additional documents as needed, and through both AFD and GCF website, as well as in locations convenient to affected peoples⁵⁷. The information will be available in English and the local language (Spanish and Portuguese) to foster adequate understanding by the affected and potentially affected communities, stakeholders and the general public.

This includes the present Environmental and Social Management Framework, which is made available in English, Spanish, and Portuguese.

AFD procedure is described in the document "Politique de maîtrise des risques environnementaux et sociaux liés aux opérations financées par l'AFD" (<https://www.afd.fr/en/ressources/environmental-and-social-risk-management-policy-afd-funded-operations>). However, specifically for AFD projects with the Green Climate Fund, E&S

⁵⁶ Section 7.1 <https://www.greenclimate.fund/sites/default/files/decision/bbm-2021/decision-bbm-2021-18-bbm-2021-18-decision-board-revisions-gcf-esp-reaffirm-fund-s-commitment.pdf>

⁵⁷ <https://www.greenclimate.fund/sites/default/files/document/revised-environmental-and-social-policy.pdf>

documentation is systematically published. Indeed, AFD is now obliged, for projects co-financed by the GCF, to make the results of environmental and social studies public, which improves the transparency of the impacts of financing for the general public and civil society.

The project owner must identify during the project appraisal process the stakeholders who should be engaged according to their level of interest and influence in the project. Category B Projects an ESIA is needed ⁵⁸, stakeholder analysis must be conducted and the projects aspects that might generate adverse environmental and social impact to local communities and individuals and other stakeholders must be clearly identified.

Each project under the Program will require a Stakeholder Engagement Plan (SEP) scaled to the project risks and impacts, and tailored to the needs of affected communities, must be developed and implemented, including a grievance mechanism. The SEP should be prepared as per Annex E of this ESMF.

Grievance redress:

An environmental and social grievance mechanism is an out-of-court recourse mechanism that allows any person or group of persons affected by the environmental and social impacts of a project to submit a complaint. Purpose of such mechanisms, as per GCF Revised Environmental and Social Policy⁵⁹ is to provide room for grievance and redress, and facilitate resolution of grievances about the environmental and social impacts of the activity.

AFD's Environmental and Social Complaints Mechanism aims to ensure that there is an independent handling of Complaints sent to AFD, by one or several natural or legal persons, concerning the environmental or social impacts of a project conducted in foreign countries whose financing has been allocated by AFD.

AFD's Mechanism has two methods for handling complaints:

- The Conciliation process consists of using a neutral, independent, and impartial third-party to help find an Agreement between the Complainant or his/her/its Representative and the Beneficiary to resolve the E&S harm(s) and/or issue(s) cited in a Complaint;
- The Compliance Review process aims to determine whether or not the Agency complied with its Environmental and Social Risk Management Procedures for an AFD-financed and directly-contracted Project and to recommend remedies in cases of non-compliance.

The Mechanism Rules of Procedure are disclosed on AFD website⁶⁰ and set forth the terms for Registration and Eligibility, as well as the method by which the Mechanism handles the Complaint, i.e. compliance audit, dispute resolution, or a combination of both.

The project owner should design a grievance mechanism to receive and facilitate concern or conflict resolution as the case may be, in relation with environmental and social risks and impacts

⁵⁸ See Annex C

⁵⁹ Idem

⁶⁰ https://www.afd.fr/sites/afd/files/2019-03-02-22-05/AFD%20-%20Rules%20of%20procedure_E%26s%20complaint%20mechanism.pdf

of the project. Grievance mechanisms must be tailored to the level of project environmental and risks and impacts, with the purpose of resolving concerns or conflicts through an understandable and transparent consultative process consistent with project and/or local context. A project-level grievance redress mechanism will also work in conjunction with AFD's Environmental and Social Complaints Mechanism.

An indicative outline of Stakeholder Engagement Plan and Grievance Mechanisms available in Annex E.

AFD does not have a specific procedure to manage the risks related to gender-based violence and sexual harassment. This is however covered by the operating procedures, which aim to identify, prevent or mitigate environmental and social risks and impacts, as well as any human rights violation that could result from AFD-funded activities. In particular, AFD relies on and applies the principle of the World Bank Environmental and Social Framework, which includes risk management measures related to SEAH. The policy foresees a number of diligences, which determine the measures to be taken to address SEAH. AFD Group, for example, request beneficiaries to implement an Environmental and Social Commitment Plan/Action Plan and to report on environmental and social risk management aspects during project implementation.

AFD Group procures that beneficiaries use its Standard Bidding Documents for Procurement of works. This standard document includes provisions to prevent and handle SEAH.

Environmental and social documentation:

For B category projects financed under this program; an ESIA (Annex C), an ESMP (Annex D), a Stakeholder Engagement Plan and Grievance Mechanism (Annex E), an ESCP (Annex K), a SEAH Action Plan (Annex N) are required. The owner project should present a semi-annual environmental and social compliance report which will include follow-up ESMP, SEP, grievance redress mechanism, ESCP, and SEAH Action Plan. This information needs to be disclosed in AFD and Project owner's website.

Indicative outline of semi-annual environmental and social compliance report: The Project owner reports to AFD on the implementation of the planned environmental and social measures, in accordance with ESMP, Stakeholder Engagement Plan, Grievance Redress Mechanism, ESCP, and SEAH Action Plan. The indicative outline of report is the following:

- Project information: general description of the project.
- Executive summary: relevant points during semester of the monitoring project.
- Legal and institutional framework (legislation and national regulations) applicable for the project.
- Follow-up of the mitigation measures identified in the ESMP and their implementation status, description of the next steps and responsible for the implementation.
- Follow-up of Stakeholder Engagement Plan and information disclosure. This includes the public consultations (date, and place of public consultation, number of participants, and minutes) and engagement activities development during the monitoring period (dissemination and education activities, press releases, generation of informative material, meetings, among others).

- Follow-up of Grievance Redress Mechanism including number of request or complaints received during the monitoring period. Each request and complaints should summarize the main topic of the request, indicate means of admission (mail, telephone, email, on site, etc), indicate the date where the complaint or request was submitted, indicate response provided (what answer given, when, and by what means), indicate the action to be carried out based on content of the request or complaint, indicate the date of the response and person in charge of the following.
- Follow-up of ESCP defined AFD and the project owner.
- Follow-up of SEAH Action Plan.
- Relevant conclusions of the monitoring period.

Note: All documents that support this report must be included (minutes, press releases, informative material, photo report of the measures implemented, response, etc) in order to have evidence of the monitoring carried out during the semester.

For C category projects financed under this program at the screening stage should confirm that the activities are indeed in category C⁶¹ and not environmental and social assessment is needed.

8 Indigenous People

The Policy of AFD on Indigenous Peoples and objectives are to ensure that the development process fosters full respect for the human rights, collective rights, dignity, aspirations, culture, and natural resource-based livelihoods of Indigenous Peoples; to anticipate and avoid adverse impacts of projects on communities of Indigenous Peoples, or when avoidance is not possible, to minimize and/or compensate for such impacts; to promote sustainable development benefits and opportunities for Indigenous Peoples in a culturally appropriate manner; to establish and maintain an ongoing relationship based on Informed Consultation and Participation in a culturally appropriate manner with the Indigenous Peoples affected by a project throughout the project's life cycle.

Aligned with AFD's objective to safeguard Indigenous People and their rights against adverse impacts, Category A type of projects will not be eligible for financing under the Program. For projects where the E&S assessment identifies Indigenous People as stakeholders, participation and consent requirements will be implemented.

Projects with potential undesired contact with indigenous people who are uncontacted living in voluntary isolation or "in initial contact" will not be eligible.

Even though no project will affect indigenous territories of livelihoods, there are indigenous people living in cities and that therefore use public transportation. They are prone to face discrimination and abuse (just like other minorities). The Annex G will provide guidance to mitigate these risks.

⁶¹ activities with minimal or no adverse environmental and social risk or impacts

See Annex G for an “Outline for developing Sociocultural Analysis (SCA) and Indigenous People Plans”.

AFD as Accredited Entity will carry out all due diligence as necessary to ensure that the Funded Activity is at all times in compliance with the applicable requirements under the Updated Gender Policy and the Indigenous Peoples Policy of the GCF.

9 References

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10 Annexes

10.1 Annex A – Exclusion list⁶²

The following exclusion list notes the types of projects that AFD will not finance:

1. Production or sale of any illegal product or unlawful activity under the laws of the host country and France or under international regulations, conventions and/or agreements;
2. Products or activities that use forced labour⁶³ or child labour⁶⁴;
3. Trade in animals, plants or any natural products not complying with the provisions of the CITES convention⁶⁵;
4. Fishing activity using a drift net of more than 2.5 km in length;
5. Any operation leading to or requiring the destruction⁶⁶ of a critical habitat⁶⁷, or any forestry project which does not implement a plan for improvement and sustainable management;
6. Production, use or sale of any dangerous materials such as asbestos or products containing PCBs⁶⁸;
7. Production, use or sale of pharmaceutical products, pesticides/herbicides, ozone layer depleting substances⁶⁹ or any other dangerous substances that are banned or are being progressively phased out internationally;
8. Transboundary trade in wastes, except for those accepted by the Basel Convention and its underlying regulations;

⁶² <https://www.afd.fr/en/ressources/exclusion-list-afd-group-foreign-countries>

⁶³ "Forced labour" refers to any work or service performed involuntarily and exacted from an individual by threat of force or punishment as defined in the conventions of the ILO.

⁶⁴ Employees must be at least 14 years of age as defined in the ILO's Declaration on the Fundamental Principles and Rights at Work (C138 – Minimum Age Convention, Article 2), unless local laws require compulsory school attendance or a minimum working age. In such circumstances, the highest age requirement must be used.

⁶⁵ CITES: Convention on International Trade in Endangered Species of wild fauna and flora threatened with extinction (Washington, 1993).

⁶⁶ Destruction means (1) the elimination or severe reduction in the integrity of a habitat caused by a major and long-term change in land-use or water resources or (2) the modification of a habitat such that this habitat's ability to fulfil its role is lost

⁶⁷ The term critical habitat encompasses natural and modified habitats that deserve particular attention. This term includes (i) spaces with high biodiversity value as defined in the IUCN's classification criteria, including, in particular, habitats required for the survival of endangered species as defined by the IUCN's red list of threatened species or by any national legislation; (ii) spaces with a particular importance for endemic species or whose geographical range is limited; (iii) critical sites for the survival of migratory species; (iv) spaces welcoming a significant number of individuals from congregatory species; (v) spaces presenting unique assemblages of species or containing species which are associated according to key evolution processes or which fulfil key ecosystem services; (vi) and territories with socially, economically or culturally significant biodiversity for local communities. Primary forests or high conservation value forests must also be considered as critical habitats.

⁶⁸ PCBs (polychlorinated biphenyls) are a group of highly toxic chemical products that may be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950 to 1985.

⁶⁹ Any chemical component which reacts with, and destroys, the stratospheric ozone layer leading to the formation of holes in this layer. The Montreal Protocol lists Ozone Depleting Substances (ODS), their reduction targets and deadlines for phasing them out.

9. Production or sale⁷⁰:
 - a. of arms and/or ammunition;
 - b. of tobacco;
 - c. of strong alcohol intended for human consumption;
10. Gaming establishments, casinos or any equivalent undertaking^{71 72};
11. Any trade related to pornography or prostitution;
12. Any activity leading to an irreversible modification or significant displacement of an element of culturally critical heritage⁷³ or any activity leading to any risks and impacts on cultural heritage;
13. Production and distribution, or investment in, media that are racist, antidemocratic or that advocate discrimination against a part of the population;
14. Exploitation of diamond mines and marketing of diamonds where the host country has not adhered to the Kimberley Process;
15. Any sector or any service subject to an embargo by the United Nations, European Union and/or France in a particular country and with no absolute or relative restriction regarding the amount.
16. Any activity leading to land acquisition and involuntary resettlement.

10.2 Annex B – Screening checklist form

Each project under the Program will undergo environmental and social screening to:

- a. Determine whether project is excluded from the Program.
- b. Determine whether project meets the eligibility criteria for the program.

Name of project:	
Country:	
Project owner:	
Summary description project:	
Date of elaboration	

- Projects excluded from the Program: Please explain your answer for each item. If any of the following question is a "yes" answer the project is excluded from the program:

No.	Item	Fulfilled?		Explanation
		Yes	No	
1	Is the project included in AFD's Exclusion list (Annex A)?			
2	Does the project generate potential significant adverse environmental and/or social risks and impacts that,			

⁷⁰ To be excluded, these activities must represent more than 10% of the balance or amount being financed. In the event of a financial intermediary, these activities must not exceed 10% of the outstandings in their business portfolio.

⁷¹ Any direct financing of these projects or activities involving them (for example, a hotel including a casino). Urban improvement plans which could subsequently incorporate such projects are not affected.

⁷² "Critical cultural heritage" is considered to be any heritage element recognised internationally or nationally as being of historical, social and/or cultural interest

⁷³ Idem

	individually or cumulatively, are diverse, irreversible, or unprecedented (High risk Category A and Substantial risk Category B+) ⁷⁴ ?			
3	Does the project take place in protected areas, critical habitats and or sensitive areas or affect any modified, natural and critical habitats or legally protected and internationally recognized areas?			
4	Does the project involve any land acquisition?			
5	Is the site of the project occupied by people or activities, formal or informal? ⁷⁵			
6	Does the project take place or affect properties and sites of archaeological, historical, cultural, artists, and religious significance, that being tangible and intangible?			
7	Does the project generate contamination of land and groundwater from used or expended batteries?			

- Eligible projects must fulfill the following criteria⁷⁶:

No.	Item	Fulfilled?		Explanation
		Yes	No	
1	Does the project reduce GHG emissions relative to the baseline and have a positive sustainable development impact? ⁷⁷			
2	Does the project link to transport demand policies encouraging shift to public transport?			
3	Does the project demonstrate a transformational potential and increase ridership?			
4	Does the project comply with internal rate of return of minimum of 12%?			
5	Does the project compliance with relevant national and local laws and regulations and have country ownership?			
6	Does the project is realized in city which is planning to or in the process of modernizing and upgrading its public			

⁷⁴ Category A: Activities with potential significant adverse environmental and/or social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented. Examples of features of category A activities include: having large geographic scale; involving large-scale infrastructure; being located in valuable ecosystems and critical habitats; entailing adverse impacts to the rights, resources and lands of indigenous peoples; and entailing significant resettlement of affected peoples.

⁷⁵ Regarding involuntary resettlement (physical or economic displacement).

⁷⁶ Questions 1, 3, 4, 5, 7, 8, 12, 13 and 15 apply for components 2 and 3.

Question 2 applies for component 2.

Questions 6, 9, 10, 11 and 14 apply for component 3.

⁷⁷ The approach to be used is determined in Annex 22a and is based primarily on UNFCCC methodologies registered under the Clean Development Mechanism (CDM).

	transport system including initiatives to foster NMT and electric micro-mobility?			
7	Shall the project compliant with a gender action plan taking into account guidelines developed in Program-level gender action plan? (Annex 8 Funding Proposal)?			
8	Shall the project strive to generate employment and local economic development?			
9	Does the project only apply to full-electric battery-electric vehicles? ⁷⁸			
10	Does the project need to finance more than 30 EVs?			
11	Is the project located in an intermediate city? ⁷⁹			
12	Is the co-finance level of the project more than 40%?			
13	Which country is located the project? ⁸⁰			
14	Does the project finance by the private sector or as PPP? ⁸¹			
15	Is the project categorized as risk Category B ⁸² or C ⁸³ ?			

Note: No investment grants are given for e-bus investments under Component 3.

Each project under the Program will undergo SEAH screening to determine SEAH risks in the project. If any of the following question is a "yes" answer the project will develop a SEAH Action Plan (Annex N):

No.	Item	Fulfilled?		Explanation
		Yes	No	
1	During construction, could female workers be targeted for SEAH by male workers?			
2	Could Women, girls, and boys, or other vulnerable groups from the community be targeted for SEAH by construction workers?			

⁷⁸ Hybrid trolleybuses (trolleybuses with battery) can also be financed if they proof to be a more cost-efficient option than usage of battery-electric buses considering also infrastructure replacement and maintenance costs

⁷⁹ Cities which are not eligible under this criteria are: Colombia: Bogota, Barranquilla, Bucaramanga, Cali, Cartagena, Medellin, Pereira; Brasil: Belo Horizonte, Brasilia, Curitiba, Fortaleza, Manaus, Recife, Rio de Janeiro, Salvador, Sao Paulo; Peru: Lima; Mexico: Mexico City.

⁸⁰ In minimum 4 countries (indicative Brazil, Colombia, Mexico, and Peru) minimum 1 investment project with e-buses under Component 3 and in minimum 2 countries (indicative Brazil and Colombia) investments in upgrading PT and/or NMT infrastructure under Component 2 will be realized.

⁸¹ Indicative in Mexico.

⁸² **Category B.** Activities with potential limited adverse environmental and/or social risks and impacts that individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures. Activities related to FA under component 2 and 3 (e-buses, charging system, bus depot upgraded and grid system upgraded for charging system).

⁸³ **Category C.** Activities with minimal or no adverse environmental and/or social risks and/or impacts. Category C activities are typically those that have no physical elements or defined footprints. However, in certain contexts, activities that have physical elements or a footprint may also be considered as low risk, particular where the activities are small-scale, undertaken within an already built environment, do not involve physical and economic displacement of people or have minimal or no adverse impacts on indigenous peoples. Activities related to TA under component 1.

No.	Item	Fulfilled?		Explanation
		Yes	No	
3	During operation, could female transport workers be sexually harassed by male colleagues?			
4	During operation, could male supervisor use position of power to sexually harass female colleagues?			
5	During operation, could passenger experience threatening and unwelcome behaviour including sexual abuse and harassment while using public transport?			
6	Is the project categorized as risk Category B ⁸⁴ ?			

10.3 Annex C – Indicative Outline of Environmental and Social Impact Assessment

Environmental and social due diligence will be conducted under the responsibility of the project owner. For B category (moderate risks) projects financed under this program an ESIA is required. Environmental and social impact assessment (ESIA) is an instrument to identify and assess the potential environmental and social impacts of a proposed project, evaluate alternatives, and design appropriate mitigation, management, and monitoring measures.

Project owner (or its consultant) is expected to use its professional judgement to determine what issues (either listed below or additional) are relevant to the Project. The indicative outline of ESIA is the following.

1. Executive summary
 - Concisely discusses significant findings and recommended actions.
2. Legal and institutional framework
 - Analyzes the legal (national and local) and institutional framework for the project, within which the environmental and social assessment is carried out.
 - Identifies and assesses the environmental and social requirements of any co-financiers.
3. Project description
 - Concisely describes the proposed project and its geographic, environmental, social, and temporal context, including any offsite investments that may be required, as well as the project's primary suppliers.
 - Includes a map of sufficient detail, showing the project site and the area that may be affected by the project's direct and indirect impacts.
4. Environmental and social risks and impacts

⁸⁴ Category B. Activities with potential limited adverse environmental and/or social risks and impacts that individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures. Activities related to FA under component 2 and 3 (e-buses, charging system, bus depot upgraded and grid system upgraded for charging system).

- Takes into account all relevant environmental and social risks and impacts of the project (construction and operation phases)⁸⁵, including the production of hazardous waste, mainly due to recycling⁸⁶, reuse (second life)⁸⁷, and disposal⁸⁸ of expended electric vehicle batteries.
- 5. Mitigation measures
 - Identifies mitigation measures of all relevant and significant negative impacts and risks, , including the production of hazardous waste, mainly due to recycling, reuse (second life), and disposal of expended electric vehicle batteries.
- 6. Key measures and actions for the Environmental and Social Management Plan (ESMP). This will be used in developing the Environmental and Social Management Plan (ESMP) (Annex D).
- 7. Stakeholder Engagement Plan and Grievance Mechanism as per Annex E.
- 8. Appendices:
 - List of the individuals or organizations that prepared or contributed to the environmental and social assessment
 - Other annexes considered relevant.

10.4 Annex D – Indicative Outline of Environmental and Social Management Plan

Environmental and social management plan (ESMP) is an instrument that details (a) the measures to be taken during the implementation and operation of a project to eliminate adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures. Project owner (or its consultant)) is expected to use its professional judgement to determine what issues (either listed below or additional) are relevant to the Project. The indicative outline of ESMP is the following.

1. Description of mitigation measures:
 - a) Outlines the negative impacts of the project as described in the environmental and social impact assessment (ESIA), including the production of hazardous waste, mainly due to recycling, reuse (second life), and disposal of expended electric vehicle batteries.
 - b) Describes, with all necessary technical details, each mitigation measure, indicating the type of impact, the period concerned, the organism or people responsible of its implementation, including specifically mitigation measures for management of electric vehicle batteries (e.g. integral hazardous waste management program, training for hazardous waste handling, among others).
 - c) Assess the scope and costs of the measures as well as the institutional and training needs to implementing these measures, including specifically cost of mitigation measures for management of expended electric vehicle batteries.

⁸⁵ For example see section 5.2

⁸⁶ This will be done through the export of the lithium batteries to authorized recycling companies or to manufacturer. The participating countries, have in place facilities and have capabilities for collecting, conditioning and exporting batteries in order to allow the recycling of its main components.

⁸⁷ EV batteries can typically be re-used for surplus electricity storage purposes both at the commercial as well as the domestic level.

⁸⁸ The final disposal of the batteries must be clearly identified in the final design studies, and have the corresponding authorizations, when the local regulations indicate it. If the local legislation does not have specific regulations in this regard, the best international practices must be applied.

2. Implementation of environmental and social monitoring:

The objective of the environmental and social monitoring is (i) to verify that the environmental and social commitments taken by the project owner have been fulfilled, (ii) to give information on the main environmental and social issues of the project, above all on its impacts and (iii) to analyse the efficiency of the applied mitigation measures.

This information makes it possible to assess the success of the mitigation measures within the supervision of the project and to take, if necessary, corrective measures.

The ESMP defines monitoring objectives and precise monitoring methods, relative to the effects assessed in the ESIA report and mitigation measures described in the ESMP.

This part comprises:

- d) a precise description, with technical details, of the types of follow-up, indicators, supervising measures.
- e) a description of methods to implement monitoring: supervision procedures, drafting monitoring reports (regular monitoring, accident forms), organization required.

The objective is (i) to quickly detect conditions which require specific mitigation measures and (ii) give information on the progress made and on the outcomes within the framework of these measures.

3. Closing of site (decommissioning, if applicable):

When a project has a limited life or when the site closes, the ESMP provides for the measures required for site closure, at the end of project life.

It describes:

- the technical and operational conditions of this stoppage/closure,
- the possible conditions of dismantling equipment, buildings.

4. Organizational procedure:

ESMP gives a detailed description of the institutional provisions which are necessary for the implementation of the mitigation and monitoring measures, either during works or after completion of the project. It gives precise information on who (organisms or people) will be responsible for the implementation of these measures concerning for example, operating, supervision, checking of application, follow-up of implementation, corrective measures, financing, drafting reports and staff training.

Where applicable, ESMP covers the following subjects: a) technical assistance: b) procurement and c) organizational methods implemented by the project owner.

Proposals for strengthening the organization and capacities can be made in the ESMP. The implementation of an external expertise can be promoted to guarantee a suitable control of the implementation of ESMP.

5. Calendar for performance and cost estimation

For each of the three areas (pollution reduction, environment monitoring and organizational procedures), the ESMP provides:

- a) a calendar for performance of the mitigation measures, indicating their scheduling and their coordination with the execution plans of the project;
- b) an estimation of the investment and functioning costs,
- c) the origin of necessary funds for ESMP implementation.

10.5 Annex E – Indicative Outline of Stakeholder Engagement Plan, Grievance Mechanism, and information disclosure

Each project under the Program will require a Stakeholder Engagement Plan, including a grievance mechanism and information disclosure, including SEAH redress procedures or requirements. AFD will disclose on its website appropriate environmental and social information for each project under the Program.

Stakeholder engagement will be carried out in line with World Bank Group Environmental and Social Standards: ESS10 Stakeholder Engagement and Information Disclosure <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards>

A specific Grievance Mechanism should be produced for each project, in line with World Bank ESS10 – Annex 1 Stakeholder Engagement and Information Disclosure

The Outline of the Stakeholder Engagement Plan and Grievance Mechanism is the following:

1. Introduction
 - 1.1. Project presentation
 - 1.2. Project context
 - 1.3. Principles of stakeholder engagement related to the project
2. Applicable regulations related to stakeholder engagement
 - 2.1. Applicable national regulations and related requirements
 - 2.2. Applicable international standards and related requirements
 - 2.3. Other applicable standards
3. Analysis of project stakeholders
 - 3.1. Approach to stakeholder's identification
 - 3.2. Definition and proposed approach to groups of stakeholders
4. Activities related to stakeholder engagement
 - 4.1. Communications and information disclosure for the project and related studies
 - 4.2. Consultation activities carried out to date
 - 4.3. Activities and monitoring indicators for stakeholder engagement
5. Grievance redress mechanism
 - 5.1. Principles

5.2. Procedure

6. Survivor-centred and gender– responsive SEAH redress procedure or requirements⁸⁹
7. Disclosure information
 - 7.1.Principles
 - 7.2.Procedure (including disclosure processes for safeguard instruments for Category B projects to comply with AE’s and GCF’s Information Disclosure Policy as well as the requirements of the GCF RESP on disclosure of each project.
8. Monitoring and reporting for stakeholder engagement activities
 - 8.1. Monitoring
 - 8.2. Reporting of activities
 - 8.3. Annual reporting
9. Appendixes
 - 9.1. List of stakeholders
 - 9.2. Communications and information disclosure scheme
 - 9.3. Grievance redress scheme

10.6 Annex F – General analysis between national regulations and AFD’s environmental and social standards

This analysis shows that no relevant gaps were identified for all eight countries. These countries have national legislation in order to identify and mitigate potential environmental and social risks and impact within the Program, and cover the guidelines established in the World Bank's environmental and social standards (ESS) for ESS1 Assessment and Management of Environmental and Social Risks and Impacts, ESS2 Labor and Working Conditions, ESS3 Resources Efficiency and Pollution Prevention and Management, ESS4 Community Health and Safety, and ESS10 Stakeholder Engagement and Information Disclosure. For the remaining standards⁹⁰ are excluded because they do not apply to the Program. It is important to mention that for each project under this Program must comply with the applicable national and local regulations.

See Excel file attached

⁸⁹ Establish functional reporting mechanisms to receive SEAH related complaints from workers and community members. Reporting mechanisms should be the primary means of reporting for staff and community members affected by project related SEAH. However, staff of the project owner and community members may choose to use an executing or implementing agency’s reporting mechanism or report directly to AFD. They may report directly to AFD if they feel that, despite reporting through the project owner reporting mechanism, their case has not been satisfactorily handled, or where, after failed efforts with the project owner, they feel that reporting via these mechanisms is in the public good (such as where large numbers of SEAH incidents are occurring within a project with no or ineffective action). Alternative routes to reporting should be included in promotional material and communication plans and in staff training courses.

⁹⁰ ESS5: Land Acquisition, restrictions on land use and involuntary resettlement; ESS6: Biodiversity conservation and sustainable management of living natural resources; ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities, and ESS8: Cultural Heritage.

10.7 Annex G – Outline for developing Sociocultural Analysis (SCA) and Indigenous People Plans

The following items could serve as a starting point for the elaboration of the SCA:

- Analysis of the legal framework related to Indigenous Peoples: Identification of the main applicable instruments, from national legislation as well as international conventions ratified and subscribed to by the country, and principles and guidelines established in the Updated Gender and IP Policy of the GCF.
- Characterization of the Indigenous communities: Detailed description and analysis of the Indigenous population located in the area of influence (direct and indirect) of the project. Based on this characterization, the analysis will determine whether it is necessary to expand the indirect area of influence of the project in specific places, justifying the reasons why it should be expanded.
- Community structure and institutional functioning: Norms, values, rules, customs, behaviors and decision-making mechanisms that have been institutionalized through inter and intra-group relations, relevant for the project, to take into account in the public consultations and the management measures to be proposed.
- Gender aspects: Identification of gender dynamics as an integral part of the SCA, identifying sociocultural patterns such as the exclusion of women from decision-making processes or public life, economic or professional life, harmful attitudes or practices towards women and girls (like their exclusion from education), physical violence against women (whether by strangers, acquaintances, or intimate partners), using both qualitative and quantitative data and indicators. Identify special measures necessary to ensure that women and girls participate in decision-making processes about the project like the public consultation. It would also be important to analyze if as a result of the project there could be negative impacts differentiated by gender, or worse for women and girls than for men and boys, or if preexisting gender inequalities could be exacerbated as a result of the project.
- Symbolic aspects: characterization of values, norms, traditions, customs, beliefs, aspirations and attitudes of the community related to the project, with special emphasis on ceremonial sites and other places with symbolic meaning for the population.
- Social vulnerability analysis: Situation of the Indigenous population in the area of the project according to its levels of socioeconomic vulnerability, historic and cultural vulnerability, linking that situation with potential risk of exclusion from the potential benefits of the project.
- Population expectations: Aspirations, perceptions, and attitudes towards the sub-project within the Indigenous communities, including the history of interactions with the agencies of the public sector and the level of confidence or distrust that Indigenous communities have in them. Production and connection with the regional commercial system. Analysis of how the changes generated by the project could provoke changes in the interactions between the Indigenous population and agents related to the commercialization of products and subsistence activities currently existing in Indigenous communities.

- Existing liabilities and contextual risk: Identification of the presence of potential sociopolitical liabilities and risks associated with the context in which a project will be constructed and operate
- Risks of physical, territorial, or cultural integrity of the potentially affected population, including natural resources, food security, rights, economy, identity, etc.
- Possible impacts generated by the presence of construction workers. Analyze the possible risks associated with the construction works (health, accidents, unwanted pregnancies, etc.), with particular emphasis on the behavior of personnel of the contractors in their interactions with the local Indigenous population.
- Cultural changes and generational disruption: Analyze the internal cultural changes and tensions that could be generated or identified because of the project, in the framework of the changes that the project could introduce or intensify.
- Risk of conflict. Identification of latent conflicts and potential new conflicts that could be generated or intensified because of the project.
- Potential indirect impacts related to tenancy and use of lands. Analyze the principal threats in this area that could be created or intensified because of the project, including land titling issues, rent or leasing, invasion of Indigenous lands, ancestral territories they aspire to recover, etc.
- Other risks and possible adverse social impacts, including direct, indirect, and accumulative, induced or residual impacts on Indigenous communities.
- Public consultations with Indigenous Peoples. These consultations should be socio-culturally appropriate, preferably using one or more Indigenous facilitators, ensuring that those people that don't speak Spanish (or Portuguese, in the case of Brazil) have the opportunity to form questions and express their opinions and concerns; that they are held at times and in spaces that are accessible to the local Indigenous population, and that they respect the decision-making mechanisms of the Indigenous groups.
- Indigenous Peoples Plan. Inclusion of specific measures to reduce, mitigate and/or compensate the potential impacts on Indigenous communities, following the mitigation hierarchy discussed in this note. Compensation does not necessarily mean economic compensation, but mainly replacement of the affected functionality or replacement in kind, as in land for land. The impacts identified should be associated with the mitigation measures, clearly explaining the relation between the impacts and the measures. This plan, and its measures, should have an assigned budget, tentative timeline, required personnel to execute them, institutional responsibilities, among other practical details that facilitate its eventual implementation.
- Monitoring of Sociocultural Aspects: Definition of sociocultural indicators that serve as a baseline for eventual monitoring of changes generated by the project, defining a monitoring system specifically for Indigenous communities, analyzing the possibility of implementing participatory monitoring systems, when that is practical.
- Field visits: To write the sociocultural analysis, and to gather the primary information related to Indigenous communities required, there should be field visits to the Indigenous communities in the direct and indirect area of influence of the project, in coordination with the executing agency, and advising the executor to carry out the specific consultations with Indigenous Peoples.

10.8 Annex H – Applicability of IFC Performance Standards to the Program

The applicability of IFC PSs for the AFD-GCF Program is summarized in the table below.

IFC Performance Standards	Objectives	Applicability
PS1. Assessment and management of environmental and social risks and impacts	<ul style="list-style-type: none"> • To identify and evaluate environmental and social risks and impacts of the project. • To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize, and where residual impacts remain, compensate/offset for risks and impacts to workers, affected communities, and the environment. • To promote improved environmental and social performance of clients through the effective use of management systems. • To ensure that grievances from affected communities and external communications from other stakeholders are responded to and managed appropriately. • To promote and provide means for adequate engagement with affected communities throughout the project cycle on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated. 	<p>Yes.</p> <p>Eligible projects under the Program are required to establish an environmental and social management system appropriate to nature and scale of the project. PS1 aims at identifying risks and defining appropriate measures for projects in the Program. Also, PS1 requires capacity, and monitoring and reporting.</p> <p>Particular focus is put on stakeholder engagement, including the participation of relevant stakeholders in grievance mechanisms.</p> <p>The Program finances a financing only category of projects, including high risk “category A” projects.</p>
PS2. Labor and working conditions	<ul style="list-style-type: none"> • To promote the fair treatment, non-discrimination, and equal opportunity of workers. • To establish, maintain, and improve the worker-management relationship. • To promote compliance with national employment and labor laws. • To protect workers, including vulnerable categories of workers such as children, migrant workers, workers engaged by third parties, and workers in the client’s supply chain. • To promote safe and healthy working conditions, and the health of workers. • To avoid the use of forced labor. 	<p>Yes.</p> <p>Projects supported by the Program are required to provide proper labor and working conditions. In addition, all projects are required to be applicable during both construction and operation. (e.g., construction may be required for stations, grid connection upgrades.) and implementation.</p>
PS3. Resource efficiency, pollution prevention and reduction	<ul style="list-style-type: none"> • To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities • To promote more sustainable use of resources, including energy and water. • To reduce project related GHG emissions. 	<p>Yes.</p> <p>Environmental and social impact assessments are required to be conducted on projects to identify possible negative impacts on communities and the environment, and the use of natural resources and consumption.</p> <p>Note: Environmental impacts are not significant under the Program. Construction may be required for stations, grid connection upgrades. Minor impacts on natural resources due to construction.</p>
PS4. Community health, safety and security	<ul style="list-style-type: none"> • To anticipate and avoid adverse impacts on the health and safety of the affected community during the project life from both routine and non-routine circumstances. • To ensure that the safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimizes risks to the affected communities. 	<p>Yes.</p> <p>Environmental and social impact assessments are required to be conducted on projects and will consider community health, safety and security aspects on projects.</p>

IFC Performance Standards	Objectives	Applicability
PS5. Land acquisition and involuntary settlement	<ul style="list-style-type: none"> • To avoid, and when avoidance is not possible, minimize displacement by exploring alternative project designs. • To avoid forced eviction. • To anticipate and avoid, or where avoidance is not possible, minimize adverse social and economic impacts from land acquisition or restrictions on land use by (i) providing compensation for loss of assets at replacement cost and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected. • To improve, or restore, the livelihoods and standards of living of displaced persons. • To improve living conditions among physically displaced persons through the provision of adequate housing with security of tenure at resettlement sites. 	No. Land acquisition and involuntary settlement are not expected under the Program. Projects that involve involuntary resettlement are excluded.
PS6. Biodiversity conservation and sustainable management of living natural resources	<ul style="list-style-type: none"> • To protect and conserve biodiversity. • To maintain the benefits from ecosystem services. • To promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs and development priorities. 	No. Eligible projects under the Program are not expected to affect any modified, natural, or legally protected and conserved areas. The Program will exclude projects that require any modification to natural or legally protected and conserved areas.
PS7. Indigenous peoples	<ul style="list-style-type: none"> • To ensure that the development process fosters full respect for the human rights, dignity, aspirations, culture, and natural resource-based livelihoods of indigenous peoples. • To anticipate and avoid adverse impacts of projects on communities of indigenous peoples, or when avoidance is not possible, to minimize and/or compensate for such impacts. • To promote sustainable development benefits and opportunities for indigenous peoples in a culturally appropriate manner. • To establish and maintain an ongoing relationship based on Informed Consultation and Participation (ICP) with the indigenous peoples affected by a project throughout the project's life-cycle. • To ensure the Free, Prior, and Informed Consent (FPIC) of the Affected Communities of indigenous peoples when the circumstances described in this performance standard are present. • To respect and preserve the culture, knowledge, and practices of indigenous peoples. 	No. Eligible projects under the Program are not expected to affect indigenous peoples. The Program will exclude projects that affect indigenous peoples.
PS8. Cultural heritage	<ul style="list-style-type: none"> • To protect cultural heritage from the adverse impacts of project activities and support its preservation. • To promote the equitable sharing of benefits from the use of cultural heritage. 	No. Eligible projects under the Program are not expected to affect properties and historical, cultural, artistic, or scientific significance. The Program will exclude projects that affect cultural heritage.

All projects will comply with the SEAH provisions specified the GCF RESP⁹¹.

⁹¹<https://www.greenclimate.fund/document/revised-environmental-and-social-policy>

10.9 Annex I – AFD E&S Policy key principles

Principles: The principles set out below apply throughout the appraisal and implementation of all AFD-funded operations, on an ongoing basis and in partnership with the beneficiaries of financing and contracting authorities. It involves taking into account the environmental and social issues as early on as possible, right from the design stage and in the implementation of operations, in order to define appropriate measures to avoid, reduce and, where necessary, offset their significant adverse environmental and social impacts.

Due diligence: AFD conducts due diligence on all the projects submitted to its financing that fall within the scope of application of the present policy. This due diligence analyzes the environmental and social risks and impacts during the ex ante assessment of the operation, in a manner adapted to the nature and scale of the operation and proportional to the levels of these risks and impacts. This due diligence assesses whether the project is likely to be developed and implemented in compliance with AFD's environmental and social performance targets. It thereby supports the decision-making process for the financing of the operation and, in the event that the financing is approved, the client's integration of the environmental and social aspects into the programming and implementation of the operation. AFD's due diligence requires documentary work, but also, depending on the needs, field visits.

Integrated approach: AFD, in line with its existing practices, bases its due diligence on an analysis combining both the environmental and social risks and impacts. For each operation analyzed, the assessment of the risks and impacts also takes into account the vulnerability of the various human groups potentially affected.

Responsibility of the client: the client is responsible for conducting the environmental and social assessment of its project. It mobilizes the expertise and environmental and social resources required at the various stages of the project implementation (feasibility, detailed design, preparation, construction, operation, decommissioning) and contractually commits to respect the environmental and social performance targets agreed during the appraisal of the financing and set out in the financing agreement with AFD. The client monitors and documents the application of the environmental and social management measures during the implementation of the project activities. It also implements the preventive actions required to remove the potential causes of a failure and the remedial actions required when a failure is identified. It regularly informs AFD about this through periodic progress reports. AFD assists the client in defining its environmental and social objectives and verifies their implementation throughout the project cycle.

Categorization of the environmental and social risk: AFD analyzes and classifies all potential projects into High – Substantial – Moderate – Low environmental and social risks, depending on the extent of the potential risks borne by the operation. The classification takes into account the nature and scale of the operation, the location and sensitivity of the affected area, the severity of the potential environmental and social risks and impacts, as well as the client's capacity to manage them. This classification aims to determine the nature and depth of the environmental and social assessment required and the level of environmental and social standards the project will be required to comply with, as well as the needs to engage stakeholders and the level of information

required.

Practice of categorization: for each operation, AFD conducts a categorization, right from the identification stage, of the expected intensity of its most sensitive component from an environmental and/or social perspective. In this classification process, AFD takes into account the direct, indirect, cumulative and induced risks and impacts in the area of influence of the operation. Should the operation be particularly complex, AFD completes the existing assessments by conducting its own field analysis in order to have a more detailed approach to the potential risks and impacts and be able to provide the most effective support to the project's contracting authority.

Analysis of the documentation: AFD's financing decision is based on a preliminary analysis of the environmental and social assessment documentation. It involves a detailed Environmental and Social Assessment (ESA) for projects in both the High and Substantial Risks category. It may be in a simplified form (e.g. a specific chapter of the feasibility study) for those in the Moderate Risks category. Generally speaking, no environmental and social assessment is required for projects in the Low Risks category.

The detailed ESA is conducted at the same time as the feasibility study. It is submitted to the consultation of the persons and groups potentially affected and aims to allow the preparation of an Environmental and Social Management Plan (ESMP). In the event of an involuntary physical and/or economic displacement, the ESMP is complemented with a Resettlement Action Plan (RAP).

The objectives and content of the detailed ESA, ESMP and RAP comply with the provisions of the World Bank's Environmental & Social Standard for the Assessment and Management of Environmental and Social Risks and Impacts. For High Risk operations, the detailed ESA, as well as the related environmental and social management documents (e.g.: ESMP, RAP), are analyzed and must be validated by AFD prior to the financing approval. For operations with Substantial or Moderate Risks, the ESA must be available and validated prior to the financing approval. For the three categories, the studies are completed with an Environmental and Social Commitment Plan.

Environmental and Social Commitment Plan (ESCP): for projects classified as having High, Substantial or Moderate risks, AFD requires the client to formalize the project's environmental and social commitments in a document called the Environmental & Social Commitment Plan. The ESCP is developed to set out briefly, in a single document laid out in table format, the measures and actions required for the project to comply with the environmental and social performance targets applied by AFD, according to a specific timetable and deemed satisfactory to AFD. The ESCP also gives details about the sources of financing for the implementation of the measures defined. The ESCP is prepared in a draft form during the appraisal phase. The plan is finalized by AFD and the client, taking into account the due diligence conducted during the appraisal and the outcomes of the stakeholder consultations. The ESCP is finalized prior to the financing approval and is annexed to the financing agreement. The document is part of the legal documentation for High, Substantial or Moderate Risk projects. The financing agreement supports the provisions of the ESCP by setting out any conditions precedent to disbursement that need to be fulfilled prior to any disbursement by AFD.

Environmental and social reference standards: pursuant to the Paris Declaration on Aid Effectiveness promoting Donor alignment and coordination, AFD has adopted the World Bank's prevailing environmental and social operational standards. These standards apply to projects with environmental and social risks categorized as High or Substantial. For other operations, the projects must be appraised and implemented in compliance with the prevailing national environmental and social regulations in the country where the operation takes place. Compliance with the environmental and social standards defined above is the objective of the environmental and social performance applied to AFD-funded operations.

Other reference documents: the projects submitted by contracting authorities must also be implemented in compliance with the World Bank Group's Environmental, Health and Safety Guidelines (EHSG). These are reference technical documents, with general and specific examples of international good practices in the industry.

Stakeholder participation-consultation: for High and Substantial risk projects, the analyses conducted (ESA, ESMP, RAP) must be subject to a free, prior and informed consultation of the people potentially affected by the project, the central and local administrations impacted and civil society representatives involved in environmental and social issues. This consultation process is organized and financed by the client and may be conducted at various stages of the assessment process, in line with national regulations. Conclusions must be used in the final drafting of the assessment reports submitted for AFD's approval.

The initial consultation must be conducted in a transparent manner and must be accessible to all persons potentially affected by the project, particularly vulnerable populations. Stakeholders will be consulted in a culturally appropriate manner, using appropriate languages and cultural and educational references. For the riskiest projects, or when these projects are subject to major revisions or amendments, consultations of people potentially affected may also be conducted during the implementation phase, on a case-by-case basis.

Disclosure of information: once the environmental and social documents have been approved by AFD, especially the ESA, ESMP and/or RAP, for transparency and accountability purposes, in particular towards the main stakeholders, the client will be encouraged to make these documents available to the public, in accessible areas in the country and on Internet. AFD will, where required, provide support for disclosing such information. The timeline for consultation must allow time for collecting relevant feedback from the persons or groups who have accessed these documents. When major revisions to the key documents (ESA, ESMP, RAP) are required during the implementation of a project, the client will also be encouraged to disclose updates in the country and on Internet.

Monitoring and implementation support: AFD expects its clients to implement the environmental and social measures set out in the various plans (ESCP, ESMP, RAP, etc.), which are referred to in the financing agreements, in compliance with the required deadlines. Throughout project implementation, the client reports to AFD on the implementation of the planned environmental and social measures, in accordance with the project documents, the progress in implementing mitigation measures and results achieved. To do so, the client may hire a consultant/group of independent consultants to check that commitments have been fulfilled, that

the implementation of the environmental and social measures of the project is indeed being monitored, and that adjustments are made to planned measures should they prove to be inefficient. AFD's environmental and social experts may also be involved in the monitoring where required. Based on the monitoring indicators included in the ESMP and/or the ESCP, and thanks to the periodic progress reports submitted to AFD, AFD assesses the monitoring results of the commitments made by the client.

In the event of non-compliance with commitments made, AFD will assist the client in finding solutions to manage the environmental and social risks and impacts, and ensure that the contractual clauses of the financing agreement are complied with.

Handling of environmental and social complaints: for projects classified as High and Substantial risks, the client will, at the minimum, need to set up and fund a grievance redress mechanism while providing it with adequate resources. This system will be widely advertised, in appropriate languages and forms, and be easily accessible to potentially affected people. To the extent possible, a project-level grievance redress mechanism will also work in conjunction with AFD's own environmental and social complaints mechanism. AFD will systematically and in real time be kept informed of the functioning of the mechanism and, for each complaint, be updated on the status of the resolutions. Periodic reports are expected to mention the activity results of the client's grievance redress mechanism.

AFD has set up its own environmental and social complaints mechanism, which is open to third parties. This mechanism aims to ensure an independent handling of complaints about the environmental and social impacts induced by AFD-funded projects. A complaint may be submitted to this mechanism by anyone affected by an AFD-funded project.

Management of later amendments: amendments to the nature and scope of a project may occur after financing approval has been granted by AFD. These amendments may have significant environmental and/or social implications. In such case, AFD will conduct environmental and social due diligence on these amendments. Should AFD conclude that new stakeholder consultations and/or new environmental and social mitigation measures are required to comply with the present policy and its related procedures, AFD will ask the client to integrate these measures into the funded operation.

Development Policy Loans: the Environmental and Social Risk Management Policy also applies, with adequate tools, to the sectoral budget support and development policy loans funded by AFD – financing which does not go directly to tangible investments but, in particular, to economic, subregional and sectoral policy reforms or to other policy reforms that are likely to generate significant negative environmental and/or social impacts. In this case, tools such as strategic environmental and social impact assessments or other environmental and social assessment methods may be used. Furthermore, the technical assistance programs associated with such budget support may include an Environmental and Social component.

Delegated funds: in terms of the management of funds for which AFD is accredited by another institution, AFD will make its best efforts, possibly in consultation with the other funder or delegator, to ensure that the environmental and social risk management process is implemented

for each project and compatible with both environmental and social standards of the delegator and AFD. AFD will also make its best efforts to ensure that the reporting conducted on this financing “for others” complies with the respective expectations.

Cofinancing operations: to avoid excessive environmental and social due diligence, AFD makes every effort to agree on a common approach for the assessment and management of the project’s environmental and social risks with the cofinancier(s). If AFD is not the coordinator of the financing, AFD assesses the environmental and social documents produced under the responsibility of the client and/or lead funder. AFD may request additional information and/or implement complementary due diligence (i) if it decides that some of the planned provisions are not sufficient in view of the issues identified, and/or (ii) if the components subject to its financing have environmental and social issues which require specific due diligence. When AFD is the lead or coordinator of the financing, AFD procedures are used for the due diligence required by the cofinancier and implemented by the client.

Financial intermediation: for projects with financial intermediaries, AFD ensures that the funded institution implements an Environmental and Social Management System that complies with the principles set out in the present policy.

When the financial institution concerned does not comply with AFD’s requirements, measures to improve the Environmental and Social Management System are set out in an Environmental and Social Action Plan, listing the measures that will enable the financial institution to comply with the required standards and procedures. Technical assistance resources may be mobilized to assist the financial institution in complying with AFD requirements. Financing in the French overseas territories: in OECD high-income countries, the Equator Principles mention that national regulations meet the requirements of World Bank Group standards. In line with these principles, AFD ensures that the funded operations comply with regulations. A classification is made for all non-budget financing according to the environmental and social risk, in three categories (High, Moderate and Low risks).

Validity and revision of this policy: this policy was adopted on 13 July 2017 and will apply for 3 years following its adoption (unless it is amended, if necessary). Towards the end of this period, an internal audit will be conducted to assess its application and identify the points which need to be updated, introduced or removed. On this basis, a new policy may once again be drafted, adopted and implemented for a period to be determined in due time.

10.10 Annex J– Components, activities, description, sub-activities, and deliverables

The following are the activities linked to Component 1 focused on the establishment of a sustainable mobility ecosystem encouraging electrification and shift to public transport (TA)

Activities	Description	Sub-activities	Deliverables
Activity 1.1.1 Implement a local e-mobility	Realize policy advice, training and CB on areas conducive to commercial EV	1.1.1.1 Support the development or update of sustainable urban mobility plans (SUMPs) 1.1.1.2. Advisory on the integration of non-motorised transport	1.1.1.1. Promoted in all investment projects 1.1.1.2. Promoted in all cities with investment projects

Activities	Description	Sub-activities	Deliverables
conducive framework	deployment at the local level	<p>1.1.1.3. Support of enabling public policies for demand management policies</p> <p>1.1.1.4. Advisory on optimal technology solutions for the local context</p> <p>1.1.1.5. Development and advisory services on optimal business models, and financial structuring and concession contracts which relate to the particularities of EVs</p> <p>Advice on concession contracts conducive for improved transport services and e-bus deployment</p> <p>1.1.16 Support of enabling public policies for demand management policies and EV deployment & integration</p> <p>1.1.17. Capacity building & training of EV operators of (drivers, maintenance staff), FIs, and safety staff</p> <p>1.1.1.8. Realize knowledge materials (publications, webinars) on demand management policies and commercial EV deployment</p>	<p>1.1.1.3. Promoted in all cities with investment projects</p> <p>1.1.1.4. Training courses realized with each investment project</p> <p>1.1.1.5. Per project invested at least 1 knowledge management product</p>
Activity 1.1.2. Implement a national e-mobility conducive framework	Realize policy advice, training & CB on areas conducive to commercial EV deployment at the national level	<p>1.1.2.1. Advisory on national urban mobility programmes and Sectoral roadmaps for commercial EVs</p> <p>1.1.2.2. Promote sustainable mobility demand management policies and regulations incl. electrification and shift</p> <p>1.1.2.3. Promote electrification policies and regulations</p> <p>1.1.2.4. Advice on battery re-usage, recycling and disposal policies</p> <p>1.1.2.5. Realize knowledge materials (publications, webinars) on demand management policies and commercial EV deployment CB at national level</p> <p>1.1.2.6. Develop training courses, guidelines and curricula for vocational training</p>	<p>1.1.2.1. 13 sectoral roadmaps</p> <p>1.1.2.2. Policy advice in 7 countries</p> <p>1.1.2.3. Battery policy regulation prepared in 7 countries</p> <p>1.1.2.4. CB activities at the national level for government officials & other stakeholders at a national level</p>
Activity 1.1.3. Implement a regional e-mobility conducive framework	Realization of KM products and policy dialogue on a national and regional level	<p>1.1.3.1. Realize Disseminate knowledge materials (publications, webinars, benchmark studies, best practice studies) on sustainable mobility transformation and EV deployment</p> <p>1.1.3.2. Dialogue with EV suppliers</p> <p>1.1.3.3. Outreach events Disseminate training course guidelines and curricula</p>	<p>1.1.3.1. KM publications on different topics</p> <p>1.1.3.2. Continuous dialogue</p> <p>1.1.3.3. 3 regional outreach events</p>
Activity 1.1.4. Implement a GAP	Implementation of GAP activities.	<p>1.1.4.1. Usage of a gender perspectives including mainstreaming of the same when designing and reviewing roadmaps and policies for different EV segments.</p> <p>1.1.4.2. Increased awareness about gender equality gaps and opportunities in EV sector</p> <p>1.1.4.3. Increase knowledge on how to include gender perspective in Urban Transport projects via CB online</p>	<p>1.1.4.1 100% of policies and roadmaps supported by the Program are reviewed with a gender perspective</p> <p>1.1.4.2.a 80% of capacity building activities of the facility include awareness on gender equality and urban transport</p> <p>1.1.4.2.b 30 % of participants of the exchange platform attending trainings</p>

Activities	Description	Sub-activities	Deliverables
		<p>1.1.4.4. South-to-South learning from best practices in the region (e.g. “Bajale al acoso” Quito) implemented</p> <p>1.1.4.5. Design of a communication campaigns about sexual harassment and protocols of attention in public transport</p> <p>1.1.4.6. Include gender perspective in the investment plans</p> <p>1.1.4.7. Improved sex disaggregation of data collected on urban transport</p> <p>1.1.4.8. Improved women’s access to jobs</p> <p>1.1.4.9. Raise awareness on sexual harassment in public transport through capacity building</p> <p>1.1.4.10 Promotion of gender equality at the work place</p>	<p>and capacity building activities on EV are women</p> <p>1.1.4.2.c 1 regional network on women in e-mobility to share and exchange experiences, promote mentorship and produce knowledge, is supported and strengthened</p> <p>1.1.4.3. 1 online module of training on Gender and Urban Transport is elaborated, with participation of at least 1 representative from the local public authority in each city where an investment of the program is foreseen</p> <p>1.1.4.4 1 South-to-South learning visit to best practices in the region</p> <p>1.1.4.5 1 Public communication campaigns about sexual harassment and protocols of attention in public transportation is developed</p> <p>1.1.4.6. 100% of projects financed include a Gender Equality Strategy with a GAP which contains specific and measurable activities</p> <p>1.1.4.7. 100% of urban passenger transport projects whose user’s data systems collects and presents data disaggregated</p> <p>1.1.4.8. 80% of projects with direct finance by the Program guarantee at least 30% of skilled jobs related directly to the project are reserved for women, with special attention to measures that can attract and retain women in the industry</p> <p>1.1.4.9.a 100% of public transport projects financed by the Program include activities (communication campaign and workshops) aiming at preventing sexual harassment</p> <p>1.1.4.9.b 100% of projects financed by the Program have reporting systems designed for victims of sexual harassment in collaboration with local authorities</p> <p>1.1.4.10.a One workshop on gender equality and work-life balance for each public transport project financed by the Program</p> <p>1.1.4.10.b 100 % of public transport projects financed by the Program include annual surveys on work-life balance to their staff and sharing the results</p>

Activities	Description	Sub-activities	Deliverables
			1.1.14.10.c 100% of public transport projects financed by the Program with one focal point in charge of gender equality
Activity 1.1.5 Project sourcing, structuring and monitoring	Source and prepare projects Project monitoring	1.1.5.1 Project sourcing 1.1.5.2 Project preparation 1.1.5.3 Project monitoring	Per investment project Annual monitoring reports

The following are the activities linked to **Component 2** focused on investive measures for PT mode shift (FA)

Activities	Description	Sub-activities	Deliverables
Activity 2.1.1 Implement urban mobility measures to foster PT	Design and implement measures for PT enhancement	2.1.1.1 Feasibility report (problems, options, feasibility) 2.1.1.2 Financial structure and implementation structures 2.1.1.3 Tendering 2.1.1.4 Implementation	Measures in 2 cities

The following are the activities linked to **Component 3** focused on the deployment of EV fleets (FA)

Activities	Description	Sub-activities	Deliverables
Activity 2.2.1 Deployment of e-buses	Design and implement e-bus systems bus component	2.2.1.1 Feasibility report 2.2.1.2 Financial structure and implementation structures 2.2.1.3 Tendering 2.2.1.4 Implementation	850 e-buses in 4 cities
Activity 2.2.2. Deployment of charging infrastructure	Design and implement e-bus systems charging component	2.2.2.1 Feasibility report in coordination with 2.2.1 2.2.2.2 Financial structure and implementation structures 2.2.2.3 Tendering together with 2.2.1 2.2.2.4 Implementation together with 2.2.1	Charging system for 850 e-buses in 4 cities
Activity 2.2.3. Implement bus depot upgrades for e-buses	Design and implement e-bus systems bus depot component	2.2.3.1 Feasibility report in cooperation with 2.2.1 and 2.2.2 2.2.3.2 Financial structure and implementation structures 2.2.3.3 Tendering 2.2.3.4 Implementation	Bus depot upgraded for 850 e-buses in 4 cities
Activity 2.2.4. Implement grid upgrades for connecting e-bus chargers	Design and implement e-bus systems grid component	2.2.4.1 Feasibility report in cooperation with 2.2.1 and 2.2.2 and 2.2.3 2.2.4.2 Financial structure and implementation structures 2.2.4.3 Tendering 2.2.4.4 Implementation	Grid system upgraded for charging system for 850 e-buses in 4 cities

Initial indicative program pipeline

The initial indicative Program pipeline includes 4 investment projects (among which 50% in secondary cities) to be realized in 2023/2024 covering the total available FA. The Technical Assistance activities of the Program concerning the regional, national and local level will be implemented by GIZ, and AFD will implement Technical Assistance for Projects feasibility studies and to structure projects from an operational, financial and legal perspective. The following table shows the indicative projects to be financed.

Country, city	# e-buses
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Brazil, Florianopolis ⁹²	aprox. 300 e-buses
Colombia, secondary cities ⁹³	aprox. 280 e-buses
Mexico, Sinaloa	200 1e-buses
Peru, Arequipa	aprox. 80 e-buses

10.11 Annex K – Template ESCP

⁹² Includes PT investments

⁹³ Includes PT investments

Environmental and Social Commitment Plan

Theme		Expected Action		Resources & Responsibilities	Funding sources	Calendar: Conception & Implementation	Indicators of achievement
1. Assessment and Management of Environmental and Social Risks and Impacts							
1.1 Project E&S Categorization							
1.2 Evaluate alternatives							
1.3 Environmental & Social Assessment							
1.4 Environmental & Social Management System (ESMS)							
1.5 Environmental & Social Management Plan (ESMP)							
1.6 Organizational capacity & Commitment							
1.7 Management of Enterprises & Contractors							
1.8 Project Monitoring and Disclosure of Information							
1.9 Definition of budget for E&S mitigation measures implementation							
2. Labor and Working Conditions							
2.1 Terms and Conditions of Employment							
2.2 Non-Discrimination and Equal Opportunity							
2.3 Worker's Organizations							
2.4 Labor protection: child labor and forced labor							
2.5 Grievance Mechanism							
2.6 Occupational Health and Safety							
2.7 Contracted workers							
2.8 Workers in Community Labor							

Theme		Expected Action		Resources & Responsibilities	Funding sources	Calendar: Conception & Implementation	Indicators of achievement
3. Resource Efficiency and Pollution Prevention and Management							
3.1 Energy Use							
3.2 Water Use							
3.3 Raw Material Use							
3.4 Air Pollution							
3.5 Management of Hazardous and Non-hazardous Wastes							
3.6 Management of Chemicals and Hazardous Materials, including the production of hazardous waste, mainly due to recycling, reuse (second life), and disposal of expended electric vehicle batteries.							
3.7 Pesticide Management							
4. Community Health and Safety							
4.1 Infrastructure and Equipment Design and Safety							
4.2 Safety of Services							
4.3 Traffic and Road Safety							
4.4 Impacts on Ecosystem Services							
4.5 Community Exposure to Health Issues							
4.6 Management and Safety of Hazardous Materials							
4.7 Emergency Preparedness and Response							
4.8 Security Personnel							
5. Land Acquisition, Restrictions on Land Use and Involuntary Resettlement							
5.1 Project Design (resettlement minimization)							
5.2 Compensation and Benefits for Affected Persons							

Theme		Expected Action		Resources & Responsibilities	Funding sources	Calendar: Conception & Implementation	Indicators of achievement
5.3 Community Engagement							
5.4 Grievance Mechanism							
5.5 Planning and Implementation							
5.6 Physical Displacement							
5.7 Economic Displacement							
5.8 Collaboration with Other Responsible Agencies or Subnational Jurisdictions							
5.9 Technical and Financial Assistance							
6. Biodiversity Conservation and Sustainable Management of Living Natural Resources							
6.1 Assessment of Risks and Impacts on habitats and biodiversity							
6.2 Biodiversity Conservation: attenuation, habitats, compensation							
6.3 Legally Protected and Internationally Recognized Areas of Biodiversity Value							
6.4 Invasive Alien Species							
6.5 Sustainable Management of Living Natural Resources							
6.6 Primary Suppliers and supply chains							
7. Indigenous Peoples (IPs)							
7.1 Projects Designed Specifically to Benefit Indigenous Peoples							
7.2 Providing Equitable Access to Project Benefits							
7.3 Avoidance or Mitigation of Adverse Impacts on IPs							
7.4 Meaningful Consultation Tailored to Indigenous Peoples							
7.5 Free, Prior and Informed Consent (FPIC)							

Theme		Expected Action		Resources & Responsibilities	Funding sources	Calendar: Conception & Implementation	Indicators of achievement
7.6 Impacts on Lands and Natural Resources Subject to Traditional Ownership or Under Customary Use or Occupation							
7.7 Relocation of Indigenous Peoples from Lands and Natural Resources Subject to Traditional Ownership or Under Customary Use or Occupation							
7.8 Cultural Heritage							
7.9 Mitigation and Development Benefits							
7.10 Grievance Mechanism							
7.11 Indigenous Peoples and Broader Development Planning							
8. Cultural Heritage							
8.1 Identification of cultural heritage							
8.2 Legally Protected Cultural Heritage Areas							
8.3 Archaeological Sites and Material							
8.4 Built Heritage							
8.5 Natural Features with Cultural Significance							
8.6 Movable Cultural Heritage							
8.7 Commercialisation of Cultural Heritage							
9. Financial Intermediaries (FI)							
9.1 FI Environmental and Social Procedures							
9.2 FI Environmental and Social Procedures							
9.3 Stakeholder Engagement							
9.4 Reporting to AFD							
10. Stakeholder Engagement and Information Disclosure							

Theme		Expected Action		Resources & Responsibilities	Funding sources	Calendar: Conception & Implementation	Indicators of achievement
10.1 Stakeholder Identification and Analysis							
10.2 Stakeholders engagement plan							
10.3 Information disclosure							
10.4 Meaningful consultation							
10.5 Engagement during Project Implementation and External Reporting							
10.6 Grievance Mechanism							
10.7 Organizational Capacity and Commitment							
11. SEAH risk and mitigation measures							
11.1 Anticipated SEAH risk							
11.2 Mitigation measures							
11.3 Grievance Mechanism							
11.4 Organizational Capacity and Commitment							

10.12 Annex L Environmental and social complaints mechanism of AFD

The Environmental and Social (E&S) Complaints-Management Mechanism¹ (hereafter the “Mechanism”) is an out-of court mechanism that allows any individual, group or legal entity affected by the environmental or social aspects of an AFD-funded project to file a complaint. It promotes a constructive approach to dispute resolution, based on finding amicable solutions. For complaints that meet the registration and admissibility criteria, it provides two ways of treating complaints, through conciliation and/or a compliance review: • The conciliation process involves proposing the intervention of a neutral, independent and impartial third-party to help find an agreement between the complainant or his/her/its representative and the beneficiary of the AFD financing on the dispute giving rise to the complaint.

The compliance review process aims to determine whether or not AFD has complied with its E&S risk management procedures on an AFD-financed project for which a financing agreement has been signed. Three years after its creation, the Mechanism saw an increase in its activity in 2020 with fourteen new complaints received that year.² It should be noted that in early 2019 Proparco, AFD Group’s private-sector financing arm, joined a similar complaints management mechanism developed by Germany’s DEG and the Netherlands’ FMO, with which Proparco regularly cofinances projects. A first complaint was received in December 2020. The AFD and Proparco Mechanisms keep each other informed on their respective activity and, if need be, work in close cooperation.

The Mechanism is managed by the Complaints Office (hereafter the “Complaints Office”) hosted within the AFD Strategy, Partnerships, and Communication Department (SPC). The Ethics Advisor, working under the Agency’s Chief Executive, oversees the Mechanism. In 2020, the team was renewed: • At management level: a new Complaints Officer was appointed, as well as her new manager • At the supervisory level: a new Ethics Advisor was appointed.

The Mechanism’s Rules of Procedure, published on the AFD website³, allow any individual, group, or legal entity affected by an environmental or social harm caused by an AFD-financed project to file a complaint. The complaint must be received within two years after the complainant discovers the harm(s) and within a maximum of five years after AFD has made its final loan, subsidy, or grant disbursement. The complaint must be made as a last resort and only after the complainant has not found satisfaction through the outof-court avenues provided by the financing beneficiary, or after the complainant describes a situation where such steps could not be taken because doing so would risk worsening the dispute. To be registered, a complaint must specifically meet the following criteria. It must: • involve an AFD-funded project in a country outside France, except NGO and FFEM projects⁴ , • cover one or more environmental and/or social harms, • describe previous efforts taken to resolve the dispute with the financing beneficiary

10.13 Annex M – World Bank SEAH policy

See in the following link: <https://thedocs.worldbank.org/en/doc/741681582580194727-0290022020/original/ESFGoodPracticeNoteonGBVinMajorCivilWorksv2.pdf>

10.14 Annex N- SEAH action plan

The indicative outline of SEAH Action Plan is the following:

1. INTRODUCTION - Project background
2. GENERALITIES AND DEFINITIONS
3. FRAMEWORK FOR COMBATING SEAH
 - 3.1 Applicable legal framework
 - 3.2 AFD requirements applicable to the project (see GCF framework seah-action-plan-gcf-financed-activities.pdf (greenclimate.fund))
4. SEAH RISK ANALYSIS FOR THE PROJECT
 - 4.1. Summary description of the project (identification of risk sources)
 - 4.2. Prevalence of SEAH in the country and project locations
 - 4.3. Analysis of the risks of SEAH likely to be induced by the Project
 - 4.4 Capacity to deal with SEAH cases
5. SEAH PREVENTION AND RESPONSE ACTION PLAN FOR THE PROJECT
 - 5.1. Objectives
 - 5.2. Action plan
 - Pre-project implementation awareness raising for host communities and project workforces
 - SEAH risk prevention and management actions (prevent, address and eliminate SEAH)
 - Implement, monitor and continuously improve all measures to mitigate and manage the identified SEAH risks and impacts
 - Reporting and performance evaluation (report progress and performance on SEAH)
6. MECHANISM FOR HANDLING SEAH CASES⁹⁴
 - 6.1. Accessible and inclusive survivor-centred and gender responsive grievance redress mechanism
 - 6.2. Specific provisions for handling SEAH cases / support for victims of SEAH:
 - Legal support
 - Medical care
 - Psychosocial support
 - Community driven protection measures
 - Reintegration
7. SEAH ACTION PLAN BUDGET
8. CONCLUSION

⁹⁴ Projects must have in place a fully functional grievance mechanism as well as a gender-responsive grievance mechanism for SEAH-specific complaints/incidents, throughout the construction and operation phases of the project, as well as undertake regular community engagement and awareness raising processes.

