United Nations Development Programme

PROJECT DOCUMENT
Sri Lanka

Project Title: Enabling Environment for Electric Buses for Public Transport and their Pilot Deployment in Colombo, Sri Lanka.
Project Number: 01003422
Implementing Partner: United Nations Development Programme (UNDP)
Start Date: 26 June 2025 **End Date:** 30 November 2026 **PAC Meeting Date:** 26 June 2025

Brief Description

Sri Lanka's transport sector is the largest consumer of imported petroleum fuels, accounting for 78.4% of national fuel consumption in 2021. It also contributes significantly to greenhouse gas emissions (GHG), responsible for 21% of the country's total GHG emissions, with road transport alone accounting for three-quarters of transport-related emissions and 15% of total CO_2 emissions.

In 2023, Sri Lanka faced an unprecedented economic crisis, which led to severe energy security concerns. This crisis triggered fuel shortages, a quota-based fuel distribution system, and skyrocketing fuel prices, resulting in general inflation and a significant drop in fuel consumption, including for transport (a decline of approximately 50%). This crisis has underscored the urgent need for Sri Lanka to transition to low-carbon, green transport solutions. Such a transition is not only essential to reduce dependency on imported fuels but is also critical for fulfilling the country's Nationally Determined Contributions (NDC) under international climate agreements.

In response, this project proposes to establish a conducive policy, regulatory, and institutional framework for the promotion of electric bus mobility in public transport. Additionally, it aims to design a business model and financial incentive package to support the pilot deployment of five 30–35-seater midi electric buses in the Colombo Metropolitan Region, which will serve as a catalyst for a shift to low-carbon public transport in Sri Lanka.

Contributing Outcome (UNSDCF, CPD, RPD):

UNSDCF OUTCOME 2/UNDP OUTCOME 1:
By 2027, more people in Sri Lanka, particularly youth and the most vulnerable, have equitable, decent, just work and income opportunities, and benefit from and contribute to inclusive, gender-transformative, resilient and green-led economic recovery, growth and diversification.

Indicative Output(s) with gender marker[1] :GEN 2:
The project meets the GEN 2 criteria. Although achieving gender equality is not the primary objective of the project, it is systematically intergrated across all project outputs consistently. Key interventions in the project such as strategic master planning, policy and regulation development, training & capacity building, awareness campaigns, etc., have embedded gender equality as an important component of actions, captured by indicators and having project budget allocation.

Total resources required:		USD 697,675.00
Total resources allocated:		
	UNDP TRAC:	-
	Donor:	USD 697,675.00
	Government:	-
	In-Kind:	USD 660,000.00
Unfunded:		N/A

Agreed by (signatures)[2]:

UNDP

Ms. Azusa Kubota
Resident Representative
UNDP Sri Lanka

Date: 27/6/2025

[1] The Gender Marker measures how much a project invests in gender equality and women's empowerment. Select one for each output: GEN3 (Gender equality as a principle objective); GEN2 (Gender equality as a significant objective); GEN1 (Limited contribution to gender equality); GEN0 (No contribution to gender quality)
[2] Note: Adjust signatures as needed

I. DEVELOPMENT CHALLENGE

Background:
Sri Lanka is a small island and developing nation located in the Indian Ocean. With a population of over 22 million people, it is one of the most densely populated countries in the world. The Western Province (WP) is the country's primary economic hub, housing the legislative and administrative capital, Sri Jayewardenepura Kotte, as well as the financial capital, Colombo. According to the Department of Census and Statistics of Sri Lanka, as of 2022, the province has a population of 6,209,000, accounting for 28% of the nation's population, the highest in the country.

The country is highly challenged by the impacts of climate change, which have set back some of the socio-economic gains made over the years. It suffers from erratic precipitation patterns, rising temperatures, prolonged droughts, salinization and soil degradation, floods, landslides, and high winds. Sri Lanka ranks high on the Global Climate Risk Index and faces significant climate change-induced risks.

Sri Lanka continues to grapple with the aftershocks of its 2022 economic crisis, which was driven by a combination of depleted foreign exchange reserves, unsustainable sovereign debt levels, prolonged impacts of the COVID-19 pandemic, currency depreciation, and high inflation. Although the country secured a bailout from the International Monetary Fund (IMF), fiscal space remains limited, and public investment—particularly in infrastructure and social services—has declined. The economic crisis has exacerbated poverty and increased unemployment, especially among vulnerable groups. While signs of macroeconomic stabilization are emerging, sustained recovery will depend on resilient, inclusive, and green development pathways.

Transport Sector Development:
Investments in Sri Lanka’s transport sector have primarily focused on road network expansion and expressway development, with the Western Region Master Plan envisioning US$11 billion in transport investments. Sri Lanka's ‘Vision 2025’ aims to develop a multimodal transport system, enhance public transportation, electrify railways, and modernize the international airport. However, limited resources allocated to infrastructure pose a challenge to meeting these ambitious goals. The country needs to invest approximately 7% of GDP annually to achieve the desired standards, underscoring the need for diverse funding sources, particularly for sustainable, low-carbon transport solutions. Public investments, often supported by loans from international financial institutions and countries such as China and Japan, have dominated the sector. Additionally, vehicle financing—particularly for buses—is a key mechanism, with a significant portion of financing directed to private bus operators through leasing, finance leases, and concessional loans. This highlights the critical need for new and diverse funding sources, particularly as the focus shifts toward sustainable and low-carbon public transport options.

Sri Lanka's transport sector contributes significantly to the economy, accounting for 14% of the nation's GDP from 2015 to 2022. This contribution exceeds the Asia-Pacific average of 9%. However, despite this substantial contribution, investment in the sector remains inadequate. Underinvestment in the transport sector is hindering economic growth. This challenges its long-term economic sustainability and prevents it from reaching its full potential. Transport investment decreased from 1.7% to 0.9% of GDP during the same period. On a positive note, the sector employed 601,000 people in 2022, representing 7% of total employment, slightly higher than the Asia-Pacific average. However, transport sector employment has increased at an annual growth rate of 1% since 2015. Out of the total transport-related employment, the 'land transport and transport via pipeline' subsector employed close to 6% of the workforce. The comparison between transport sector employment growth and national GDP growth in Sri Lanka indicates that while the economy expanded, employment in the transport sector did not keep pace. This suggests a shift toward enhanced productivity within the transport sector. Transport productivity increased from $63,000 to $73,000 in gross value per employee between 2015 and 2022.

Sri Lanka's transport sector is a significant energy consumer, accounting for approximately 33% of the country's total final energy consumption in 2022. This sector is primarily dependent on liquid fossil fuels. Over the years, the energy intensity within the transport sector has been influenced by various factors, including economic growth and shifts in energy efficiency. The transport sector's road subsector accounts for 96% of energy consumption. Sri Lanka had transport energy consumption of approximately 0.1 EJ in 2021, representing about 0.5% of the Asia-Pacific total, growing annually at an average rate of 3% over the last decade. Concerning transport energy intensity, as of 2021, Sri Lanka's levels (0.4 MJ per USD) are higher than the South Asia average (0.3 MJ per USD), indicating a need for efficiency improvements in fuel use and transport systems. However, compared with the rest of the Asia-Pacific economies, Sri Lanka stands at much lower levels.

Colombo, Sri Lanka's largest city, faces significant transport challenges. Rapid population growth and rising private vehicle ownership are straining the city's infrastructure. Despite a population density of 4,000 persons per square kilometer, Colombo's urban sprawl worsened between 2000 and 2020. This has led to increased traffic congestion and reliance on private vehicles. Limited road infrastructure and a lack of rapid transit systems further aggravate these issues. Road infrastructure data per capita is scarce. However, existing networks seem insufficient for rising demand. This inadequacy is compounded by the limited availability of rapid transit systems. The dominance of private transport in Colombo is evident in the modal split, with 77% of trips made by private modes. This reliance on private vehicles contributes to traffic congestion, air pollution, and reduced accessibility for those who cannot afford personal transportation. Although historical data suggests some use of public transport, recent trends indicate a shift toward private modes. This trend will likely continue due to the projected increase in personal trips and the lack of investment in efficient and convenient public transport options. Currently, the share of the population with convenient access to public transport stands at only 16%, below the South Asia average for the sample of major cities.

Furthermore, the sector faces significant development challenges, including heavy reliance on imported fossil fuels, high greenhouse gas emissions, and an aging, inefficient public transport fleet. Urban congestion, poor air quality, and limited access to inclusive mobility options—particularly for women and marginalized groups—further exacerbate the problem. These issues are compounded by institutional and financial constraints, as well as the slow adoption of low-carbon technologies due to the lack of enabling policies and infrastructure. Addressing these challenges is critical for advancing sustainable, equitable, and climate-resilient transport solutions in the country.

Bus Transport:

In 2020, the WP had an estimated 479 operational intra-provincial bus routes and over 200 inter-provincial routes. The Sri Lanka Transport Board (SLTB), a state-owned bus operator, and private bus operators operate buses for public transport on all these routes. In 2018, SLTB had 26 depots within the WP to manage its intra-provincial operations. The private operators' bus fleet had a total seating capacity of around 245,868. In 2018, these buses traveled an estimated 290 million km, and the estimated passenger-kilometer was 13.4 billion. In total, there were 7,997 buses available in the WP. All these bus operators are regulated by the Western Province Road Passenger Transport Authority (WPRPTA) for intra-provincial transport and by the National Transport Commission (NTC) for inter-provincial transport. About 28% of all intra-provincial bus routes end at the Colombo Fort area, which is the city center within the Colombo Municipal Council (CMC). The Bastian Mawatha terminal, operated by the NTC, the Central bus stand, operated by the SLTB, and the Gunasinghapura bus stand, operated by the WPRPTA (Western Province Road Passenger Transport Authority), are major hubs for commuters and buses in the Colombo Fort area. Apart from this, all major cities and towns in the WP possess bus terminals that are often congested during peak hours, especially the main bus terminals at the end of the seven main transit corridors.

The technical feasibility assessment commissioned by UNDP Sri Lanka in 2022 identified the need for the deployment of (electric) public transport buses from the suburbs of the Western Province to Colombo city, as well as within the city limits.

Type of Bus	SLTB	Private fleet
Normal Buses	1597 (75% daily operational)	6172 (95% daily operational)
Luxury buses	116	112
Total	1713	6284

Table 1: Number of Buses operated by SLTB and private fleet in 2018

Transport Policies of Sri Lanka:

In 1997, a strategy was developed for Railways, and in 1998, the introduction of a Bus Transport Policy followed, followed by the National Transport Policy of 2009. Sustainable transport was included in the "Policy for a Sustainable Vision-2030" of 2019, and a revised National Transport Policy was introduced in 2017. This policy aimed to create an efficient and reliable transport system that would be available to all users while minimizing environmental disruption. It also aimed to maximize private sector investment in the transportation sector. Furthermore, the policy aimed to reduce travel distances and improve access to livelihoods, education, and other social needs through new transport and non-transport interventions, new technologies, and related strategies.

In 2023, a Draft National Land Transport Policy was proposed, which focuses primarily on a national transport system that:

- Ensures the safety of transport service users and pedestrians.
- Ensures on-time transport services.
- Provides expected comfort levels for users.
- Ensures equal and fair access and opportunities for all.

In 2016, a Western Region Megapolis Masterplan was designed, providing a framework for urban transport development in the WP region until 2035.

Furthermore, the manifesto of the National People's Power (NPP) outlines a vision for a modern, efficient, and environmentally sustainable transport system in Sri Lanka. Key priorities include modernizing public transport by upgrading rail services and digitizing operations, enhancing bus services by phasing out outdated vehicles, and supporting the import of modern buses. The manifesto also emphasizes infrastructure improvements to meet international standards, aiming to support economic growth and improve the quality of life through a reliable and inclusive transport network.

Investments and Financing in the Transport Sector:
Investments in the transport sector have focused primarily on developing a road network and expressways and have been dominated by public funding, as mentioned above. The most common type of financing offered to bus fleet operators, and three wheelers(3Ws) is financial leases.

GHG Emissions in Sri Lanka's Transport Sector:
Sri Lanka's transport sector contributed about 28% (10.5 MtCO2e) to the total GHG emissions of the country (38 $MtCO_2e$) in 2019[3] and 21% in 2021. Nearly 60% of air pollution in Sri Lanka is due to the transportation sector. PM10 concentrations in Colombo show a steady increase and fall within a range of 50-120 µg m3, exceeding the Sri Lankan

[3] climatewatchdata.org

annual air quality standard of 50 µg m-3[4]. In 2019, Colombo's PM2.5 concentration was 23.58 µg m^3, twice more than the WHO norm at the time (almost 5x more as per 2021 norms)[5]. According to the Sri Lanka Sustainable Energy Authority's energy balance report for 2019, the demand for petroleum in Sri Lanka was 174.3 PJ and the main consumer of this fuel was the transport sector, at 139.3 PJ, or 79.92%[6]. Private vehicles are more favored than public transportation due to service quality, limited availability, and other issues, leading to considerable ownership of private vehicles. In 2010, energy used by the transport sector in Sri Lanka accounted for about 23%, but by 2019 it had increased to 35.2%[7]. These are the main reasons why transport sector emissions in Sri Lanka are significant.

NDC Commitments of Sri Lanka:

In recognition of this, in 2021, Sri Lanka submitted its updated Nationally Determined Contributions (NDCs), which aimed to reinvigorate public transportation systems, including railways and buses, in addition to improving the link between various modes of transport such as rail, road, and water, while improving the safety and comfort levels of public transport. Boosting public transport can help minimize traffic congestion and delays and reduce expensive fossil fuel imports. If achieved, the NDCs can also significantly reduce local and global air pollution and GHG emissions. It is anticipated that the implementation of the updated NDCs will result in a GHG emissions reduction against the Business-as-Usual (BAU) scenario by 4.0% in the transport sector (1.0% unconditionally and 3.0% conditionally), equivalent to an estimated mitigation level of 1,337,000 MT unconditionally and 4,011,000 MT conditionally (a total of 5,348,000 MT) of CO_2 equivalent during the period 2021–2030.

Key Barriers and Challenges in the Transport Sector (in Western Province):

The lack of sufficient investments in public transport in recent years resulted in a significant decrease in availability of buses, lower frequency, and overcrowding. This, combined with growing income level, caused several passengers to move from public transport to private vehicles, creating additional issues such as increased fuel usage, higher pollution, traffic congestion, and GHG emissions.

1. **Decline in Public Transport Bus Usage**: CoMTrans study reports that the modal share of public transport had declined to 48% in 2013 from 55% in 2004, whereas it was as high as 65% in 1985[8]. National transport statistics in 2019 reported that 38.1% of the total demand for passenger transport was expected to be met by public bus transport but SLTB accounts for just 17.8% of the total demand for public bus transport, the rest is provided by the private players[9].
2. **Increased Traffic Congestion:** Earlier, most traffic issues were concentrated in Colombo, but now there is gridlock in the entire core area that can last for large parts of the peak time. As a result, the average speed of vehicles has decreased to just 10 km/h, resulting in longer travel times, increased fuel consumption, and higher pollution levels[10]. It is estimated that Sri Lankan economy loses an estimated US$960 million per annum due to traffic congestion[11]. There has been a sharp increase in private vehicles which has exacerbated the traffic congestion and pollution. In 2019, Sri Lanka's number of motorcycles had increased to 4.6 million, a 40% increase from 2015, while motor cars had increased to 0.8 million, a 30% increase in the same period. The number of public transport buses did not see such high growth, however, with just a 10% increase from 2015. Overall, in 2019, the share of public transport buses was barely 1% of total vehicle fleet at 0.1 million.
3. **Unorganized Private Bus Operators**: Private bus operators in Sri Lanka are unorganized and informal and typically manage small fleets of two to three buses, which prevents them from achieving economies of scale, thus hindering the modernization of their bus fleet. This also restricts the number of available options for passengers, and the

[4] "Clean Air 2025: An Action Plan for Air Quality Management", Air Resource Management Centre, Ministry of Mahaweli Development and Environment, May 2016
[5] Emissions Database for Global Atmospheric Research: https://edgar.jrc.ec.europa.eu/report_2022
[6] Sri Lanka Energy Balance, 2019 https://www.energy.gov.lk/images/energy-balance/energy-balance-2019-lq.pdf
[7] Sri Lanka Energy Balance, 2019 https://www.energy.gov.lk/images/energy-balance/energy-balance-2019-lq.pdf
[8] CoMTrans_Main_Study.pdf
[9] National Transport Commission of Sri Lanka, "National Transport Statistics 2019," 2019. Accessed: Dec 14, 2022. [Online]. Available: https://www.ntc.gov.lk/corporate/pdf/2021/2019stat/Statistics2019-EN.pdf
[10] http://www.slida.lk/slidatest/application_resources/images/mpm_reso/policypaper/pp5.pdf
[11] Calculated using the data from "Sri Lanka Loses $5 Million Daily to Traffic Congestion - Colombo Telegraph," August 5, 2021. https://www.colombotelegraph.com/index.php/sri-lanka-loses-5-million-daily-to-traffic-congestion/

inadequate enforcement of minimum performance requirements has caused a built-in inefficiency within the public transportation system.

4. **Multiple Regulatory Bodies:** The presence of multiple regulatory bodies with unclear governance mandates, such as the Western Province Road Passenger Transport Authority and National Transport Commission, has led to underlying confusion within the system. Moreover, these authorities mostly regulate the buses run by private operators, while SLTB-run buses are regulated directly by the Ministry of Transport. This leads to an overall lack of coordination and accountability in the system.
5. **Lack of a Modern, Efficient, Low-carbon Public Transport System:** Smart technologies, such as integrated e-ticketing/fintech solutions, real-time information systems and common mobility payment systems for various modes of transport have not been deployed in Sri Lanka so far, primarily due to lack of local capacity and lack of financial resources. Modernization of buses with new low floor AC buses and high floor coaches were recommended in the Megapolis Transport Masterplan however, this has not been put into effect yet.
6. **Gender-Related Harassment:** Women who use public transportation have faced several instances of sexual harassment. A study done by the United Nations Population Fund found (UNFPA) that 90% of women and girls have suffered sexual harassment while riding public transportation in Sri Lanka, with only 4% of victims going on to report it to the police[12]. Despite the implementation of various measures aimed at protecting the safety of women passengers, the impact of these initiatives is debatable given the lack of change in the existing patterns and trends.
7. **Limited institutional capacity and investments to implement existing mobility and energy plans and lack of a comprehensive, integrated low-carbon transport masterplan:** Several strategies and plans on low-carbon energy and mobility have been developed in the last decade both at the local level ("Urban Transport System Development Project for Colombo Metropolitan Region and Suburbs," 2014; Ministry of Megapolis and Western Development (2016)) and national level (Revised Transport Policy 2017), recommending actions such as the modernization of public transportation and prioritizing sustainable transport modes in urban mobility. However, there has been limited progress on the implementation of these plans and strategies, primarily due to limited institutional capacity and lack of investments.
8. **Relatively high capital costs of modern buses and high-risk perception among lenders** has become key barriers to the deployment of modernized buses for public transport in Sri Lanka. There are also no capital subsidies available for public transport electric buses in Sri Lanka, thereby procuring and deploying electric buses is not financially viable.
9. **Land Value Capture and Transit-Oriented Development**: In 2017, a revised transport policy made provisions to include Transit Oriented Development to correct spatial imbalances so that demand for transport is minimized and access to livelihoods, education, and other social needs of the people is localized. However, it has not been put into effect to its fullest potential. In addition, the government needs to invest time and resources in pursuit of Land Value Capture to generate non-fare revenue. This is essential to keep ticket prices and tariffs reasonably priced while also raising enough transport service revenue to break even.

II. STRATEGY

The project strategically plans to demonstrate and strengthen a conducive policy environment for low-carbon public transport (LCT) and pilot test a financing and business model to adopt electric bus transportation on selected routes. The intervention will focus on better understanding the status quo and gaps in the public bus transport sector in Sri Lanka, which has been further weakened over the last four years due to the country's multiple crises, and on providing recommendations to address key issues. A technical feasibility assessment commissioned by UNDP Sri Lanka in 2022 identified the need for the deployment of electric public transport buses from the suburbs of the Western Province to Colombo city, as well as within the city limits.

The project supports gap identification and strategy development to guide the shift towards green and low-carbon transport. Focusing on public bus transport, the project will also design a financial incentive package for the deployment of electric buses in the Colombo Metropolitan Region and pilot test this package through public-private partnerships to jumpstart the shift.

The project aims to help overcome barriers in the country's transition to low-carbon electric public transport. Issues such as the rising preference for personal vehicle use, the corresponding high fuel costs (linked to the country's weak

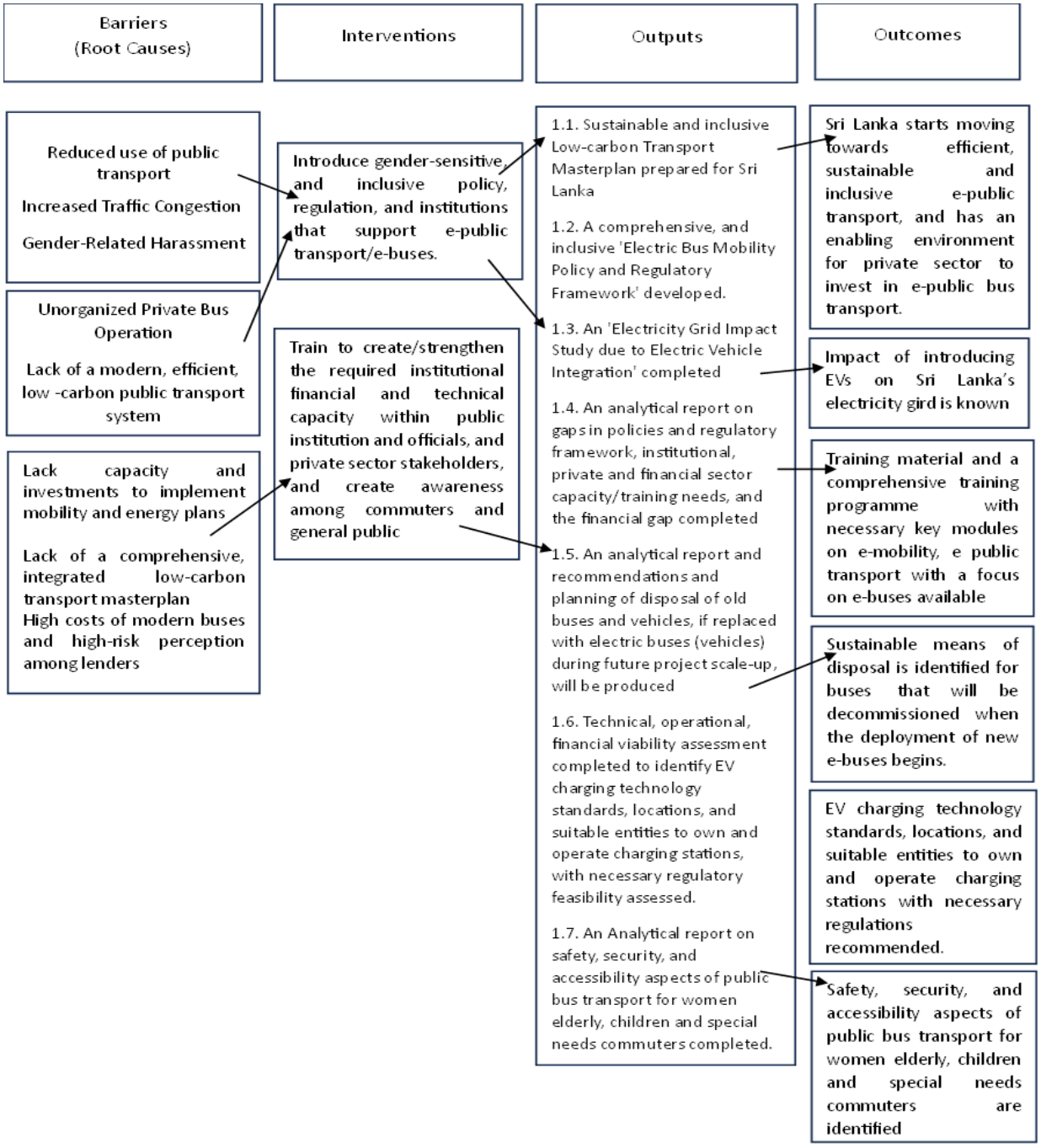
[12] https://srilanka.unfpa.org/en/publications/does-she-travel-safe

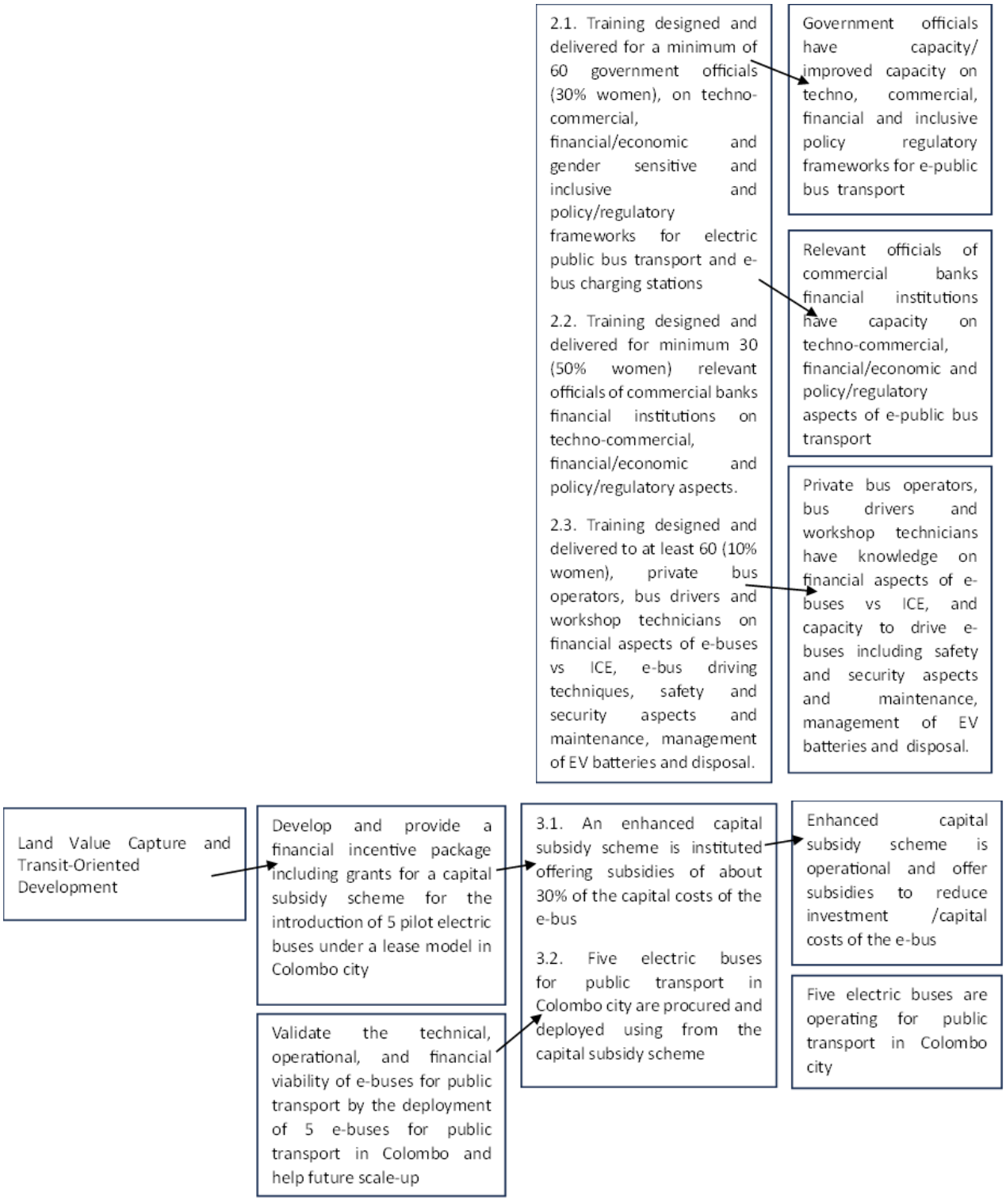
macroeconomy), increased traffic congestion, and air pollution, along with challenges in meeting the Government of Sri Lanka's NDC commitments and the targets of the National Transport Policy 2023, are among the barriers being addressed.

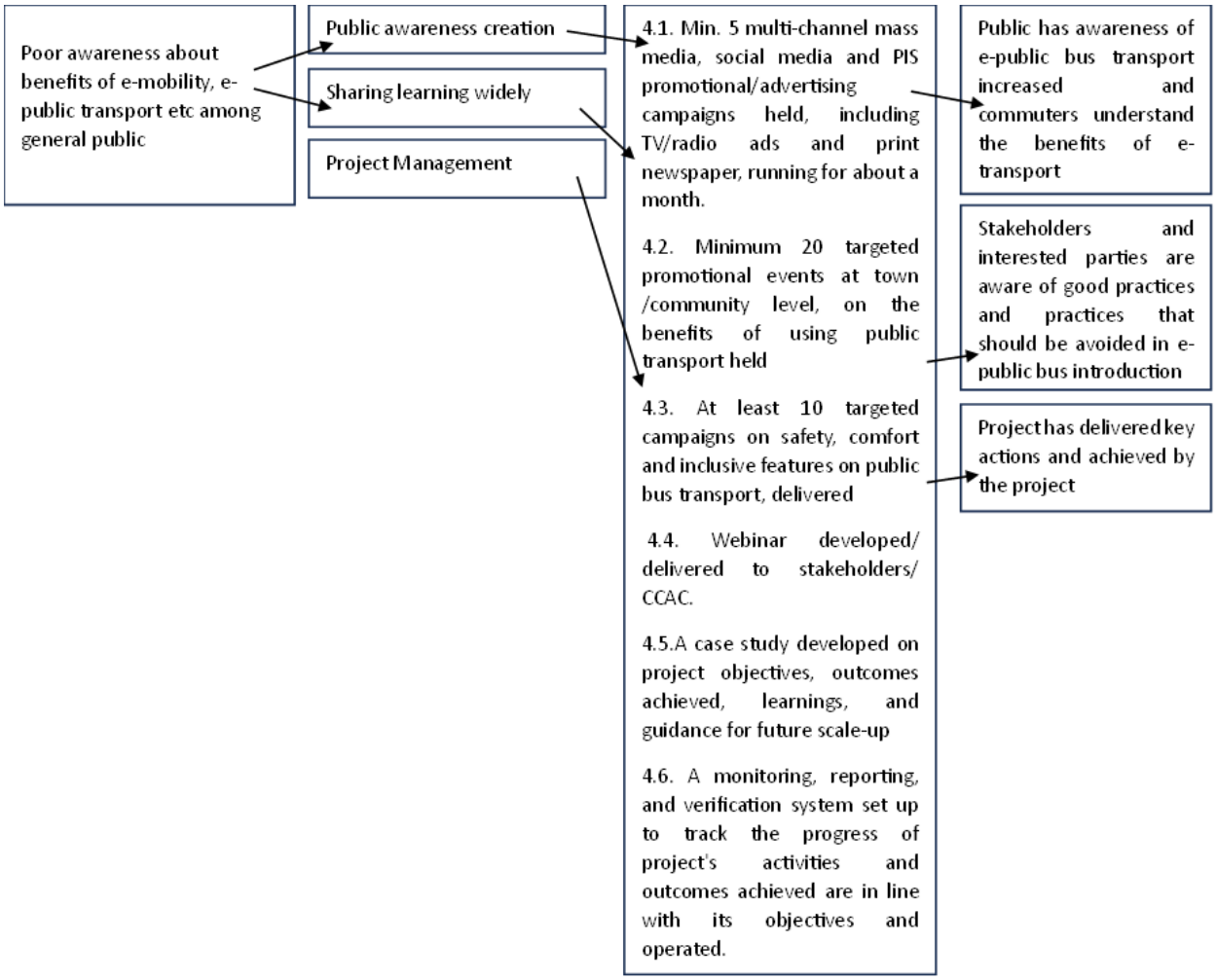
Creating an enabling environment—including a supportive policy and regulatory framework—for e-bus mobility, training and building local institutional, financial, and technical capacities, and raising awareness to increase public transport uptake among commuters are strategies the project will support.

The feasibility study also recommended operating 14 buses on circular loop routes within the Colombo city/metropolitan region to ease traffic congestion during peak and off-peak hours. The project will deploy 5 of these 14 e-buses on a pilot basis, in addition to creating an enabling environment for low-carbon public transport in the country. The financial incentive package provided by the project includes grants under a capital subsidy scheme for the introduction of the 5 pilot electric buses. The private sector and financial institutions have shown keen interest in participating in such an intervention. Deploying the buses under a lease model in Colombo city would validate the technical, operational, and financial viability of e-bus deployment for public transport and support future scale-up.

Theory of Change




2.1. Training designed and delivered for a minimum of 60 government officials (30% women), on techno-commercial, financial/economic and gender sensitive and inclusive and policy/regulatory frameworks for electric public bus transport and e-bus charging stations
2.2. Training designed and delivered for minimum 30 (50% women) relevant officials of commercial banks financial institutions on techno-commercial, financial/economic and policy/regulatory aspects.
2.3. Training designed and delivered to at least 60 (10% women), private bus operators, bus drivers and workshop technicians on financial aspects of e-buses vs ICE, e-bus driving techniques, safety and security aspects and maintenance, management of EV batteries and disposal.
Government officials have capacity/ improved capacity on techno, commercial, financial and inclusive policy regulatory frameworks for e-public bus transport
Relevant officials of commercial banks financial institutions have capacity on techno-commercial, financial/economic and policy/regulatory aspects of e-public bus transport
Private bus operators, bus drivers and workshop technicians have knowledge on financial aspects of e-buses vs ICE, and capacity to drive e-buses including safety and security aspects and maintenance, management of EV batteries and disposal.
Land Value Capture and Transit-Oriented Development
Develop and provide a financial incentive package including grants for a capital subsidy scheme for the introduction of 5 pilot electric buses under a lease model in Colombo city
Validate the technical, operational, and financial viability of e-buses for public transport by the deployment of 5 e-buses for public transport in Colombo and help future scale-up
3.1. An enhanced capital subsidy scheme is instituted offering subsidies of about 30% of the capital costs of the e-bus
3.2. Five electric buses for public transport in Colombo city are procured and deployed using from the capital subsidy scheme
Enhanced capital subsidy scheme is operational and offer subsidies to reduce investment /capital costs of the e-bus
Five electric buses are operating for public transport in Colombo city



The project aims to create an enabling environment to kick-start a transition to a low-carbon, modern public transport sector that is safe, affordable, and convenient. To reduce emissions in the transport sector and move towards low-carbon mobility, the need to improve public transport and shift to electric mobility has been recognized in Sri Lanka's Nationally Determined Contributions (NDCs). A modern public transport system will also help reduce traffic congestion, improve the efficiency of the road transport fleet, and enhance air quality. A study conducted by UNDP on the bus transport service indicated that transport demand to Colombo is expected to double in the next 10 years. However, the modal share of buses has been declining, highlighting the need for a modern bus service.

The project will create an enabling environment for low-carbon transport by introducing gender-sensitive and inclusive policies and regulations, building the capacity of government and private stakeholders, developing and piloting a financial package for electric buses, and raising public awareness on low-carbon transport.

Gender-sensitive and inclusive low-carbon transport policies will be informed by detailed studies on existing policies and gaps in achieving a modern low-carbon public transport sector. These studies will include the impact of electric vehicles on the grid; safety, security, and accessibility; disposal of the internal combustion engine (ICE) fleet; operational modalities of buses; and other related areas.

The project will build capacity through training and awareness initiatives focused on the transition to, and benefits of, electric buses. These will target officials in relevant ministries and government departments, financial and banking institutions, and bus operators in both public and private sectors. A financial package will be developed to pilot electric buses in the Colombo Metropolitan area, based on detailed technical and financial feasibility studies. The learnings from this pilot will inform future scaling up.

Through awareness campaigns, the benefits of low-carbon public transport will be communicated to the public and commuters using public transport.

As a result of the above project interventions, policymakers, financial institutions, and public transport operators will gain the confidence, information, and tools needed to initiate and scale a modern, low-carbon public transport service that is safe, convenient, and inclusive.

Theory of Change Statement:

If gender-sensitive and inclusive policies and regulations supporting low-carbon public transport are developed and adopted;
and the capacities of government and private stakeholders are strengthened through targeted training and awareness programs on electric mobility;
and a financially viable model for electric buses is developed and piloted in the Colombo Metropolitan area;
and public awareness campaigns effectively communicate the benefits of low-carbon public transport to commuters;
then policymakers, financial institutions, and public transport operators will possess the confidence, knowledge, and tools necessary to initiate and scale a modern, low-carbon public transport system that is safe, affordable, and convenient;
because the enabling environment will facilitate the transition to electric mobility, reduce greenhouse gas emissions, alleviate traffic congestion, improve air quality, and enhance the overall efficiency and inclusivity of Sri Lanka's public transport sector.

Assumptions:

- There will be interest and support from the government to shift towards a low-carbon transport sector, in line with NDC commitments.
- Bus operators will transition to e-mobility due to lower operating costs and increased resilience to external economic shocks, moving away from the current single-operator model.
- Commuters will support the shift to a modern, low-carbon public transport service.

III. RESULTS AND PARTNERSHIPS

Expected Results

This project will create an enabling policy, regulatory, and institutional environment and pilot electric bus mobility for public transport. It will also design a financial incentive package for the pilot deployment of 5 30–35-seater midi electric buses in the Colombo Metropolitan region. The financial incentive package will help to jumpstart a shift to low-carbon public transport. It will also help to demonstrate reduced petroleum consumption by Sri Lanka's public transport sector and in turn GHG emissions, SLCPs generation, and petroleum imports. The project will align with the country's need and efforts to transition to low-carbon green transport which has accelerated due to the economic crisis, to not only reduce dependency on imported fuel but also to achieve their NDC commitments.

The updated NDCs, Sri Lanka submitted in 2021 aim to reinvigorate public transportation systems, including buses, while improving the safety and comfort levels of public transport. The NDCs aim to reduce local and global air pollution and GHG emissions; it is anticipated that the implementation of updated NDCs will result in GHG emissions reduction against the Business As Usual (BAU) scenario by 4.0% in the transport sector (1.0% unconditionally and 3.0% conditionally) equivalent to an estimated mitigation level of 1,337,000 MT unconditionally and 4,011,000 MT conditionally (total of 5,348,000 MT) of CO2 equivalent during the period of 2021-2030[13]. By boosting public transport, NDCs will also minimize traffic congestion and delays, and reduce expensive fossil fuel imports.

The project contributes to achieving expectations of the National Land Transport Policy of Sri Lanka and the Western Region Megapolis Transport Master Plan. It will also directly contribute to several Sustainable Development Goals (SDGs), including SDG 3 (good health and well-being), SDG 5 (gender equality), SDG 7 (affordable and clean energy),

[13] https://unfccc.int/sites/default/files/NDC/2022-06/Amendmend%20to%20the%20Updated%20Nationally%20Determined%20Contributions%20of%20Sri%20Lanka.pdf

SDG 9 (industry, innovation, and infrastructure), SDG 11 (sustainable cities and communities), and SDG 13 (climate action).

An efficient public transport system has many social, and health co-benefits, such as the reduction in road accidents and improved safety; health benefits related to reduced pollution from reduced use of private vehicles, and improved mobility conditions of public transport for low-income households and commuters with special needs i.e., people with disabilities.

As such the project also relates to the Humanitarian Needs and Priorities (HNP) plan launched by the Humanitarian Country Team of UN agencies and donor partners in 2022 in Sri Lanka; acknowledges and addresses harassment women face in public transport, as well as reduced access, exclusion, etc., to public transport based on gender, age disability, and other vulnerabilities.

The project focuses on public transport service which is the only transport option available to low-income strata of the country, as well as the strong focus on acknowledging and addressing inequalities that reduce or prevent vulnerable groups from accessing public bus transport, contributes to the UNSDCF Outcome 2 and UNDP Outcome 1 *(By 2027, more people in Sri Lanka, particularly youth and the most vulnerable, have equitable, decent, just work and income opportunities, and benefit from and contribute to inclusive, gender-transformative, resilient and green-led economic recovery, growth and diversification).* As a GEN 2 project, gender equality is not its main objective, but it recognizes specific challenges women face in using public transport and proposes addressing them and strengthening gender equality in a significant and consistent manner across almost all outputs.

The project will benefit passengers of public bus transport; 28,000 passenger trips per day as direct benefits and indirectly benefit 6.2 million daily commuters in the Western Province. It will also provide training and capacity-building benefits for 165 government and private stakeholders, as well as bus drivers and technicians. 12 direct green jobs for drivers, conductors, and technicians (5 e-buses to be procured and deployed under this project), and 376 green jobs for drivers, conductors, and technicians (161) buses proposed to be procured and deployed beyond the scope of this project but due to this project's proposed interventions) will be created as a result of project interventions.

The above results will be achieved through the following outcomes, outputs and activities:

Outcome 1:
Policy and regulations for electric public bus transport developed and adopted, providing a foundation for national-scale transition and long-term policy coherence.

Output 1.1: A policy and regulatory framework for electric buses designed and developed for the Ministry of Transport and Highways

Activity 1.1.1: Preparation of a long-term, integrated comprehensive, gender-sensitive, and inclusive 'Sustainable Low-carbon Transport Masterplan' document for Sri Lanka.

This document will include a multi-modal transport plan for Sri Lanka detailing the role of different modes of transport - rail, public transport buses, private buses, private passenger vehicles, commercial vehicles, bicycles, pedestrian pathways and others based on the principles of low-carbon, sustainable transport. The Masterplan document would serve as a guide for all future transport sector programs, activities, and investments in Sri Lanka, including the low-carbon electric public bus transport deployment activity proposed under this project.

Activity 1.1.2 Development of training modules and conducting training programs on 'Long-term Sustainable Low-carbon Transport Planning' to government and private sector stakeholders.

Training modules and training programs on 'Long-term Sustainable Low-carbon Transport Planning' shall build capacity of at least 20 trainees (30% of them being women) including government stakeholders (MoTH, MoP&E, NTC, WPRPTA, SLTB) and private stakeholders (bus operators, others as necessary); the training modules should include gender-specific, climate change adaptation and accessibility/inclusivity aspects as well

Output 1.2: A comprehensive policy, regulatory and guidelines framework developed to enable e-bus deployment in Sri Lanka for public transport for the Ministry of Transport and Highways

Activity 1.2.1 Development of a short term plan, based on the Master Plan, for deployment electric buses that is comprehensive, gender-sensitive and inclusive

Based on the short-term plan, a comprehensive, gender-sensitive, and inclusive 'Electric Bus Mobility Policy and Regulatory Framework' shallbe developed together with the Ministry of Transport and Highways, NTC, and WPRPTA. It shall then be submitted for Government and Stakeholder feedback so that the final Framework will be approved and operationalized by the Government of Sri Lanka.

Output 1.3: Feasibility studies and analysis that lead to scaling up of low-carbon transport in Sri Lanka conducted, and recommendations for disposal of old vehicles made for the Ministry of Transport and Highways and Ministry of Environment

Activity 1.3.1 Conduct an 'Electricity Grid Impact Study due to Electric Vehicle Integration' and obtaining approval

An 'Electricity Grid Impact Study due to Electric Vehicle Integration' will be completed and approved together with the Public Utilities Commission of Sri Lanka (PUCSL) and Ceylon Electricity Board (CEB), under the guidance of the Ministry of Power and Energy (MoP&E).'

Activity 1.3.2 Develop an analytical report on gaps for implementing low-carbon transport in Sri Lanka

An analytical report on gaps in policies and regulatory framework, institutional, private and financial sector capacity/training needs, and the financial gap will be completed and approved, with a focus on bridging this gap to ensure scaling up of EV integration into the transport sector in Sri Lanka.

Activity 1.3.3 Preparation of a report on planning replacement of ICE buses for public transport in Sri Lanka

A report on recommendations and planning of disposal of old buses and vehicles if replaced with electric buses (vehicles) during future project scale-up will be produced.

Output 1.4 Proposals for scaling up of E Buses Developed

Activity 1.4.1 Coordination meetings to facilitate development of a larger GCF proposal on electric buses

Coordination meetings between UNDP, DFCC Bank, relevant ministries, other public and private stakeholders, and project management team will be conducted to plan and develop a proposal for scaling up electric bus deployment in Western Province of Sri Lanka will be complied to be submitted to GCF

Outcome 2:
Enhanced capacity of public stakeholders on technical and operational aspects to deploy low carbon public transport

Output 2.1 An analysis of technical, operational, financial, economic and regulatory aspects conducted for electric bus mobility

Activity 2.1.1 Conduct a viability assessment of EV charging stations and obtaining approval

Technical, operational, financial viability assessments - will be conducted to identify locations, EV charging technology standards (opportunity, overnight, plug-in and wireless charging etc) and suitable entities to own and operate these charging stations, together with necessary regulatory feasibility studies completed and approved. (Typically bus charging units are sold together with the electric buses by Original Equipment Manufacturers (OEMs). However, for future scale-up, deploying solar powered charging stations are envisaged, and thus this activity becomes essential.)

Activity 2.1.2Report in gender (including elderly, children, specific needs commuter) specific safety, security, accessibility aspects of public transport buses in Sri Lanka

An Analytical report on safety, security, accessibility aspects of public transport buses in Sri Lanka, particularly from the perspective of women's safety and ease of accessibility of public transport buses for elderly/children/special needs commuters will be completed

Output 2.2 Knowledge and capacity improved amongst local stakeholders (MoTH, MoP&E, NTC, WPRPTA, CMC, and public bus operators) on risks, technical standards, and operational issues of deployment of electric buses.

Activity 2.2.1 Design and conduct training programs for government institutional stakeholders

Training programs on techno-commercial (such as procurement, planning, performance evaluation, scheduling and charging infrastructure of electric bus systems), financial/economic and policy/regulatory (best practices etc.) frameworks for enabling electric bus deployment for public transport and associated bus charging stations in Sri Lanka will be designed and delivered for training at least 60 trainees (30% being women), from government institutional stakeholders (MoTH, MoPE, NTC, SLTB, WPRPTA, CMC) ; The training program will include gender-specific and accessibility/inclusivity aspects as well.

Outcome 3:
Increased knowledge and capacity of the private sector on low carbon public transport

Output 3.1 Improved knowledge and capacity among local private stakeholders (private bus operator association, bus drivers' and workshop technicians' associations, and commercial banks/financial institutions/finance and insurance associations) on risks, technical standards, and operational issues of deployment of electric buses. All capacity building measures will include a certain minimum percentage of women trainees.

Activity 3.1.1 Design and conduct training programs for commercial banks/financial institutions

Training programs, on techno-commercial, financial/economic and policy/regulatory frameworks for enabling electric bus deployment for public transport and associated bus charging stations in Sri Lanka will be designed and delivered; for training at least 30 trainees (50% being women), from commercial banks/financial institutions (loan officers and senior executives of banks/leasing and financing companies involved in or interested in lending to electric bus mobility sector) The training program will include gender-specific and accessibility/inclusivity aspects as well.

Activity 3.1.2 Design and conduct training programs to private bus operators and their bus drivers and workshop technicians

Training programs, on electric bus operational and financial feasibility (vs ICE buses), e-bus driving techniques, safety (including women's safety) and security aspects and maintenance, management of EV batteries/their scientific disposal. to train at least 60 trainees (10% being women), designed and delivered to private bus operators, their bus drivers and workshop technicians

Output 3.2 Increased awareness and sensitization among local residents regarding the benefits of using public transport in general, and low-carbon electric mobility in particular, including safety aspects for women

Activity 3.2.1 Deploy mass media promotional campaigns on benefits of public transport

At least 5 multi-channel mass media, social media and PIS promotional/advertising campaign will be designed and executed about the benefits of public transport, particularly low-carbon options such as electric buses, rail transport, park-and-ride schemes, bicycling, walking etc. This will include ongoing television/radio advertisements, print/newspaper campaigns running for about a month.

Activity 3.2.2 Conducting targeted promotional events on benefits of public transport

At least 20 tareted promotional events (town-level/community-level, at SLTB bus stations, schools or corporate offices) will be designed, planned and executed on the benefits of using public transport

Activity 3.2.3 Conducting targeted campaigns on safety/accessibility features of low-carbon transport options

At least 10 targeted campaigns will be planned and executed on safety and comfort features on public transport buses, such as women's safety due to installation of CCTV cameras and road/driver safety features on electric buses.

Outcome 4:
Private sector bus operators engage in modern cost-effective low carbon public transport

Output 4.1 5 small/medium 9-metre buses deployed through public private partnerships in Colombo Municipal area after selection of vendor/OEM through a competitive tender process as per UN procurement rules.

Activity 4.1.1 Setting up of a technical assistance mechanism for channelling of enhanced grants as capital subsidy scheme

Enhanced capital subsidy scheme (including the procedure for application, evaluation, verification and disbursement of capital subsidies) will be instituted under a government programme, offering subsidies up to an indicative level of 30% of capital costs of an electric bus based on current estimates of capital costs.

Activity 4.1.2 Procurement of five electric buses for public transport routes and to be deployed with support from enhanced capital subsidy scheme and leased to public/private bus operator

Five electric buses to be operated on public transport routes within Colombo city are procured and deployed with support from capital subsidy instituted in the previous activity.

Outcome 5:
Increased knowledge and awareness about low carbon transport including SLCPs among all stakeholders including general public by end of the project.

Output 5.1 Webinar about the project approach and outcomes delivered to CCAC partners and project stakeholders

Activity 5.1.1 A 45- to 60-minute webinar about the project approach and outcomes developed and delivered to CCAC partners and project stakeholders

Webinar materials will be developed and delivered to all project stakeholders and CCAC

Output 5.2 Case studies t disseminated to support the replication or scale up of the project activities and/or results for potential public and private sector operators/stakeholders

Activity 5.2.1 A 5- to 10-page case study to facilitate scale up of project's activities.A case-study will be developed on project objectives, outcomes achieved, learnings and guidance for future scale-up

Output 5.3 Emissions tracking system established for deployment of 5 electric buses for NDC reportingA

Activity 5.3.1 Development of a report/system tracking actual emission reduction from deployment of 5 e-buses against mitigation potential

A report tracking GHG emissions reductions will be instituted that will also help Sri Lankan government track its emissions reductions against its NDC targets.

Output 5.4 MRV system established for tracking project implementation activities and outputs for Project Board

Activity 5.4.1 Setting up an MRV system and managed by PMU to track project progress and report to the Project Board and CCAC

A monitoring, reporting and verification system is setup to track progress of project' activities and outcomes achieved are in line with its objectives

Resources Required to Achieve the Expected Results

The Project Management Unit (PMU) will be staffed with 5 members and the UNDP Country Office support services will be utilized for finance, procurement, human resources, travel and logistics, results management, communication, and advocacy. The project will cover the cost of project staff of the PMU and international and local consultants to provide specific technical inputs to the project implementation based on monthly or daily rates, and travel expenses. The

project will also support ~30% of the capital cost of 5 x buses that will be used for piloting the public bus concept based on the capital subsidy scheme.

Apart from the CCAC resources under the project budget, UNDP Sri Lanka will contribute a total of US$ 105,000 towards PMU costs which include US$ 30,000 and US$ 75,000 In-kind. The government of Sri Lanka will also contribute US$ 30,000 to the PMU costs in-kind. Alliance Finance Company PLC (Bus Leasing/Financing Company) will provide US$ 525,000. This amounts to 70% of the capital cost of an e-buses lease purchased to pilot tested under the proposed capital subsidy scheme by the project.

The project will engage multiple stakeholders at the national and provincial levels including the Ministry of Transport, Ministry of Power and Energy, Ministry of Environment, National Transport Commission, Department of Motor Traffic, Sri Lanka Trasport Board, Western Province Passenger Transport Authority, Colombo Municipal Council, CSOs, Private Sector (Banks i.e. DFCC bank, HNB Bank, Finance House Association, Insurance Association, etc.) to implement the project. CSOs and NGOs, as UN agencies, will also play a key role in delivering awareness campaigns and events on sharing lessons which will be organized and delivered in partnership with them too as appropriate.

In addition, the project will work closely with international agencies such as the World Bank, UNESCAP, UNEP, GGGI, KOICA, etc, which have shown interest in working with the government on transport sector improvement, to align strategies and provide more coordinated support.

Partnerships

- Partnership with Government Agencies:
  The scheduled project activities will be implemented in collaboration with relevant government agencies at the national level, Western Provincial, and Colombo city levels. The Ministry of Transport, Ministry of Power and Energy, Ministry of Environment, National Transport Commission, Department of Motor Traffic, Sri Lanka Trasport Board, Western Province Passenger Transport Authority, Colombo Municipal Council, etc., will be key government stakeholders in the project. Achievement of Output 1 will depend on their active engagement in drafting and endorsing the Policy and regulatory framework for electric public bus transport in Sri Lanka.

- Partnership with UN Agencies, and International Agencies:
  UNDP will partner with UN Agencies such as UNESCAP (e-mobility policy framework drafting), UNEP (piloting e-transport in Sri Lanka), as well as with World Bank, IFC, GGGI, etc., to the extent feasible to ensure that the project interventions especially policy development and training efforts are not duplicated, and coordinated leading to sustainable transformation with the transport sector of Sri Lanka. The UNDP energy and transport team has already had discussions with UN agencies in this regard

- Engagement of NGOs, and CSOs:
  UNDP will mobilize NGOs and CSOs, especially those that are operating in the Western Province and Colombo city areas to capitalize on their local knowledge, networks, and experience with local communities, commuters, and the public. Emphasis will be placed on CSOs with established, long-standing partnerships with UNDP in project implementation and those that possess resources and technical expertise that can be leveraged to get support mainly to carry knowledge sharing initiatives under Output 4.

- Private Sector Partnerships:
  The project is designed to leverage private sector partnerships to mobilize investment essential to pilot test e-public bus operation in the city circular route Colombo. The capital subsidy scheme is designed to benefit private sector players who will invest in the pilot. In addition, the cooperation of private sector actors such as banks, leasing companies, private bus operators and their institutions, private bus drivers and technicians, those interested in investing in charging stations, etc., is required for successfully delivering training and capacity building expectations under Output 2.

Risks and Assumptions

- Women and commuters with special needs will be equitably considered in project activities and results, contributing to benefiting some of the most vulnerable individuals and communities.
- UNDP's procurement and financial systems can meet the procurement requirements of the project which will work to strict deadlines.

- The country's volatile economic situation does not adversely affect the procurement process and e-buses will be freely available in the market to purchase, and prices do not fluctuate considerably.
- The funding is disbursed on time, ensuring that the relevance of the proposed project activities remains unchanged and is not undermined by drastic changes in the social, economic, and political environment.
- The current economic crisis in the country does not unfavorably affect the operational stability of UNDP's implementing partners.
- Political uncertainty and/ or change in Government priorities does not affect UNDP's ongoing projects or the CCAC project.

Stakeholder Engagement

Target group	Objective	How to engage	Indicator
Government Policy makers i.e., Minister of Transport, Secretaries of the key Ministries	To endorse policy and regulatory framework	Targeted awareness creation prior to or soon after project inception meeting Prior to submission of draft policy and regulatory framework/master plan for endorsement Project steering committee meetings	NPD and ERD clearance Secretary MoT signing off the Project Document Participation in key events i.e., launch of capital subsidy scheme and pilot project
Government officials	Draft policy and regulatory framework and implement it	Organizing discussions on specific topics based on studies commissioned by the project (i.e., impact of e-mobility promotion on the national electricity grid, safety, security and accessibility issues for women and special needs commuters in suing public transport, etc) Training and capacity building	Government circulars and official instructions related to e-public transport and e buses
Private banks and financing institutions	Provide financing for e-mobility/ e-bus investment by private sector	Special discussions organized to create awareness about the project and the subsidy scheme among financing sector officials Training and capacity building Discussions arranged to set up capital subsidy scheme via a government institution	Financing sector participation in e-bus pilot project and expansion
Private bus operation owners	Engage in capital subsidy programme Channel investment for piloting e public bus transport in Colombo	Targeted discussion with potential investors identified via their associations, banks and other means During setting up of capital subsidy programme	Private sector investment in pilot project and beyond
Public sector and private bus drivers, technicians	To understand e-bus operation and engage in safe and confident driving, repair & maintenance, and overall management of e-	Through training and capacity building Follow up discussions	Smooth e-bus operation free of technical issues

	public bus transport		
CSO and NGO	Infomediary and influencing function in relation to communities and public	Awareness creation during the inception meeting Engagement in key events Possible partnerships in awareness campaigns	High community awareness and interest in e public transport
The public commuters	Use e public transport	Targeted awareness creation programmes Public campaigns	The project aims to strengthen public transport so that commuters will have better quality, reliable, and convenient access to meet their mobility needs. As such the commuters who are largely from low-income strata of the country are important to the project, especially women and passengers with special needs. Institutions that represent passengers in the western province as well as women's institutions and those that represent other disadvantaged communities will also be considered as stakeholders with whom partnerships will be pursued as appropriate within project management framework
Community and resident associations	Use e public transport	Targeted awareness creation programmes Public campaigns	Involving community and resident associations in the project will help ensure that the needs and concerns of local communities are taken into account during the planning and implementation of electric bus mobility in public transport. Partnerships with community organizations, neighborhood associations, and resident groups will facilitate community engagement, feedback, and support for the project.
Media and communication agencies	Infomediaries who take messages to commuters and the public	Awareness campaigns Special meetings targeting media and communication stakeholders	Engagement with media and communication partners will be essential to effectively communicate the benefits and progress of the project to the public, stakeholders, and decision-makers. Engagement with both local and national media outlets, as well as social media influencers, will be crucial in raising awareness and garnering public support for the project.
Acedemic and research institutions	Inputs for policy formulation and capacity building	Inception meeting Discussions on studies conducted by the project on issues Possible national consultancies	Collaboration with academic and research institutions will be important for knowledge-sharing, data collection, and analysis to support the implementation and monitoring of the project. Partnerships with universities, research centers, and relevant academic departments will be built to

			contribute to the development of evidence-based policies and strategies for sustainable low-carbon transport in Sri Lanka
Private sector technology providers			Engaging with technology providers and industry partners in the electric vehicle sector will be necessary for the successful deployment and operation of electric buses in the Colombo Metropolitan region. Partnerships with companies that specialize in electric vehicles and charging infrastructure, and other related technologies will be crucial for ensuring the reliability and sustainability of the project.

By engaging with a diverse range of stakeholders, the project aims to create a holistic and inclusive approach to transitioning to low-carbon green transport in Sri Lanka. Collaborating with government agencies, UN agencies, NGOs, CSOs, the private sector, commuters, media, academic institutions, technology providers, industry stakeholders and community associations will maximize the impact and sustainability of the project.

South-South and Triangular Cooperation (SSC/TrC)[14]

- The project will primarily use platforms available via UNDP, UNEP, and CCAC to share lessons learned from the project. Holding a webinar and developing a case study on project lessons is part of the project activities.

Digital Solutions[15]

- The project will use and improve the traffic monitoring platform recently introduced by NTC as a first step towards digital transformation in the public bus transportation area. The digital technologies and solutions will help commuters check schedules and buy tickets online, reserve and monitor the movement of the bus increasing convenience.

Knowledge

- The project will conduct a series of studies that will generate knowledge and help the formulation of e-public transport policy and regulation, master plans, etc, and provide inputs to designing and delivering training programs. A discussion with technical teams will be held prior to finalizing each of these studies given that they generate new/important information.
- Further, the project's proactive coordination on implementing e-transport strategies and actions with other development partners such as World Bank will also provide wider opportunities for learning and knowledge sharing. The planned webinar and the case study developed on project lessons towards the end of the project will also capture valuable knowledge of the project initiatives.

Sustainability and Scaling Up

- The project will be conducted through a strategic partnership with the MoT to test an important development priority for the GOSL. All relevant national transport sector institutions are the key stakeholders of the project. Further, the project will closely engage with the financing sector and private bus operation stakeholders, who will obtain clarity on medium and long-term strategic thrusts in promoting e-public transport and reliable insights on the viability of e-public bus operation. Backed by local capacity created by the project and informed private sector will be motivated to continue engaging in e-bus transport service provision.

[14] *Please see Considerations for South-South and Triangular Cooperation Design, Implementation, and Documentation.*
[15] *Please see the Guideline "Embedding Digital in Project Design".*

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

To deliver maximum results with available resources, the project will use a coordinated management approach with other development partners to avoid any duplication of actions and waste of resources as a result. Such coordination strategies would include supporting MoT to organize a meeting with all parties to keep all informed of past present and planned work, inviting key development partners engaged/interested in e-mobility to the project Steering Committee, having strategizing, and coordination discussions with those who have active work in the area as well as reviewing implemented work to ensure the agreed collective programmatic approach is adhered to.

Project Management

UNDP employs a results-based management (RBM) approach, with the project having clearly defined and verifiable results (outputs and outcomes) that are aligned to the outcomes of the Country Programme Document, the UN Sustainable Development Cooperation Framework, and UNDP's Global Strategic Plan.

The project will be operational at the national level with key government institutions responsible for transport and private sector banks and financing institutions, all of which are located in Colombo. The pilot initiative will also be conducted within Colombo City.

The project will be operated directly through the PMU located in Colombo. The Project Manager will be responsible for the timely delivery of project interventions in line with the approved work plan, and to ensure that results, as described in the Project Document, are achieved.The PMU will have a project implementation team. It consists of a full-time Communications Officer responsible for knowledge management work and a Project Coordinator who will oversee and follow up on the day-to-day operations. PMU will also consist of a Technical Specialist (transport/energy), a Project Assistant, and a Project Associate.

International and local consultants will be procured during project implementation

V. RESULTS FRAMEWORK[16]

Intended Outcome as stated in the UNSDCF/Country [or Regional] Programme Results and Resource Framework: By 2027, more people in Sri Lanka, particularly youth and the most vulnerable, have equitable, decent, just work and income opportunities, and benefit from and contribute to inclusive, gender-transformative, resilient and green-led economic recovery, growth and diversification.
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: CPD Outcome 4: By 2027, Sri Lanka has enhanced environmental sustainability and climate action through the protection and sustainable management of natural resources, reduction of environmental degradation, and increased adoption of climate-resilient practices.
Applicable Output(s) from the UNDP Strategic Plan: SP Output: 5.2 Transition to renewable energy accelerated capitalizing on technological gains, clean energy innovations and new financing mechanisms to support green recovery CPD Output: 2.1 Development, financing and implementation of pro-poor, inclusive green growth policies strengthened.
Project Title: Enabling Environment for Electric Buses for Public Transport and their Pilot Deployment in Colombo, Sri Lanka. **Quantum Project Number:** 01003422

EXPECTED OUTPUTS	OUTPUT INDICATORS[17]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	FINAL	
Output 1 Output 1.1: A policy and regulatory framework for electric buses designed and developed for the Ministry of Transport and Highways	1.1. Recommendations available to design policy, regulatory, fiscal and financial incentive schemes for e-public bus transport *No of plans policies, laws or regulations drafted or updated*		*0*	*2024*	*1*			*Desk research* *Stakeholder consultation* *primary data collection on some important areas and focus group discussions as required* *Risks:* *Current economic climate in the country limiting options for transformation* *Limited knowledge about e- transport among local stakeholders*
Output 1.2: A comprehensive policy, regulatory and guidelines framework developed to enable e-bus	1.2. Policy, regulations and guidelines for e- public bus transport operation drafted and, submitted to MoT for endorsement		*0*	*2024*	*1*			*Consultation and discussions amongst policy makers* *Risks:* *International good practices may not be applicable to Sri Lanka given current economic climate in the*

[16] UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

[17] It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

EXPECTED OUTPUTS	OUTPUT INDICATORS[17]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	FINAL	
deployment in Sri Lanka for public transport for the Ministry of Transport and Highways	*No of plans policies, laws or regulations drafted or updated*							*country and limited knowledge about e- transport among local stakeholders and policy makers*
Output 1.3: Feasibility studies and analysis that lead to scaling up of low-carbon transport in Sri Lanka conducted, and recommendations for disposal of old vehicles made for the Ministry of Transport and Highways and Ministry of Environment	1.3. *Number of SLCP knowledge resources or tools produced*		0	2024	*1*			*1.4. Consultation with government stakeholders including SLTB, private bus operators and banking/financing sector, good practices from other countries* *Risks: Limited knowledge about e- transport among local stakeholders who may not agree with recommended strategies* *Key studies and knowledge products created through the project and pilot e-bus deployment experience will be the main information source for GCF proposal* *Risks: Worsening of economic climate in Sri Lanka preventing thee financing model from working* *Changes in GCF policies in two years*
Output 1.4 Proposals for scaling up of E Buses Developed	1.4. Draft concept on scaling up e-bus and LCT in Sri Lanka to GCF *No of high-level outreach meetings or events hosted*		0	2024	*1*			
Output 2 Output 2.1 An analysis of technical, operational, financial, economic and regulatory aspects conducted for electric bus mobility	2.1 Report on technical, operational, financial, economic and regulatory related analysis *Number of SLCP knowledge resources or tools produced*		0	2024	*1*			*Policy research* *Discussion with stakeholders* *Risks*

EXPECTED OUTPUTS	OUTPUT INDICATORS[17]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	FINAL	
Output 2.2 Knowledge and capacity improved amongst local stakeholders (MoTH, MoP&E, NTC, WPRPTA, CMC, and public bus operators) on risks, technical standards, and operational issues of deployment of electric buses	2.2.1 Number of person hours of training		*0*	*2024*		*6720*		*Studies and knowledge products produced by the project* *Risks: participation of women is token rather than having identified right persons* *Missing out most important groups, local/ingformal technical people*
Output 3 Output 3.1 Improved knowledge and capacity among local private stakeholders (private bus operator association, bus drivers' and workshop technicians' associations, and commercial banks/financial institutions/finance and insurance associations) on risks, technical standards, and operational issues of deployment of electric buses. All capacity building measures will include a certain minimum percentage of women trainees.	3.1.1. *Number of person hours of training*		*0*	*2024*		*9840*		*Studies and knowledge products produced by the project* *Risks: participation of women is token rather than having identified right persons* *Missing out most important groups, local/ingformal technical people*
Output 3.2 Increased awareness and sensitization among local residents regarding the benefits of	3.2.1. Number of targeted promotional events on benefits of using low-carbon public transport in Sr Lanka		*0*	*2024*		*35*		*Studies and knowledge products produced by the project*

EXPECTED OUTPUTS	OUTPUT INDICATORS[17]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	FINAL	
using public transport in general, and low-carbon electric mobility in particular, including safety aspects for women								*Risks: participation of women is token rather than having identified right persons* *Missing out most important groups, local/informal technical people*
Output 4 Output 4.1 :5 small/medium 9-metre buses deployed through public private partnerships in Colombo Municipal area after selection of vendor/OEM through a competitive tender process as per UN procurement rules.	4.1 Records of 5 e buses operating in Colombo *Number of tools, equipment, or technologies installed*		*0*	*2024*		*5*		*Informed by project generated studies and research work* *Risk* *Government does not prioritize introducing and implementation of e-transport policies* *Private sector operators and financing companies may lose interest*
Output 5 Output 5.1 Webinar about the project approach and outcomes delivered to CCAC partners and project stakeholders	5.1. Number of public events, webinars, or side events hosted		*0*	*2024*	*1`*			*Project experience documents and knowledge products* *Risks* *Not much interest or demand for the webinar*
Output 5.2 Case studies disseminated to support the replication or scale up of the project activities and/or results for potential public and private sector operators/stakeholders	5.2. Number of SLCP knowledge resources or tools produced		*0*	*2024*		*1*		*Project documentation products* *Risks;* *Not much relevance for international audience*
Output 5.3 Emissions tracking system established for deployment of 5 electric buses for NDC reporting	5.3 Number of SLCP assessments, emissions inventories, and other emissions datasets produced		*0*	*2024*		*1*		*Project documents* *Risk*

EXPECTED OUTPUTS	OUTPUT INDICATORS[17]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	FINAL	
								Government not prioritizing and compiling the report zing updates
Output 5.4 :MRV system established for tracking project implementation activities and outputs for Project Board	5.4. Number of SLCP knowledge resources or tools produced		*0*	*2024*		*1*		*Project data collection* *Risks*

VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: *[Note: monitoring and evaluation plans should be adapted to project context, as needed]*

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.		
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.		
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.		
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.		
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)			

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.		

Evaluation Plan[18]

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNSDCF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
e.g., Mid-Term Evaluation						

[18] Optional, if needed

VII. MULTI-YEAR WORK PLAN [19][20]

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year US $			RESPONSIBLE PARTY	PLANNED BUDGET			
		Y1	Y2	Y2 3		Funding Source	Account Code	Budget Description	Amount
Output 1: Policy and regulations for electric public bus transport developed and adopted, providing a foundation for national-scale transition and long-term policy coherence.	Activity 1.1 A policy and regulatory framework for electric buses designed and developed for the Ministry of Transport and Highways		45,000.00		UNDP	CCAC	71400	Contractual Services - Individual	45,000.00
			500.00			CCAC	72500	Supplies	500.00
			8,000.00			CCAC	71600	Travel	8,000.00
	Activity 1.2 A comprehensive policy, regulatory and guidelines framework developed to enable e-bus deployment in Sri Lanka for public transport for the Ministry of Transport and Highways		39,000.00		UNDP	CCAC	71400	Contractual Services - Individual	39,000.00
			3,000.00			CCAC	71600	Travel	3,000.00
	Activity 1.3 Feasibility studies and analysis that lead to scaling up of low-carbon transport in Sri Lanka conducted, and recommendations for disposal of old vehicles made for the Ministry of Transport and Highways and Ministry of Environment		42,000.00		UNDP	CCAC	71400	Contractual Services - Individual	42,000.00
			3,000.00		UNDP	CCAC	71600	Travel	3,000.00
	Activity 1.4 Proposals for scaling up of E Buses Developed		6,000.00		UNDP	CCAC	75700	Training, Workshops and Confer	6,000.00
	Sub-Total for Output 1	**0.00**	**146,500.00**	**0.00**					**146,500.00**
Output 2. Enhanced capacity of public stakeholders on	Activity 2.1 An analysis of technical, operational, financial, economic and regulatory aspects conducted for electric bus mobility		29,000.00		UNDP	CCAC	71400	Contractual Services - Individual	29,000.00

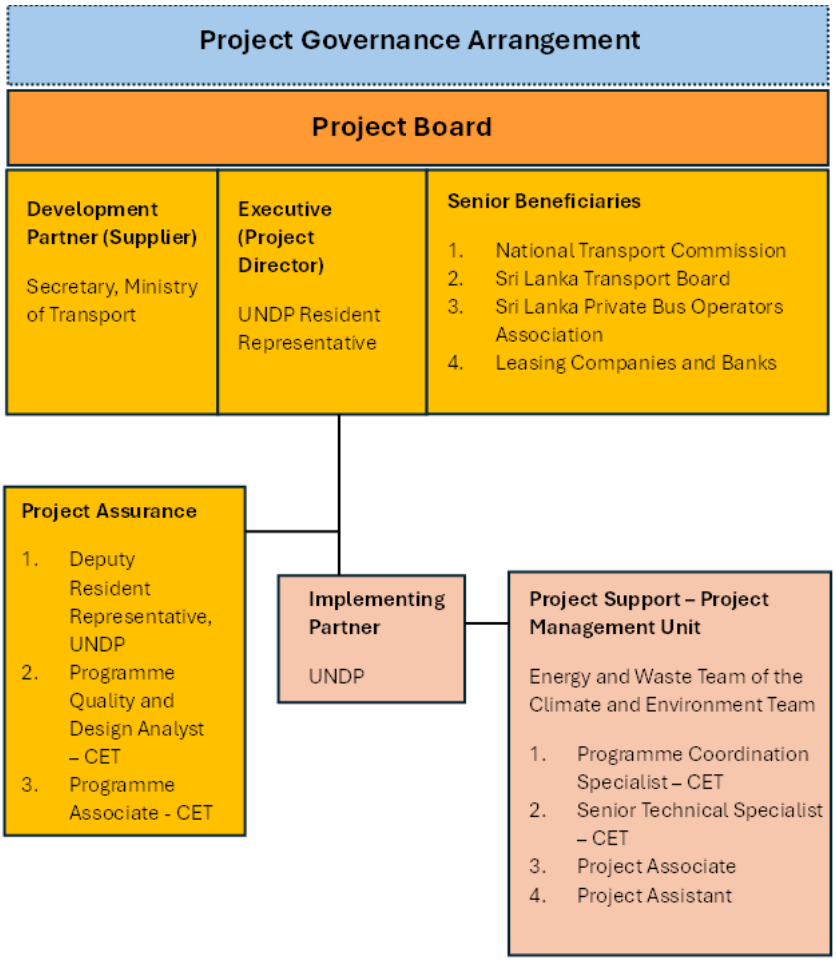
[19] Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

[20] Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

technical and operational aspects to deploy low carbon public transport			4,000.00		UNDP	CCAC	71600	Travel	4,000.00
	Activity 2.2 Knowledge and capacity improved amongst local stakeholders (MoTH, MoP&E, NTC, WPRPTA, CMC, and public bus operators) on risks, technical standards, and operational issues of deployment of electric buses			24,000.00	UNDP	CCAC	71400	Contractual Services - Individual	24,000.00
				2,000.00	UNDP	CCAC	72500	Supplies	2,000.00
				5,000.00	UNDP	CCAC	71600	Travel	5,000.00
	Sub-Total for Output 2	**0.00**	**33,000.00**	**31,000.00**					**64,000.00**
Output 3. Increased knowledge and capacity of the private sector on low carbon public transport	Activity 3.1 Improved knowledge and capacity among local private stakeholders (private bus operator association, bus drivers' and workshop technicians' associations, and commercial banks/financial institutions/finance and insurance associations) on risks, technical standards, and operational issues of deployment of electric buses. All capacity building measures will include a certain minimum percentage of women trainees.		4,000.00	0	UNDP	CCAC	72100	Contractual Services Companies	4,000.00
			30,000.00	0	UNDP	CCAC	71400	Contractual Services - Individual	30,000.00
			3,000.00	0	UNDP	CCAC	72500	Supplies	3,000.00
			10,000.00	0	UNDP	CCAC	71600	Travel	10,000.00
	Activity 3.2 Increased awareness and sensitization among local residents regarding the benefits of using public transport in general, and low-carbon electric mobility in particular, including safety aspects for women			70,000.00	UNDP	CCAC	72100	Contractual Services Companies	70,000.00
				17,000.00	UNDP	CCAC	71400	Contractual Services - Individual	17,000.00
				5,500.00	UNDP	CCAC	72500	Supplies	5,500.00
				2,562.00	UNDP	CCAC	71600	Travel	2,562.00
	Sub-Total for Output 3	**0.00**	**47,000.00**	**95,062.00**					**142,062.00**
Output 4. Private sector bus operators engage in modern cost effective low carbon public transport	Activity 4.1 5 small/medium 9-metre buses deployed through public private partnerships in Colombo Municipal area after selection of vendor/OEM through a competitive tender process as per UN procurement rules.		0	227,305.15	UNDP	CCAC	72200	Equipment and Furniture	227,305.15
			0	19,000.00	UNDP	CCAC	71400	Contractual Services - Individual	19,000.00
			0	2,000.00	UNDP	CCAC	71600	Travel	2,000.00
	Direct project cost 5%		14,558.4	22,607.45	UNDP	CCAC	64300	Direct Project Cost – Services from CO staff	37,165.85
	Sub-Total for Output 4	**0.00**	**14,558.40**	**270,912.60**					**285,471.00**

Output 5. Increased knowledge and awareness about low carbon transport including SLCPs among all stakeholders including general public by end of the project	Activity 5.1 Webinar about the project approach and outcomes delivered to CCAC partners and project stakeholders		0	2,000.00	UNDP	CCAC	71400	Contractual Services - Individual	2,000.00
	Activity 5.2 Case studies t disseminated to support the replication or scale up of the project activities and/or results for potential public and private sector operators/stakeholders		0	2,000.00	UNDP	CCAC	71400	Contractual Services - Individual	2,000.00
	Activity 5.3 Emissions tracking system established for deployment of 5 electric buses for NDC reportingA		0	5,000.00	UNDP	CCAC	71400	Contractual Services - Individual	5,000.00
	Activity 5.4 MRV system established for tracking project implementation activities and outputs for Project Board		5,000.00		UNDP	CCAC	71400	Contractual Services - Individual	5,000.00
	Sub-Total for Output 5	**0.00**	**5,000.00**	**9,000.00**					**14,000.00**
TOTAL	**SubTotal**	**0.00**	**246,058.40**	**405,974.60**					**652,033.00**
	GMS (7%)	**-**	**17,224.00**	**28,418.00**					**45,642.00**
	Grand Total	**0.00**	**263,282.40**	**434,392.60**					**697,675.00**

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS



Implementation Modality

The Project will be implemented under the Direct Implementation Modality (DIM). This means that UNDP will take on the role of Implementing Partner and will assume full responsibility and accountability for the effective use of resources and the delivery of outputs.UNDP Sri Lanka will take on programmatic and financial responsibility to manage the project and achieve the defined results, accountability for Project administration, including organizing implementation of Project activities, procurement of goods and services, recruitment of Project personnel and national and international consultants, connecting to national and international expertise and knowledge networks, and quality assurance, ensuring timely and expedient implementation of Project activities, including the provision of continuous feedback and information sharing among stakeholders.

The Project Steering Committee has the function to oversee transparency, accountability and efficiency of the Project operations as well as to assess opportunities, risks and political challenges and link to other relevant Government and development partners' initiatives. The Steering Committee shall include representatives of the senior beneficiaries of key government organizations. It will be chaired by UNDP Resident Representative (Executive) and comprise of key

government institutions, civil society, and the contributing donor(s) and will convene at least twice per year. The board will be tasked with providing overall guidance and direction to the project and assessing risks and agreeing on appropriate management actions. The Programme Quality & Design Analyst of UNDP will ensure quality assurance, aligned with government priorities and donor requirements. The Energy and Waste Management Team of the Country Office will provide necessary technical support for the implementation of project activities. The quality assurance teams of the CO will provide the necessary oversight functions.

IX. LEGAL CONTEXT

https://intranet.undp.org/global/documents/ppm/SBAA.pdfThis project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Sri Lanka and UNDP, signed on March 20th, 1990 . All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by UNDP ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures.

X. RISK MANAGEMENT

Option b. UNDP (DIM)

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)

2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the [project funds][21] [UNDP funds received pursuant to the Project Document][22] are used to provide support to individuals or entities associated with terrorism , that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).

4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse ("SEA") and sexual harassment ("SH") allegations in accordance with its regulations, rules, policies and procedures.

[21] To be used where UNDP is the Implementing Partner
[22] To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner

6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor, and sub-recipient:

a. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
   i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
   ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.

b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.

c. Each responsible party, subcontractor and sub-recipient (each a "sub-party" and together "sub-parties") acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the sub-parties, and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

   (a) In the implementation of the activities under this Project Document, each sub-party shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

   (b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, each sub-party, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

d. In the performance of the activities under this Project Document, each sub-party shall (with respect to its own activities), and shall require from its sub-parties (with respect to their activities) that they, have minimum

standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, sub-parties will and will require that their respective sub-parties will take all appropriate measures to:

(i) Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

(ii) Offer employees and associated personnel training on prevention and response to SH and SEA, where sub-parties have not put in place its own training regarding the prevention of SH and SEA, sub-parties may use the training material available at UNDP;

(iii) Report and monitor allegations of SH and SEA of which any of the sub-parties have been informed or have otherwise become aware, and status thereof;

(iv) Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

(v) Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. Each sub-party shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the relevant sub-party shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

e. Each sub-party shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the relevant sub-party to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

f. Each responsible party, subcontractor and sub-recipient will ensure that any project activities undertaken by them will be implemented in a manner consistent with the UNDP Social and Environmental Standards and shall ensure that any incidents or issues of non-compliance shall be reported to UNDP in accordance with UNDP Social and Environmental Standards.

g. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud, corruption or other financial irregularities, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption, anti-fraud and anti money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.

h. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices (b) UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy; and (c) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-

recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.

i. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.

j. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud, corruption other financial irregularities with due confidentiality.

   Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

k. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud corruption, other financial irregularities or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.

l. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.

m. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

n. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

1. Project Quality Assurance Report – in UNDP online QA system
2. Social and Environmental Screening Template
3. Risk Analysis

ANNEX 1: Project Quality Assurance Report – in UNDP online QA system

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

OVERALL PROJECT

EXEMPLARY (5) ◎◎◎◎◎	HIGHLY SATISFACTORY (4) ◎◎◎◎○	SATISFACTORY (3) ◎◎◎○○	NEEDS IMPROVEMENT (2) ◎◎○○○	INADEQUATE (1) ◎○○○○
At least four criteria are rated Exemplary, and all criteria are rated High or Exemplary.	All criteria are rated Satisfactory or higher, and at least four criteria are rated High or Exemplary.	At least six criteria are rated Satisfactory or higher, and only one may be rated Needs Improvement. The Principled criterion must be rated Satisfactory or above.	At least three criteria are rated Satisfactory or higher, and only four criteria may be rated Needs Improvement.	One or more criteria are rated Inadequate, or five or more criteria are rated Needs Improvement.

DECISION

- **APPROVE** – the project is of sufficient quality to be approved in its current form**.** Any management actions must be addressed in a timely manner.
- **APPROVE WITH QUALIFICATIONS** – the project has issues that must be addressed before the project document can be approved. Any management actions must be addressed in a timely manner.
- **DISAPPROVE** – the project has significant issues that should prevent the project from being approved as drafted.

RATING CRITERIA

For all questions, select the option that best reflects the project

STRATEG IC

1. Does the project specify how it will contribute to higher level change through linkage to the programme's Theory of Change? • **3:** The project is clearly linked to the programme's theory of change. It has an explicit change pathway that explains how the project will contribute to outcome level change and why the project's strategy will likely lead to this change. This analysis is backed by credible evidence of what works effectively in this context and includes assumptions and risks. • **2:** The project is clearly linked to the programme's theory of change. It has a change pathway that explains how the project will contribute to outcome-level change and why the project strategy will likely lead to this change. • **1:** The project document may describe in generic terms how the project will contribute to development results, without an explicit link to the programme's theory of change. **Note: Projects not contributing to a programme must have a project-specific Theory of Change. See alternative question under the lightbulb for these cases.* ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3 2 1	**Evidence** The Theory of Change outlined in the ProDoc (Section II Strategy, Pg 7) clearly articulates the project's strategy and the pathways of change. It highlights how specific interventions are designed to address identified challenges, demonstrating a logical progression from outputs to the achievement of outcome-level changes. This comprehensive framework explains why the chosen project strategy is expected to drive meaningful and sustainable impact, directly contributing to the programme's overarching theory of change.
2. Is the project aligned with the UNDP Strategic Plan? • **3:** The project responds to at least one of the development settings as specified in the Strategic Plan[1] and adapts at least one Signature Solution[2].	3 2 1	

The project's RRF includes all the relevant SP output indicators. *(all must be true)* • **2:** The project responds to at least one of the development settings as specified in the Strategic Plan[4]. The project's RRF includes at least one SP output indicator, if relevant. *(both must be true)* • **1:** The project responds to a partner's identified need, but this need falls outside of the UNDP Strategic Plan. Also select this option if none of the relevant SP indicators are included in the RRF. ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	**Evidence** The project aligns with UNDP's Strategic Plan 2022–2025, specifically contributing to the Development Setting "Accelerate structural transformations for sustainable development"; contributes to Signature Solution "Promote nature based solutions for a sustainable planet", with some contributions to " Strengthen effective, inclusive and accountable governance" and " Strengthen gender equality and the empowerment of women and girls". In addition, the project also contributes to SPs aim "to promote over USD 1 trillion of public expenditure and private capital investment in the SDGs." The project contributes to the aim 4 of UNDP's Strategic Plan 2022-2025; promoting over USD 1 trillion of public expenditure and provate capital investment in the SDG. Project is also linked to one of the three Directions of Change or Outcome 1 of the IRRF; Structural transformation (Indicator 1.1: International financial flows to developing countries in support of clean energy research and development and renewable energy production, including in hybrid systems). Key IRRF output indicators that the project contributes to include: 1.1.2. Number of countries that have policy measures in place to enable the enhancement and/or implementation of Nationally Determined Contributions under the Paris Agreement; 4.1.1 Number of people directly benefitting from initiatives to protect nature and promote sustainable use of resources; and, 6.3.1 Number of countries with new and/or strengthened policy and legislative and institutional environment to prevent and respond to GBV. The project is further aligned with the UNDP Sri Lanka Country Programme Document (CPD) 2023–2027, contributing to Outcome 2: "By 2027,

	people and communities in Sri Lanka, especially the vulnerable and marginalized, are more resilient to climate change and disaster risks, have enhanced water and food security, and equitably benefit from ambitious climate action and increasingly sustainable management and protection of the environment and natural resources." Relevant CPD Output is: "Output 2.1. Development, financing and implementation of pro-poor, inclusive green growth policies strengthened." Project aligns with CPD for Sri Lanka 2023-2027 Please refer Page 18 of the Project Document for the project's RRF, for further details.
3. Is the project linked to the programme outputs? (i.e., UNDAF Results Group Workplan/CPD, RPD or Strategic Plan IRRF for global projects/strategic interventions not part of a programme) *Note: Project QA cannot be approved by Project QA Approver when the response is "No". * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	**Yes** / **No** **Evidence** Yes, the project is clearly linked to programme outputs and contributes directly to the achievement of the **IRRF 2024 Signature Solution 1.1.2**, which measures the **number of countries with policy measures in place to enable the enhancement and/or implementation of Nationally Determined Contributions (NDCs) under the Paris Agreement, and, 4.1.1 Number of people directly benefitting from initiatives to protect nature and promote sustainable use of resources.** Flowing down, the project is linked to **UNSDCF OUTCOME 3/UNDP OUTCOME 2; By 2027, people and communities in Sri Lanka, especially the vulnerable and marginalized, are more resilient to climate change and disaster risks, have enhanced water and food security, and equitably benefit from ambitious climate action and increasingly sustainable management and protection of the environment and natural resources.**

	The project also addresses a **national priority identified in the CPD**: adopting a green development strategy with a specific focus on green agriculture, energy, construction, green villages, cities, and green employment, contributing to the sustainable development of Sri Lanka.
RELEVANT	
4. Does the project identify target groups, and particularly those marginalized, vulnerable, and left further behind (LNOB)? • **3:** The target groups are clearly specified, prioritising discriminated and marginalized groups left furthest behind, identified through a rigorous process based on evidence. • **2:** The target groups are clearly specified, prioritizing groups left furthest behind. • **1:** The target groups are not clearly specified. *Note: Management Action must be taken for a score of 1. *Projects that build institutional capacity should still identify targeted groups to justify support*	3 | 2 | 1 **Evidence** The project aims to make a positive impact on commuters of public transport—specifically low- and middle-income groups who are often forced to rely on dilapidated, unreliable public transport options with safety concerns and underserved routes. The project specifically targets women and other marginalized groups whose rights have been neglected or overlooked by conventional public transport services. It will build capacity among both public and private sector service providers and officials to deliver an improved public bus transport service. (Refer to the ProDoc and the project's SESP for further details.)
5. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design? • **3:** Knowledge and lessons learned backed by credible evidence from sources such as evaluation, corporate policies/strategies, and/or monitoring have been explicitly used, with appropriate referencing, to justify the approach used by the project. • **2:** The project design mentions knowledge and lessons learned backed by evidence/sources but have not been used to justify the approach selected. • **1:** There is little, or no mention of knowledge and lessons learned informing the project design. Any references made are anecdotal and not backed by evidence. *Note: Management Action or strong management justification must be given for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3 | 2 | 1 **Evidence** The project proposes to introduce e-public bus transport for the first time in Sri Lanka, an area with limited prior experience. To inform the concept, UNDP commissioned a feasibility study that reviewed relevant research, global experiences, and studies from other organizations, including GGGI, as well as international private sector practices. The feasibility study, along with UNDP's global knowledge on e-transport and e-bus systems, was used to develop a concept for introducing e-buses to Sri Lanka in 2023. This concept was developed in close collaboration with the

	Regional Technical Adviser, Jana Koperniech, and inputs from UNDP's global expertise, eventually leading to submission to the GCF. The project was designed to create an enabling policy environment and pilot test e-public bus transport in Colombo, based on the 2023 concept note. (Refer to the ProDoc, GCF Concept Note, and the feasibility study for further details.)
6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national/regional/global partners and other actors? • **3:** An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project, including identification of potential funding partners. It is clear how results achieved by partners will complement the project's intended results and a communication strategy is in place to communicate results and raise visibility vis-à-vis key partners. Options for south-south and triangular cooperation have been considered, as appropriate. *(all must be true)* • **2:** Some analysis has been conducted on the role of other partners in the area where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project, with unclear funding and communications strategies or plans. • **1:** No clear analysis has been conducted on the role of other partners in the area that the project intends to work. There is risk that the project overlaps and/or does not coordinate with partners' interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance. *Note: Management Action or strong management justification must be given for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3 / 2 / 1 **Evidence** The project plans to collaborate with relevant government agencies at the national level, Western Provincial, and Colombo city levels. Key stakeholders include the Ministry of Transport, Ministry of Power and Energy, Ministry of Environment, National Transport Commission, Department of Motor Traffic, Sri Lanka Trasport Board, Western Province Passenger Transport Authority, Colombo Municipal Council, and etc. Additionally, the project will engage with women's organizations, youth organizations, NGOs, private sector partners (including bus operators and technology suppliers), and the financing sector (banks and leasing companies), with clear roles and responsibilities facilitated by UNDP. (Please refer to the Parnerships Section, Section III of the ProDoc)
PRINCIPLED	
7. Does the project apply a human rights-based approach? • **3:** The project is guided by human rights and incorporates the principles of accountability, meaningful participation, and non-discrimination in the project's strategy. The project upholds the relevant international and national laws and standards. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate	3 / 2 / 1 **Evidence**

mitigation and management measures incorporated into project design and budget. *(all must be true)* • **2:** The project is guided by human rights by prioritizing accountability, meaningful participation and non-discrimination. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget. *(both must be true)* • **1:** No evidence that the project is guided by human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered. *Note: Management action or strong management justification must be given for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	The project aims to address the needs of marginalized commuters, including women, the elderly, and individuals with disabilities, who have historically been underserved in public transport. It includes a specific gender-focused study, examining safety, security, and accessibility aspects of public bus transport in Sri Lanka. This study will inform policy formulation, guidelines development, technology selection, and training, awareness-raising, and capacity-building programs. (Refer to page 17 of the ProDoc for details on Risk 3 in the Risk Log.)
8. Does the project use gender analysis in the project design? • **3:** A participatory gender analysis has been conducted and results from this gender analysis inform the development challenge, strategy and expected results sections of the project document. Outputs and indicators of the results framework include explicit references to gender equality, and specific indicators measure and monitor results to ensure women are fully benefitting from the project. *(all must be true)* • **2:** A basic gender analysis has been carried out and results from this analysis are scattered (i.e., fragmented and not consistent) across the development challenge and strategy sections of the project document. The results framework may include some gender sensitive outputs and/or activities, but gender inequalities are not consistently integrated across each output. *(all must be true)* • **1:** The project design may or may not mention information and/or data on the differential impact of the project's development situation on gender relations, women and men, but the gender inequalities have not been clearly identified and reflected in the project document. *Note: Management Action or strong management justification must be given for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3 | 2 1 **Evidence** A gender analysis and gender action plan have been developed and will be incorporated into the project's results framework to ensure greater gender sensitivity and responsiveness across the outputs and activities. Refer to the ProDoc, Risk 4 in the Risk Log, and the Gender Action Plan for more details.
9. Did the project support the resilience and sustainability of societies and/or ecosystems? • **3:** Credible evidence that the project addresses sustainability and resilience dimensions of development challenges, which are integrated in the project strategy and design. The project reflects the interconnections between the social, economic and environmental dimensions of sustainable development. Relevant shocks, hazards and adverse social and environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. *(all must be true)*. • **2:** The project design integrates sustainability and resilience dimensions of development challenges. Relevant shocks, hazards and adverse social and environmental impacts have been identified and assessed, and relevant management and mitigation measures incorporated into project design and budget. *(both must be true)*	3 | 2 1 **Evidence** The project will address key natural hazards impacting public bus transport, which are being exacerbated by climate change. These considerations will be incorporated into policies, guidelines, and technology selection processes. Additionally, potential negative

• **1:** Sustainability and resilience dimensions and impacts were not adequately considered. *Note: Management action or strong management justification must be given for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	environmental impacts, such as the disposal of redundant diesel buses and eventual battery disposal, have been identified and will be addressed through policy development and planning. (Refer to Risks 6 and 7 in the Risk Log for more details.)

10. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks? The SESP is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences and/or communication materials and information dissemination. [if yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.] * *Applicable only to option "SESP not required" 1: Preparation and dissemination of reports, documents and communication materials 2: Organization of an event, workshop, training 3: Strengthening capacities of partners to participate in international negotiations and conferences 4: Partnership coordination (including UN coordination) and management of networks 5: Global/regional projects with no country level activities (e.g. knowledge management, inter-governmental processes) 6: UNDP acting as Administrative Agent 7: Development Effectiveness projects and Institutional Effectiveness projects *Note: Project QA cannot be approved by Project QA Approver when the response is "No". * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	Yes	No Please refer to the Annex x of ProDoc **Evidence**

MANAGEMENT & MONITORING

11. **Does the project have a strong results framework?** • **3:** The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators that measure the key expected development changes, each with credible data sources and populated baselines and targets, including gender sensitive, target group focused, sex-disaggregated indicators where appropriate. *(all must be true)* • **2:** The project's selection of outputs and activities are at an appropriate level. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of target group focused, sex-disaggregated indicators, as appropriate. *(all must be true)* • **1:** The project's selection of outputs and activities are not at an appropriate level; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators. *(if any is true)* *Note: Management Action or strong management justification must be given for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".**	3	2 1 **Evidence** The project has 5 outputs and related activities that contribute to deliver each output. SMART results-oriented indicators with sex disaggregated indicators where relevant Refer to results Framework of the ProDoC

* Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	
12. Is the project's governance mechanism clearly defined in the project document, including composition of the project board? • **3:** The project's governance mechanism is fully defined. Individuals have been specified for each position in the governance mechanism (especially all members of the project board.) Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. *(all must be true)*. • **2:** The project's governance mechanism is defined; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The project document lists the most important responsibilities of the project board, project director/manager and quality assurance roles. *(all must be true)* • **1:** The project's governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided. *Note: Management Action or strong management justification must be given for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3 | 2 1 **Evidence** The project's governance mechanism is clearly defined, with responsibilities and governance roles assigned to specific institutions, including the project board, quality assurance roles, and other key entities. The project document lists the most critical responsibilities of the project board, project director/manager, and quality assurance roles. Please refer to the Governance and Mangement Section of the ProDoc (page 25)
13. Have the project risks been identified with clear plans stated to manage and mitigate each risk? • **3:** Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the programme's theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis such as funding potential and reputational risk. Risks have been identified through a consultative process with key internal and external stakeholders. Clear and complete plan in place to manage and mitigate each risk, reflected in project budgeting and monitoring plans. *(both must be true)* • **2:** Project risks related to the achievement of results are identified in the initial project risk log based on a minimum level of analysis and consultation, with mitigation measures identified for each risk. • **1:** Some risks may be identified in the initial project risk log, but no evidence of consultation or analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified and/or no initial risk log is included with the project document. *Note: Management Action must be taken for a score of 1 ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3 | 2 1 **Evidence** Main risks that could threaten the achievement of key outcomes have been identified. A project risk log has been drafted, outlining the recognized risks and their required management responses for each identified risk. Please refer to Risk Log included in the Annext X Risks and Assumptions

EFFICIENT		
14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include, for example: i) using the theory of change analysis to explore different options of achieving the maximum results with the resources available; ii) using a portfolio management approach to improve cost effectiveness through synergies with other interventions; iii) through joint operations (e.g., monitoring or procurement) with other partners; iv) sharing resources or coordinating delivery with other projects, v) using innovative approaches and technologies to reduce the cost of service delivery or other types of interventions. ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	Yes (3) The Project will share HR with other projects (i.e. energy, waste management) and also promote synergies with other projects (Please refer Project Management and Partnerships sections of the ProDoc)	No (1)
	Evidence	
15. Is the budget justified and supported with valid estimates? • **3:** The project's budget is at the activity level with funding sources and is specified for the duration of the project period in a multi-year budget. Realistic resource mobilisation plans are in place to fill unfunded components. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget. Adequate costs for monitoring, evaluation, communications and security have been incorporated. • **2:** The project's budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget, but no funding plan is in place. Costs are supported with valid estimates based on prevailing rates. • **1:** The project's budget is not specified at the activity level, and/or may not be captured in a multi-year budget. ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3	2
	1	
	Evidence Project budget is costed based on key activities backed by valid estimation, and available funding plan and resources. Costs are supported by estimates based on prevailing rates. Please refer to the Project Implementation Plan submitted to the donor giving detailed budget breakdown (Annexxx)	
16. Is the Country Office/Regional Hub/Global Project fully recovering the costs involved with project implementation? • **3:** The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.)	3	2
	1	
	Evidence The budget includes all project costs based on prevailing UNDP policies (i.e., UPL, LPL)	

• **2:** The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant. • **1:** The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross subsidizing the project. *Note: Management Action must be given for a score of 1. The budget must be revised to fully reflect the costs of implementation before the project commences. ***Note: Project QA cannot be approved by Project QA Approver when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	

EFFECTIVE

17. Have target groups, and particularly those marginalized, vulnerable, and left further behind (LNOB), been engaged in the design of the project? • 3: Credible evidence that all targeted groups, prioritising discriminated and marginalized populations that will be involved in or affected by the project, have been actively engaged in the design of the project. The project has an explicit strategy to identify, engage and ensure the meaningful participation of target groups as stakeholders throughout the project, including through monitoring and decision-making (e.g., representation on the project board, inclusion in samples for evaluations, etc.) • 2: Some evidence that key targeted groups have been consulted in the design of the project. • 1: No evidence of engagement with targeted groups during project design. • 0: not applicable ***Note: Risk Management must be done when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	3 / 1	2 / 0 **Evidence** Most targe ground have been consulted during the feasibility study (2021/22) and the GCF Concept based (2023) on which this project was developed. Ministry of Transport, National Transport Commission, Sri Lanka Transport Board and Private Bus association was consulted so far for this particular project. A comprehensive stakeholder analysis and engagement plan was developed and will be implemented during the project. (Please refer to the page 13 ProDoc on Stakeholder Engagement)
18 Does the project plan for adaptation and course correction if regular monitoring activities, evaluation, and lesson learned demonstrate there are better approaches to achieve the intended results and/or circumstances change during implementation? ***Note: Risk Management must be done when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	Yes (3)	No (1) **Evidence** A multiyear work plan is developed and will be monitored along with the risk log and course correction accordingly
	Yes	No

19. The gender marker for all project outputs is scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum. ***Note: Risk Management must be done when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	(3)	(1) **Evidence** The project meets the GEN 2 criteria. Although gender equality is not the main objective of the expected output of the project, it promotes gender equality in a significant and consistent manner. Almost all key actions such as strategic master planning, policy and regulation development, training & capacity building awareness campaigns, etc, have embedded gender equality, and is considered an important cross cutting issue by rationale of actions, indicators, and associated actions and budget. (please refer to GAP)
20. Have societal digital risks and opportunities been taken into account when designing the project's approach and have digital or data technology solutions been considered to enhance the efficiency, effectiveness and scalability of project results? • **3:** To the extent possible, societal digital risks and opportunities have been investigated when designing the strategy and Theory of Change, and the potential use of digital or data technologies in project activities has been considered in line with UNDP's digital standards and data principles. (All must be true) • 2: Only the potential use of digital or data solutions in project activities has been considered in line with UNDP's digital standards and data principles, but there is no or limited evidence that aspects of inclusive digital societies have been considered in the design of the strategy or Theory of Change. • 1: Neither societal digital risks and opportunities, nor digital or data technology solutions were specifically considered in the project design or, UNDP's digital standards and data principles are not taken into account when intending to use digital or data technology solutions in project activities. • Digital considerations are not relevant to this project. *Applicable only to option "Digital considerations are not relevant" 1: Societal digital transformation is not a government or contextual priority 2: A non-digital approach yields higher effectiveness and efficiency 3: Other (specify in the "Evidence" section) *** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000**	**3**	**2** **1** **Evidence** The concept behind the project was formulated over 2 years in close consultation with the key stakeholders; Ministry of Transport and various related institutions under the MoT, SLSEA, Private bus operators, banks and financing sector, Western Province commuter association, etc. (Please refer to the feasibility study and GCF Concept Note)
SUSTAINABILITY & NATIONAL OWNERSHIP		
21. Have national/regional/global partners led, or proactively engaged in, the design of the project?	3	2 1

• **3:** National partners (or regional/global partners for regional and global projects) have full ownership of the project and led the process of the development of the project jointly with UNDP. • **2:** The project has been developed by UNDP in close consultation with national/regional/global partners. • **1:** The project has been developed by UNDP with limited or no engagement with national partners. * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	**Evidence** Project concept was developed in collaboration with National institutions (i.e., MoT, MoE, Ministry of Power and Energy), and inputs from regional and global (GGGI, UNEP) as well as other local (Western Provincial) partners. Please refer to stakeholder engagement plan

22. Are key institutions and systems identified, and is there a strategy for strengthening specific/ comprehensive capacities based on capacity assessments conducted? • **3:** The project has a strategy for strengthening specific capacities of national institutions and/or actors based on a completed capacity assessment. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection and adjust the strategy to strengthen national capacities accordingly. • **2:** A capacity assessment has been completed. There are plans to develop a strategy to strengthen specific capacities of national institutions and/or actors based on the results of the capacity assessment. • **1:** Capacity assessments have not been carried out. • **0: Not Applicable**	3	2	
	1	0	
	Evidence Capacity of the key partners MoT and NTC will be assessed prior to the inception of the project Capacity building plans include training and capacity building of human resources of national, provincial level institutions including private sector		

23. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.,) to the extent possible? **Note: Risk management must be done when the response is "No".** ***** Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	Yes (3)	No (1)	Not Applicable

23. Is there a clear transition arrangement/ phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilisation and communications strategy)? Note: Risk management must be done when the response is "No". * Evidence (Enter a short explanation or upload a document that provides evidence for your response) - Characters: 0 of 2000	Yes (3)	No (1)
	Evidence The policies and guidelines developed will be used and the pilot initiative will be scaled up through a second phase to continue this work and introduce e-public bus programme in Sri Lanka. Please refer to GCF Concept Note	

[1] The three development settings in UNDP's 2018-2021 Strategic Plan are: a) Eradicate poverty in all its forms and dimensions; b) Accelerate structural transformations for sustainable development; and c) Build resilience to shocks and crises. UNDP's Strategic Plan 2022-2025 aims to (1) Help 100M people to escape multidimensional poverty (2) Support 500M people to gain access to clean energy (3) support 800M people to participate in elections (4) 1 promote over USD trillion of public expenditure and private capital investment in the SDG

[2] The six Signature Solutions of UNDP's 2018-2021 Strategic Plan are: a) Keeping people out of poverty; b) Strengthen effective, inclusive and accountable governance; c) Enhance national prevention and recovery capacities for resilient societies; d) Promote nature based solutions for a sustainable planet; e) Close the energy gap; and f) Strengthen gender equality and the empowerment of women and girls.

ANNEX 2: UNDP SOCIAL AND ENVIRONMENTAL SCREENING TEMPLATE (V. JULY 2022)

The completed template, which constitutes the Social and Environmental Screening Report, must be included as an annex to the Project Document at the design stage. Note: this template will be converted into an online tool. The online version will guide users through the process and will embed relevant guidance.

Project Information

Project Information	
1. Project Title	Enabling Environment for Electric Buses for Public Transport and their Pilot Deployment in Colombo, Sri Lanka
2. Project Number	1003422
3. Location (Global/Region/Country)	Sri Lanka
4. Project stage (Design or Implementation)	Implementation
5. Date	May 2024

Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Programming Principles in Order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the project mainstreams the human rights-based approach

The project aims to improve quality of public transport and in doing so, will improve rights of people; commuters who are mainly from lower income strata of Sri Lanka and micro enterprises as they have little choice and must resort to using public transport options despite its unsatisfactory status.

Sri Lanka's public transport system is expected to cater to most of the country's population but has been inadequate and ineffective in meeting demand for services.[1] As such, those in the higher-income strata including middle income groups, shift to using private vehicles, which has led to its own host of challenges including increased demand for fuel imports, traffic congestion, higher emissions, related pollution and drop in air quality.[2] For others, the challenge has been a dilapidated transport option, safety concerns, and underserved routes to name a few. This situation has not allowed strengthening public transport as a regular mode of transport.

The project also aims to bring about transformational changes in public transport, starting with bus transport. By enabling policies and regulations, the project will formulate to facilitate modernized e-public transport, and the demonstration of technical and financial models will accelerate achieving the objective of bringing benefits of improved public transport to commuters and stakeholders.

Initiating e-transformation in public transport sector will pave way to green recovery and improve the rights of commuters to have better public transport, as well as rights of bus operators and micro enterprises to engage in sustainable livelihoods: The pandemic has compounded public transport challenges mentioned above i.e., public transport operators occurring losses, and the resulting decrease in the availability of transport services, lower frequency, overcrowding, and growing cost of public transport. The situation got further aggravated when Sri Lanka was hit by the balance of payment crisis triggered by the unprecedented economic crisis which escalated to an uncontrollable socio-political predicament by early 2022. A record high year-on-year inflation and the shortage of foreign exchange have had a direct impact on imports including fossil fuels, handicapping the public transport sector (i.e., buses, rail). The resulting interruptions have paralyzed transport businesses and service delivery, particularly worsen small and medium-scale businesses having limited capacity to absorb increases in cost. As such, the crisis in Sri Lanka had a disproportionate impact on the livelihood of people, particularly the low-income groups, and further aggravated the country's poverty and inequality. In 2019, Sri Lanka's pre-COVID and

pre-crisis poverty rate was 14.3%. According to the World Bank, widespread job and income losses following the COVID crisis are estimated to have led to a sharp increase in poverty: from 9.2% in 2019 to 11.7% in 2020, measured at the US$ 3.20 level. The crippling of the already inadequate public transport system by current economic and fuel crisis, impacted further on bus operation; operators' ability to honor their leasing obligations reduced/lost and this in turn led to increased cost of transport to commuters. The situation has resulted in a large portion of the country's population having increased challenges to transport[3]. In addition, increased cost and reduced access to transport services had far-reaching implications. During the peak of the crisis in 2022, supply chains have been disrupted for months cutting off essential services across the island, creating significant indebtedness among MSMEs, especially micro enterprises who generally are from low-income households. As many micro enterprises use public transport mode for business operation, project interventions will also help micro enterprises helping in their green recovery and sustainable business operation.

Project will provide technical and financial capacity to transform public bus so that commuters must have reliable, affordable and convenient public transport: Technical and financial assistance provided through this project are tailored strengthen public bus transport which mainly caters to low- and middle-income groups that cannot afford private transport options. It will also focus on delivering inclusive benefits to different stakeholders impacted by worsened public transport aggravated by the ongoing crisis. i.e., modernization elements such as low floor buses, will make public transport more inclusive; strengthen rights to access to convenient transport by elderly, children, people with disabilities etc. it will also contribute to improve rights of employees in provision of transport service such as drivers to have better working conditions and bring better comfort for commuters too. Smart management options (Intelligent Transportation Systems (ITS) and Technological Integration) will help better traffic management, planning trips by commuters, reducing time waste and anxiety etc.

Creating a healthier environment for commuters and public by reducing pollution/emission from transport: Fossil fuel consumption trends of the transport sector Sri Lanka is a cause of increasing air pollution and GHG emission: Sri Lanka's transport sector contributed about 28% (10.5 MtCO2e) to the total GHG emissions of the country (38 MtCO2e) in 2019. According to the Sri Lanka Sustainable Energy Authority's energy balance report for 2019, demand for petroleum in Sri Lanka was 174.3 Petajoules (PJ) and the main consumer of this fuel was transport sector, at 139.3 PJ, or 79.92%. In 2010, energy used by transport sector in Sri Lanka accounted for about 23%, but by 2019 it had increased to 35.2%. Further, nearly 60% of air pollution in Sri Lanka is due to the transportation sector. PM10 concentrations in the capital city of Colombo shows a steady increase and fall within a range of 50-120 µg m-3, exceeding the Sri Lankan annual air quality standard of 50 µg m-3. In 2019, Colombo's PM2.5 concentrations was 23.58 µg m-3, twice more than the WHO norm at the time (almost five times more as per 2021 norms).

The project utilizes a human rights-based approach, by supporting innovative approaches to expand and include access to those whose rights have been neglected or left out in conventional transport services. Project will also promote inclusive and increased participation, capacity creation and new job creation in e-bus and smart transport management areas. The pilot demonstration planned by the project, although mainly driven by private sector and financial institutions, ensures engagement of duty bears/officials are fully involved through policy regulatory enforcement. Awareness raised across all types of consumer categories; households including low-income households, micro enterprises etc. will assist the e-mobility introduction to contribute to green revival of transport services, livelihoods security of persons engaged in the service, and micro enterprises at large for improved wellbeing and social equality.

Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment

Project with understanding low employment and livelihood engagement of women in transport sector will include special strategies to encourage engagement. The project will provide equitable access of women to participate in the transformation and modernization of public transportation, which is already embedded within the project concept. This will be achieved through:

(a) Inclusive job security and job creation: Women occupy only 3.4% of transport sector's jobs and are significantly underrepresented in the sector in Sri Lanka[4]. The project proposes mandatory inclusion of women in training

and capacity building to increase access to potential new job opportunities linked to the expansion and modernization of the public transport system and introduction of e-mobility technologies.

(b) The Electric Bus Mobility Policy and Regulatory Framework introduced through the project facilitation will be comprehensive, in terms of inclusivity and gender sensitive. It will strive to address issues women face in public transport (i.e., insecurity, harassment). A study carried out under the project will focus on., analyzing safety, security and accessibility issues of women and other vulnerable commuters to ensure attention to addressing existing inequalities, unfair practices, etc., in the policy regulatory frameworks and guidelines development. Conducive policy development will make public transport more equitable, accessible, inclusive, and passenger friendly for diverse groups. This also includes children, teenagers, people with disabilities and the elderly.

Briefly describe in the space below how the project mainstreams sustainability and resilience

SDGs: An efficient public transport system has many economic, social and health co-benefits, such as reduction in traffic congestion and resulting economic losses; reduction in road transport accidents and improved safety; reduction in pollution from private vehicles and related health benefits and improved mobility conditions through public transport for low-income households and people with disabilities. Therefore, the proposed project is closely aligned and directly contribute to several Sustainable Development Goals (SDGs), including SDG 3 (good health and well-being), SDG 5 (gender equality), SDG 7 (affordable and clean energy), SDG 9 (industry, innovation, and infrastructure), SDG 11 (sustainable cities and communities), and SDG 13 (climate action).

The project contributes to meeting Sri Lanka's Nationally Determined Contributions; to reduce the country's GHG emissions by 14.5% (out of which 10.5% is conditional) for the period of 2021-2030. Aligning with the Paris Agreement's principles, Sri Lanka has submitted updated NDCs in 2021. It is expected that the implementation of updated transport sector NDCs reduce GHG emissions by 4.0% against BAU scenario (1.0% unconditionally and 3.0% conditionally), which is equivalent to an estimated total of 5,348,000 CO2 MT 1,337,000 (CO2MT unconditionally and 4,011,000 CO2 MT conditionally) during 2021-2030.

The Transport NDC 2 focuses on strengthening public transport and includes improving public road transport for reliability, affordability, accessibility, availability, comfort, and safety (Target 2.1.), integrating transport modes (Target 2.3.) and improving last mile connectivity (Target 2.4.). Further the transport NDC 9 promotes e-mobility and includes introducing conducive policy, regulations, and incentives to prioritize e-mobility related infrastructure such as battery charging and swapping and the transport NDC 1 (Target 1.5) aims to Introduce intelligent transport management systems. The concept proposes introducing and implementing a futuristic strategy for modernization of public bus transport which includes transformation towards improved operation and use of cutting-edge technology (i.e., e-buses, Smart transport management). The results of this change will provide inclusive opportunities for public and private sector investment and high quality and inclusive public transport service for commuters who are from low- and middle-income households.

Financial sustainability: The project is proposing to set up a financial incentive package for introducing electric buses with concessionally principles. Upon implementation, the project would eliminate some of the key barriers to the introduction and commercialization of electric mobility in public transport of Sri Lanka, through policy and financial de-risking activities. This in turn would trigger a market-based approach, which will be the basis for the next phase planned for the e-bus transport programme. Project experience is expected to inform and strengthen the USD 80M proposal to GCF to expand e-public bus transport in 4 selected corridors in Colombo, based on the proven financial model through the pilot. The strong interest expected to create as a result from private sector bus operators, and investors, will generate support for further expanding and scaling up electric mobility deployment for public transport on its own, and investments from other development banks and financing institutions. The established lease model would also offer replication entry points for other cities or countries in the region.

The project blends market-based business and financing models such as e-bus leasing blended with concessional financing incentives will create a sustainable business and operational model to sustain project results over long-term on their own without the need for further financial interventions from CCAC, UNDP or GCF. The project not only provides demonstration effect and benefits of electric vehicle technology but a range of policy de-risking measures to create a sustainable market for e-mobility in Sri Lanka. Policy/regulatory interventions instruments, building up of adequate local institutional knowledge and capacity, access to finance and business models such as e-bus leasing will stimulate increased participation of bus operators, investors, etc., in e-mobility in Sri Lanka. Demand for electric mobility will be created through an improved sense of ownership among commuters through provision of comfortable, affordable, safe and zero emission e-mobility public transport solutions, and through awareness raising campaigns. Additionally, leasing companies, such as AFC and People's Leasing, consulted during project development stage, as well as other potential DFIs, have expressed strong interest in providing further technical and financial support for scaling up this project's activities overtime

Briefly describe in the space below how the project strengthens accountability to stakeholders

The project design will involve close interaction and participation of stakeholders mainly, government (MoT, NTC, SLTB, SLSEA, Central Bank), banks, leasing and financing sector, technical service providers, Bus Operator Associations at various levels and the public etc. In addition, development partners, such as the World Bank, UN agencies (UNESCAP, UNEP), agencies such as GGGI, KOICA, etc. who have engaged with government in e- mobility issues will be engaged. The project will raise awareness among project stakeholders and create channels for communication through websites, social media, telephone and government and project offices. The project interventions will also disseminate information through online and printed media for relevant stakeholders to access in all languages to ensure that everyone is updated on project developments and credit options available to them. The project website will also accommodate grievances, and a redress mechanism will also be put in place. In addition, UNDP's Accountability Mechanism, which includes the Social and Environmental Compliance Review (SECU), and Stakeholder Response Mechanism (SRM) will also serve as an additional layer of grievance redress and empower stakeholders to push for accountability.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? *Note: Complete SESP Attachment 1 before responding to Question 2.*	**QUESTION 3: What is the level of significance of the potential social and environmental risks?** *Note: Respond to Questions 4 and 5below before proceeding to Question 5*			**QUESTION 6: Describe the assessment and management measures for each risk rated Moderate, Substantial or High**
Risk Description (broken down by event, cause, impact)	***Impact and Likelihood (1-5)***	***Significance (Low, Moderate Substantial, High)***	***Comments (optional)***	***Description of assessment and management measures for risks rated as Moderate, Substantial or High***
Risk 1: The lack of capacity among duty bearers, such as the National Transport Commission (NTC), Ministry of Transport (MoT), and Sri Lanka Sustainable Energy Authority (SLSEA), to introduce and enforce conducive regulations for the introduction and operation of e-buses could impede the development of modern and sustainable public transport systems. This limitation may result in commuters, including Micro, Small, and Medium Enterprises (MSMEs) that rely on public transport, being denied their right to access reliable, convenient, and environmentally friendly bus services. Additionally, it could disproportionately affect disadvantaged groups, such as the elderly and disabled, by failing to provide transport options that are accessible, comfortable, and inclusive, ultimately undermining the overall goal of equitable and sustainable mobility for all. Related to: • Human Rights; P.2, P.3	I =3 L = 3	Moderate	Government has prioritized e-mobility, and many institutions are beginning to fall in line	The government has prioritized e-mobility and e-public transport, but capacity and coordination gaps prevent moving ahead with e- public bus transport agenda. Analysis of national (and private sector) capacity gaps to develop and introduce required policy legislation will be done through the planned project actions. Addressing gaps too is planned through extensive skills and capacity building actions to ensure development of conducive policy, regulatory and institutional frameworks, and strategies. Discussions between duty bearers and right holders, which have already been facilitated during the project formulation, will be continued during project implementation, to ensure concerns of rights holders, including commuters with special requirements, adequately captured in policy development.

• Accountability; P.14, P15				
Risk 2: The financial incentive package designed and will be implemented for pilot e-bus deployment requires financial contribution from bus operators. This could create a bias towards financially better off investors/operators and reduce opportunity for others. Related to: • Human Rights; P3, P7. • Accountability; P.14, P15	I - 3 L- 3	Moderate	The cost of purchase of an e-bus is high compared to the cost of a diesel bus. This could exclude some bus operators from engaging in the transformation of public bus transport to e-buses through the pilot (and in the long term)	To address the risk of financial bias favoring wealthier bus operators, the project will implement assessment and management measures to ensure inclusivity. A comprehensive analysis will be conducted during implementation to understand the social and economic profiles of bus operators, in collaboration with banks, leasing companies, and government institutions. This analysis will identify barriers faced by smaller or financially constrained operators. To manage the risk, the project will design a financial package comprising concessional financing and a capital grant of approximately 30% to reduce the initial cost burden. Based on the assessment findings, the financial package will be reviewed and revised to implement a more equitable strategy, such as tiered financing options or additional subsidies for smaller operators. Continuous engagement with stakeholders will ensure the strategy promotes inclusivity and aligns with the project's goal of equitable and sustainable e-bus deployment.
Risk 3: The pilot initiative, focusing on the Western Province and a specific Colombo city circular route, may inadvertently exclude low-income commuters or those residing outside the pilot area. This could lead to social inequity by limiting access to affordable and sustainable transport options, particularly for economically disadvantaged populations who rely heavily on public transportation. Additionally, the exclusion of broader commuter demographics may reduce the project's effectiveness in promoting widespread adoption of e-transport solutions. Related to: • Human Rights; P.5, P. 6 • Accountability; P.13; P.14	I= 3 L= 3	Moderate	The concept proposes to focus on a specific bus route to start e-public bus transport in Sri Lanka. The route is in highly populated areas and cuts across demanded routes of Colombo city. Nevertheless, it would leave some commuters out who are supportive of positive changes and want to experience it.	In order to manage this several assessment and management measures will be undertaken. A socio-economic impact study will be conducted to identify demographics of excluded commuter groups, particularly low-income populations and those in underserved areas, alongside an affordability assessment to evaluate potential cost barriers. Stakeholder engagement will involve local communities and commuter groups in understanding their needs. To manage this risk, the project will explore the possibilities of introducing subsidized routes to cater to disadvantaged commuters and develop a scaling framework to extend e-transport access to other provinces and routes. Public awareness campaigns will promote the project's affordability and environmental benefits among underserved communities, while policy advocacy efforts will integrate equitable access principles into national transport planning, ensuring inclusivity in future e-bus deployments.
Risk 4: There is a possibility that women may not get sufficient opportunities to access capacity building and jobs enhancements and creation through e-transformation. Related to: • Gender Equality and Women's Empowerment; P.9; P.10	I=3 L= 4	Moderate		Assessments to understand gender implications and women's participation in e-mobility transformation will be part of the gap analysis work done to inform policy formulation. In addition, a study to understand specific concerns on accessibility, safety and security of public transport for women and vulnerable groups is planned. These studies will help to recommended to consider measures such as • Strengthening women's active participation in teams (policy &regulation

• Standard 7: Labor and Working Conditions; 7.5				development, technical, financial, beneficiary selection etc.) and opportunity for and recognition of possibility of leading specific functions or responsibilities for specific operations • Planning/producing gender mainstreamed knowledge products and planning/delivering capacity building programs. • Initiatives to include specific concerns of women in policy & regulation development, engaging in e-mobility training and operation. • Facilitating discussions on specific risks for women commuters and promote risk reduction measures, through policy, knowledge sharing etc. Initiatives. • Mandatory inclusion of women appropriately in capacity building and training programmes conducted under the project
Risk 5: There may be resistance from key stakeholders, including bus operators and commuters, to the proposed changes in public bus transport, such as the introduction of e-buses, modernization initiatives like e-ticketing, and the establishment and enforcement of schedules for bus deployment. This resistance could stem from social and cultural factors, such as unfamiliarity with new technologies, perceived disruptions to existing livelihoods, or concerns over the affordability and accessibility of these changes for marginalized groups. Such resistance may limit the effectiveness of the project in ensuring broad adoption and equitable access to modern, sustainable transport solutions, particularly among vulnerable populations who may be most dependent on public transport. . Related to: • Human Rights; P.5, P. 6 • Accountability; P.13; P.14	I=3 L=3	Moderate	There may be resistance from stakeholders in the diesel bus operation. They could include unions of operators who may oppose the introduction of EVs due to the fear of potential negative impacts on their livelihoods	The proposal development process involved close collaboration with institutions and associations representing key stakeholders, ensuring their concerns and perspectives were considered. This engagement will continue throughout the project implementation, with ongoing discussions aimed at addressing any issues that arise. To manage potential resistance, the project will implement awareness creation and capacity-building programs designed to alleviate key concerns and build support for the e-transport transformation. These initiatives will help stakeholders better understand the benefits of modernization while also offering opportunities to voice their apprehensions and aspirations. By fostering open dialogue and engagement, the project aims to establish or strengthen inclusive grievance mechanisms, ensuring that all stakeholders are heard and that their feedback is used to refine the project and ensure its equitable and effective implementation.
Risk 6: There is a possibility of accidental release of hazardous material with potential worker and community exposure during /due to improper handling, transportation, storage, and disposal of	I = 3 L= 2	Low	While the Li-ion batteries are not inherently unsafe, they may pose risks if damaged or managed incorrectly during manufacture,	

(damaged and end of life) e-batteries. Further, health risk to workers due to improper application of safety guidelines, unsafe decommission and disposal of redundant components and devices of installations and possible stockpiles of components of battery charging installations (solar panels, batteries etc.). Related to: • Human Rights; P.2, P.3 • Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management; 1.7, 1.14 • Standard 3: Community Health, Safety and Security; 3.2, 3.5 and 3.6 • Standard 7: Labor and Working Conditions; 7.1, 7.6. • Standard 8: Pollution Prevention and Resource Efficiency; 8.3			installation, charging, transportation or disposal. This is because Li-ion batteries use flammable liquid electrolytes to transport positively charged ions between the battery terminals. Exposure to high heat (either externally, or due to overcharging or damages related short circuit) can cause a chemical reaction in the battery resulting in a process called thermal runaway; It is a phenomenon of the battery becoming uncontrollable self-heated to over 300°C, potentially resulting in explosion and release of toxic gases. Such fires of chemical nature are difficult to extinguish using standard methods do not work. Lithium battery fires are put out by flooding or submerging in water for many hours or even days. The fire services are still learning how to manage Li-ion battery fires and understanding of the risk, guidelines and good practice are still developing. Improperly disposed batteries contribute to water and air pollution, if depleted batteries are considered as trash and end up in waste dumps/landfills. The batteries corrode and decay, and the toxic chemicals/heavy metals (i.e., lead, nickel, cadmium, nickel-metal hydride and mercury) inside them can leak/seep through to contaminate the environment; soil, groundwater and surface water and air. Although this is a serious concern, safe disposal	

			options including recycling options for batteries which have reached end of their useful life are emerging in Sri Lanka, and risks can be minimized by using such suitable options	
Risk 7: There is a possibility that weather events like severe rain and flooding could cause losses of investment and reduced operational conditions Related to: • Standard 2: Climate Change and Disaster Risks; 2.1 • Standard 8: Pollution Prevention and Resource Efficiency; 8.1, 8.2, 8.3	I = 3 L = 3	**Moderate**	Western Province is increasingly subjected to flooding and landslides in some geographies due to climate change impacts. Flooding of roads is not uncommon during rainy periods, usually during short spells of high intense rain. It can worsen traffic and deteriorate road conditions. This may have an impact on operating ability of eVs	Establish risk relationship of public transport, e-mobility and natural hazards in the WP to inform and incorporate DRR options during the project formulation. Use of updated hazard maps (on floods, landslides, tremors etc.) and technical assistance from Disaster Management Centre/National Building Research Organization etc., would help to identify potential for occurrence of natural hazards and to plan risk reduction measures that may be needed to incorporate into the project planning

QUESTION 4: What is the overall project risk categorization?

Low Risk	☐	
Moderate Risk	x☐	
Substantial Risk	☐	.
High Risk	☐	

QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are triggered? (check all that apply)

Question only required for Moderate, Substantial and High-Risk projects

Is assessment required? (check if "yes")	☐			***Status? (completed, planned)***
if yes, indicate overall type and status		☐X	Targeted assessment(s) 1.Safety security accessibility of public transport buses in Sri Lanka from perspective of women, children, elderly, special need commuters. 2.Assessment of disposal of old buses that are placed with EVs 3.Disaster risk assessment of the	Planned

				selected pilot bus route and its operation.	
			☐	ESIA (Environmental and Social Impact Assessment)	
			☐	SESA (Strategic Environmental and Social Assessment)	
	Are management plans required? (check if "yes)	☐			
	If yes, indicate overall type		X ☐	Targeted management plans (e.g. Gender Action Plan, DRR/Emergency Response Plan, Waste Management Plan,)	Planned
			☐	ESMP (Environmental and Social Management Plan which may include range of targeted plans)	

			☐	ESMP (Environmental and Social Management Plan which may include range of targeted plans)	
			☐	ESMF (Environmental and Social Management Framework)	
	Based on identified <u>risks</u>, which Principles/Project-level Standards triggered?		**Comments (not required)**		
	Overarching Principle: Leave No One Behind				
	Human Rights	X			
	Gender Equality and Women's Empowerment	X			
	Accountability	X			
	1. Biodiversity Conservation and Sustainable Natural Resource Management	X			
	2. Climate Change and Disaster Risks	X			

	3. Community Health, Safety and Security	☐	
	4. Cultural Heritage	☐	
	5. Displacement and Resettlement	☐	
	6. Indigenous Peoples	☐	
	7. Labour and Working Conditions	X	
	8. Pollution Prevention and Resource Efficiency	X	

Final Sign Off

Final Screening at the design-stage is not complete until the following signatures are included

Signature	***Date***	***Description***
QA Assessor		UNDP staff member responsible for the project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases, PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks	
INSTRUCTIONS: The risk screening checklist will assist in answering Questions 2-6 of the Screening Template. Answers to the checklist questions help to (1) identify potential risks, (2) determine the overall risk categorization of the project, and (3) determine required level of assessment and management measures. Refer to the SES toolkit for further guidance on addressing screening questions.	
Overarching Principle: Leave No One Behind **Human Rights**	**Answer (Yes/No)**
P.1 Have local communities or individuals raised human rights concerns regarding the project (e.g., during the stakeholder engagement process, grievance processes, public statements)?	No
P.2 Is there a risk that duty-bearers (e.g., government agencies) do not have the capacity to meet their obligations in the project?	Yes
P.3 Is there a risk that rights-holders (e.g., project-affected persons) do not have the capacity to claim their rights?	Yes
Would the project potentially involve or lead to:	
P.4 adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
P.5 inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities?	Yes
P.6 restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	Yes
P.7 exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Gender Equality and Women's Empowerment	
P.8 Have women's groups/leaders raised gender equality concerns regarding the project, (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
Would the project potentially involve or lead to:	
P.9 adverse impacts on gender equality and/or the situation of women and girls?	Yes
P.10 reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	Yes
P.11 limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? *For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being*	No
P.12 exacerbation of risks of gender-based violence? *For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc.*	Yes
Sustainability and Resilience: Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below	
Accountability	
Would the project potentially involve or lead to:	
P.13 exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them?	Yes
P.14 grievances or objections from potentially affected stakeholders?	Yes
P.15 risks of retaliation or reprisals against stakeholders who express concerns or grievances, or who seek to participate in or to obtain information on the project?	Yes

Project-Level Standards	
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management	
Would the project potentially involve or lead to:	
1.1 adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? *For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes*	No
1.2 activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3 changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4 risks to endangered species (e.g. reduction, encroachment on habitat)?	No
1.5 exacerbation of illegal wildlife trade?	No
1.6 introduction of invasive alien species?	No
1.7 adverse impacts on soils?	Yes
1.8 harvesting of natural forests, plantation development, or reforestation?	No
1.9 significant agricultural production?	No
1.10 animal husbandry or harvesting of fish populations or other aquatic species?	No
1.11 significant extraction, diversion or containment of surface or ground water? *For example, construction of dams, reservoirs, river basin developments, groundwater extraction*	No
1.12 handling or utilization of genetically modified organisms/living modified organisms?17	No
1.13 utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)18	No
1.14 adverse transboundary or global environmental concerns?	Yes
Standard 2: Climate Change and Disaster Risks	
Would the project potentially involve or lead to:	
2.1 areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?	Yes
2.2 outputs and outcomes sensitive or vulnerable to potential impacts of climate change or disasters? *For example, through increased precipitation, drought, temperature, salinity, extreme events, earthquakes*	No
2.3 increases in vulnerability to climate change impacts or disaster risks now or in the future (also known as maladaptive or negative coping practices)? *For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding*	No
2.4 increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	No
Standard 3: Community Health, Safety and Security	
Would the project potentially involve or lead to:	
3.1 construction and/or infrastructure development (e.g. roads, buildings, dams)?	No
3.2 air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	No
3.3 harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No
3.4 risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?	No
3.5 transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No

3.6 adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No
3.7 influx of project workers to project areas?	No
3.8 engagement of security personnel to protect facilities and property or to support project activities?	No
Standard 4: Cultural Heritage	
Would the project potentially involve or lead to:	
4.1 activities adjacent to or within a Cultural Heritage site?	No
4.2 significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No
4.3 adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.4 alterations to landscapes and natural features with cultural significance?	No
4.5 utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement	
Would the project potentially involve or lead to:	
5.1 temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No
5.2 economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3 risk of forced evictions?19	No
5.4 impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples	
Would the project potentially involve or lead to:	
6.1 areas where indigenous peoples are present (including project area of influence)?	No
6.2 activities located on lands and territories claimed by indigenous peoples?	No
6.3 impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? *If the answer to screening question 6.3 is "yes", then Standard 6 requirements apply, and the potential significance of risks related to impacts on indigenous peoples must be Moderate or above.*	No
6.4 the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5 the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6 forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources? *Consider, and where appropriate ensure, consistency with the answers under Standard 5 above*	No
6.7 adverse impacts on the development priorities of indigenous peoples as defined by them?	No
6.8 risks to the physical and cultural survival of indigenous peoples?	No
6.9 impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? *Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.*	No

Standard 7: Labour and Working Conditions		
Would the project potentially involve or lead to: (note: applies to project and contractor workers)		
7.1	working conditions that do not meet national labour laws and international commitments?	Yes
7.2	working conditions that may deny freedom of association and collective bargaining?	No
7.3	use of child labour?	No
7.4	use of forced labour?	No
7.5	discriminatory working conditions and/or lack of equal opportunity?	Yes
7.6	occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life cycle?	Yes
Standard 8: Pollution Prevention and Resource Efficiency		
Would the project potentially involve or lead to:		
8.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes
8.2	the generation of waste (both hazardous and non-hazardous)?	Yes
8.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	Yes
8.4	the use of chemicals or materials subject to international bans or phase-outs? *For example, DDT, PCBs and other chemicals listed in international conventions such as the Montreal Protocol, Minamata Convention, Basel Convention, Rotterdam Convention, Stockholm Convention*	No
8.5	the application of pesticides that may have a negative effect on the environment or human health?	No
8.6	significant consumption of raw materials, energy, and/or water?	No
Checklist Potential Social and Environmental Risks		
INSTRUCTIONS: The risk screening checklist will assist in answering Questions 2-6 of the Screening Template. Answers to the checklist questions help to (1) identify potential risks, (2) determine the overall risk categorization of the project, and (3) determine required level of assessment and management measures. Refer to the SES toolkit for further guidance on addressing screening questions.		
Overarching Principle: Leave No One Behind **Human Rights**		**Answer (Yes/No)**
P. 1	Have local communities or individuals raised human rights concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
P. 2	Is there a risk that duty-bearers (e.g. government agencies) do not have the capacity to meet their obligations in the project?	Yes
P. 3	Is there a risk that rights-holders (e.g. project-affected persons) do not have the capacity to claim their rights?	Yes
Would the project potentially involve or lead to:		
P. 4	adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
P. 5	inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities?	Yes
P. 6	restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	Yes
P. 7	exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Gender Equality and Women's Empowerment		
P. 8	Have women's groups/leaders raised gender equality concerns regarding the project, (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
Would the project potentially involve or lead to:		

P.9 adverse impacts on gender equality and/or the situation of women and girls?	Yes
P.10 reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	Yes
P.11 limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? *For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being*	No
P.12 exacerbation of risks of gender-based violence? *For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc*.	No
Sustainability and Resilience: Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below	
Accountability	
Would the project potentially involve or lead to:	
P.13 exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them?	Yes
P.14 grievances or objections from potentially affected stakeholders?	Yes
P.15 risks of retaliation or reprisals against stakeholders who express concerns or grievances, or who seek to participate in or to obtain information on the project?	Yes
Project-Level Standards	
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management	
Would the project potentially involve or lead to:	
1.1 adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? *For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes*	No
1.2 activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3 changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4 risks to endangered species (e.g. reduction, encroachment on habitat)?	No
1.5 exacerbation of illegal wildlife trade?	No
1.6 introduction of invasive alien species?	No
1.7 adverse impacts on soils?	Yes
1.8 harvesting of natural forests, plantation development, or reforestation?	No
1.9 significant agricultural production?	No
1.10 animal husbandry or harvesting of fish populations or other aquatic species?	No
1.11 significant extraction, diversion or containment of surface or ground water? *For example, construction of dams, reservoirs, river basin developments, groundwater extraction*	No
1.12 handling or utilization of genetically modified organisms/living modified organisms?17	No
1.13 utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)18	No
1.14 adverse transboundary or global environmental concerns?	Yes
Standard 2: Climate Change and Disaster Risks	
Would the project potentially involve or lead to:	

2.1 areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?	Yes
2.2 outputs and outcomes sensitive or vulnerable to potential impacts of climate change or disasters? *For example, through increased precipitation, drought, temperature, salinity, extreme events, earthquakes*	No
2.3 increases in vulnerability to climate change impacts or disaster risks now or in the future (also known as maladaptive or negative coping practices)? *For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding*	No
2.4 increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	No
Standard 3: Community Health, Safety and Security	
Would the project potentially involve or lead to:	
3.1 construction and/or infrastructure development (e.g. roads, buildings, dams)?	Yes
3.2 air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	No
3.3 harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No
3.4 risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?	No
3.5 transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	Yes
3.6 adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No
3.7 influx of project workers to project areas?	No
3.8 engagement of security personnel to protect facilities and property or to support project activities?	Yes
Standard 4: Cultural Heritage	
Would the project potentially involve or lead to:	
4.1 activities adjacent to or within a Cultural Heritage site?	No
4.2 significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No
4.3 adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.4 alterations to landscapes and natural features with cultural significance?	No
4.5 utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement	
Would the project potentially involve or lead to:	
5.1 temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No
5.2 economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3 risk of forced evictions?19	No
5.4 impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples	
Would the project potentially involve or lead to:	

6.1	areas where indigenous peoples are present (including project area of influence)?	No
6.2	activities located on lands and territories claimed by indigenous peoples?	No
6.3	impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? *If the answer to screening question 6.3 is "yes", then Standard 6 requirements apply, and the potential significance of risks related to impacts on indigenous peoples must be Moderate or above.* *	No
6.4	the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources? *Consider, and where appropriate ensure, consistency with the answers under Standard 5 above*	No
6.7	adverse impacts on the development priorities of indigenous peoples as defined by them?	No
6.8	risks to the physical and cultural survival of indigenous peoples?	No
6.9	impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? *Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.*	No
Standard 7: Labour and Working Conditions		
Would the project potentially involve or lead to: (note: applies to project and contractor workers)		
7.1	working conditions that do not meet national labour laws and international commitments?	Yes
7.2	working conditions that may deny freedom of association and collective bargaining?	No
7.3	use of child labour?	No
7.4	use of forced labour?	No
7.5	discriminatory working conditions and/or lack of equal opportunity?	Yes
7.6	occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life cycle?	Yes
Standard 8: Pollution Prevention and Resource Efficiency		
Would the project potentially involve or lead to:		
8.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes
8.2	the generation of waste (both hazardous and non-hazardous)?	Yes
8.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	Yes
8.4	the use of chemicals or materials subject to international bans or phase-outs? *For example, DDT, PCBs and other chemicals listed in international conventions such as the Montreal Protocol, Minamata Convention, Basel Convention, Rotterdam Convention, Stockholm Convention*	No
8.5	the application of pesticides that may have a negative effect on the environment or human health?	No
8.6	significant consumption of raw materials, energy, and/or water?	No

[1] Sunday Observer (January 2021). "Improving public transport essential in development".
[2] Kumarage, A., (2004). "Urban Traffic Congestion: The Problem & Solutions". Economic Review, Sri Lanka.
[3] News 18 (July 2022). "Sri Lanka: Less than Day's Fuel Left, Public Transport Grinds to a Halt as Economic Crisis Deepens".

[4] ESCAP, UN. "Mind the gender gap in workforce, including transport and logistics: the perspective from Sri Lanka and beyond." (2022).

* Note: revised July 2022 modifying presumption of risk significance from Substantial or higher to Moderate or higher.

* Note: revised July 2022 modifying presumption of risk significance from Substantial or higher to Moderate or higher.

ANNEX 3: OFFLINE PROJECT RISK REGISTER TEMPLATE

Project Title: Enabling Environment for Electric Buses for Public Transport and their Pilot Deployment in Colombo Sri Lanka	**Project Number:** 01003422

#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level *(see Annex 3 Risk Matrix)*	Risk Valid From/To	Risk Owner *(individual accountable for managing the risk)*	Risk Treatment and Treatment Owner
1	Duty bearers (NTC/MoT, SLSEA etc.) may not introduce conducive regulations that will facilitate the introduction and operation of e-buses over the next 3 years or so.	Lack of capacity of duty bearers	Prevent all right holders from enjoying their rights to have modern and sustainable transport options and systems which have disadvantaged (i.e. disabled, elderly) friendly features, increased reliability and comfort, etc.	1. SOCIAL AND ENVIRONMENTAL (1.1. Human rights) - UNDP Risk Appetite: CAUTIOUS	Likelihood: not likely 1-Low Impact: High 4 - Extensive Risk level: Low LOW (equates to a risk appetite of CAUTIOUS)	From: 1st June 2024 April 20230 1-Jun-24 To: 31st August 2023 31-May-26	… Sampath Ranasinghe	Risk Treatment 1.1.A multi stakeholder discussion (including representation of right holders) to ensure continued priority for e-mobility by the government and focus on addressing capacity and coordination gaps. 1.2. Analysis of national capacity to develop and introduce required policy legislation. 1.3. Addressing capacity gaps through extensive skills and capacity building actions
2	The e-bus introduction for transformation of public transport by the project could create a bias towards financially better off operators,	A contributory Investment from participating private bus operators is a must to access financial subsidy that project offers to introduce e-bus for public transport	Prevent participation of comparatively worse off bus operators in e-public bus transportation services	1. SOCIAL AND ENVIRONMENTAL (1.3. Grievances (Accountability to stakeholders)) - UNDP Risk Appetite: CAUTIOUS	Likelihood: Low 3 - Moderately likely Impact: 3 - Intermediate Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)	From: 01-Jun-24 To: 26-May-23	Sampath Ranasinghe	2.1. A detailed analysis will be conducted to better understand social and economic profile of the buses operators in collaboration of banks and leasing companies, to design an inclusive system as possible subject to availability of fund allocation for the action.

3.	Some commuters will have limited or no access to the pilot e-bus initiative planned by the project will limit	The pilot project is limited to a route in Colombo city, (Western Province), and e-bus service will likely to cost more than the baseline service	May limit access to all commuters having access modern e-transport. There will be some who would not be able to afford higher cost of transport. Although pilot will focus on a route in Colombo city (Western Province) where numbers of commuters are the highest, it will prevent access to commuters in other geographical areas	1. SOCIAL AND ENVIRONMENTAL (1.1. Human rights) - UNDP Risk Appetite: CAUTIOUS	Likelihood: 5 - Expected Impact: 3 - Intermediate Risk level: High MODERATE (equates to a risk appetite of EXPLORATORY)	From: 24-Jun-01 To: 26-May-31	Samp ath Ranas inghe	3.1.The issue was taken into account in the project planning stage, and a pilot intervention was designed to maximize benefits for a wide range of commuters. 3.2. Further, project will continue to engage and work with Development Partners (i.e., World Bank, KOICA) interested in supporting Sri Lanka to expand e-public bus transport to other geographical areas 3.3. Project will focus on commuter affordability in feasibility and other studies to find ways to improve inclusivity
4.	Inadequate participation of women in capacity building and in jobs enhanced and created due to the transformation.			1. SOCIAL AND ENVIRONMENTAL (1.2. Gender equality and women's empowerment) - UNDP Risk Appetite: CAUTIOUS	Likelihood: 4 - Highly likely Impact: High 3 - Intermediate Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)	From: 24-Jun-01 To: 26-May-31	Samp ath Ranas inghe	4.1. The project will conduct studies and gap analysis as a inputs to policy making. All of them will include understanding gender implications and women's participation in transport and e-mobility /public bus transport and transformation as a a special focus. 4.2. In addition, a special study will be conducted to capture gendered concerns linked to accessibility, safety and security of public transport focusing on women, commuters needing special assistance, and vulnerable groups. 4.3. All discussions awareness campaigns and policy forums will

								ensure participation of women and their institutions. Training & capacity building programmes will have mandatory allocations to encourage women's participation.
5	Resistance and low participation of bus operators in the project			1. SOCIAL AND ENVIRONMENTAL (1.3. Grievances (Accountability to stakeholders)) - UNDP Risk Appetite: CAUTIOUS	Likelihood: 3 - Moderately likely Impact: High 3 - Intermediate Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)	From: 24-Jun-01 To: 26-May-31	Sampath Ranasinghe	5.1. The risk was considered during proposal development, and a close collaboration with bus operator's institutions and associations maintained. Continued engagement of these institutions during project implementation is planned to capture and addressing concerns early to avoid potential misunderstandings that may give rise to their protests. 5.2. Targeted awareness c and capacity building programmes planned will also help addressing and alleviating key concerns they may have., as they aim to shift support of the bus operators for public bus transport transformation through the introduction of EVs. 5.3. Project will manage interaction with bus operators and their institutions to get better understanding about their apprehensions and aspirations to help setting up/strengthening inclusive policy

								regulatory framework, guidelines for e-bus operation and grievance mechanisms
6	Improper production, repair, handling, transportation, storage, and unsafe decommissioning and disposal including possible stockpiles of damaged and end of life e-batteries and components and devices of and charging installations; Accidental release of hazardous material Further, and of components of battery charging installations (solar panels, batteries etc.).	Not having or improper application of or adherence to safety guidelines, or accidents	Potential worker and community exposure causing health risks to workers and bystanders depending on the situation, and potential environment pollution	1. SOCIAL AND ENVIRONMENTAL (1.10. Labour and working conditions) - UNDP Risk Appetite: CAUTIOUS	Likelihood: 2 - Low likelihood Impact: High 4 - Extensive Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)	From: 24-Jun-01 To: 26-May-31	Sampath Ranasinghe	6.1. Project will address health and safety concerns related to e-buses based on Occupational Health and Safety regulations 6.2. Issues related to production and disposal of batteries and components procured for pilot initiative will be dealt through introducing mandatory safety guidelines, training relevant personnel and safety aspects through project actions 6.3. The project will define clear mechanism for safe disposal of all components that contain hazardous material building on and enforcing EPR[1] policies and regulations. 6.4. Assessments will be conducted to understand the level of risks (type of batteries panels/PV cells that may be used for charging facilities, historical records of accidents related to LI-ion batteries, solar PV etc.) during handling, transportation, storage etc.
7	Discontinuation of pilot project	Flash flooding[2] (including roads) occurs more frequently in the	Loss of revenue, inability to pay back loans, etc., leading to loss/reduce return on	2. FINANCIAL (2.1. Cost recovery) - UNDP Risk Appetite: MINIMAL TO CAUTIOUS	Likelihood: 3 - Moderately likely Impact: High 4 - Extensive Risk level:	From: 24-Jun-01 To: 26-	Sampath Ranasinghe	7.1. Project will establish risk relationship of public transport, e-mobility and natural hazards in the WP to inform (including EW) and

		Western province due to climate change impacts. It worsens traffic and deteriorate road conditions impacting on operating ability of eVs	investment and profitability of pilot e-bus operation		SUBSTANTIAL (equates to a risk appetite of OPEN)	May-31		incorporate DRR options to minimize operational risks 7.2. Use of updated hazard maps (on floods, landslides, tremors etc.) and obtain technical assistance from Disaster Management Centre, National Building Research Organization etc., to identify natural disaster risk more accurately of natural hazards and include structural and non-structural risk reduction measures to the pilot project planning. 7.3. Mandate use of DRR guidelines within e-bus operation guidelines
8	Delays in project implementation	Change of key officials of the Ministry of Transport following the upcoming elections in 2024 and 2025	Loss of institutional memory and changes in institutional priorities could stall project implementation. Additional time taken for new office bearers to understand the project and extend the support	3. OPERATIONAL (3.5. Partners' engagement) - UNDP Risk Appetite: EXPLORATORY TO OPEN	Likelihood: 4 - Highly likely Impact: High 4 - Extensive Risk level: SUBSTANTIAL (equates to a risk appetite of OPEN)	From: 24-Jun-01 To: 26-May-3 From Sep 2024 –May 2025		The PMU will closely monitor the developments and liaise with the new administration seeking support from the Senior Managment where appropriate. All project related correspondence will be duly recorded from the beginning and update the new government officials
9	Increased cost of project implementation	Depreciation of Sri Lankan Rupee against USD	Inadequate counterpart resources for investing on e bus procurement	2. FINANCIAL (2.4. Fluctuation in credit rate, market, currency) - UNDP Risk Appetite: MINIMAL TO CAUTIOUS	Likelihood: 4 - Highly likely Impact: High 4 - Extensive Risk level: SUBSTANTIAL (equates to a risk appetite of O	From 01 Oct 2025-31 May 2026		The Project will closely monitor the developments and liaise with the Government, Banks, Leasing companies and bus operators to find an alternative solution

[1] Extended Producer Responsibility
[2] landslides too, in some geographies