

GCF FAA FP195

Summary of the Project Disclosure Package for Subproject - CUTCSA

Sub Project Name	Corporate Financing to Compañía Uruguaya de Transportes Colectivos S.A. ("CUTCSA")
Implementation country	Uruguay
Location of the project	<p>Montevideo's metropolitan area (Montevideo, Canelones and San José). The electric buses to be acquired by CUTCSA will replace part of its current fleet composed of conventional buses. The new buses will be assigned indistinctly into the different services lines (120 routes) once delivered, however most of the new electric buses should be mainly incorporated into urban service lines to cover the city of Montevideo, and a few buses should be incorporated in suburban lines to service the neighbour municipality of Canelones and San José.</p> <p>The chargers to be acquired alongside the electric buses will be installed in the existing bus parking depots (Canary Islands Plant, Gronardo Plant & Veracierto Plant) owned by CUTCSA. The parking depots to be converted into charging stations are all located within Montevideo's Metropolitan Area.</p>
Beneficiaries	<ul style="list-style-type: none"> ▪ Direct Beneficiaries: Public transportation general users (approx. 170 million pax per year), users with disabilities and other vulnerable groups, CUTCSA's employees & suppliers (4.193 persons). ▪ Indirect Beneficiaries: General urban population in Montevideo.
Programme Component	Component 2 - Deployment of e-bus fleets and enhancement of public transport
Amount	Up to USD 15.000.000,00
Duration	Up to 12 years
Project Summary	<p>CUTCSA, which is Uruguay's largest public transport company, is committed to reducing its carbon footprint through a comprehensive decarbonization strategy. This includes transitioning to electric buses, implementing energy-efficient practices, and integrating renewable energy sources. These efforts align with Uruguay's national climate change policies, which emphasize renewable energy, emissions reduction targets, and sustainable development. By adopting these measures, CUTCSA supports Uruguay's goal of reducing greenhouse gas emissions by 35% by 2030 and contributes to the country's leadership in environmental sustainability.</p> <p>CUTCSA has pledged to fully electrify its fleet (1.155 buses) by 2040, and this project aims to support the first stage of this plan by financing the acquisition, operation and maintenance of a fleet of approximately 259 new electric buses by 2025, which is equivalent to 25% of CUTCSA's total fleet. This financing aims to support the first stage of this plan by financing up to 14% of the total fleet to be replaced in 2025.</p> <p>The direct impact of this project will be the reduction of carbon dioxide emissions, estimated in 71 tons of CO₂eq per year, per unit, totaling more than 42 thousand tons of CO₂eq by the buses to be directly financed by this project. With the additional buses to be acquired, to replace 25% of its fleet, CUTCSA</p>

	<p>expect to reduce its total carbon dioxide emissions by 22%. The new buses will also reduce the emissions of other gases such as CO, HC, SO₂, NO_x, PM10 contributing to improvement of the air quality of the Montevideo’s metropolitan area. This project will also contribute to the development of more sustainable and efficient urban transport, in line with the Uruguay’s environmental goals.</p> <p>The project will have additional positive impact such as the reduction of the noise pollution, the improvement of the user comfort and additionally the project will implement a Gender Action Plan that aims to integrate the gender perspective into the transport service to generate an impact both on the experience of people who make and will use public transport, as well as on working conditions within the company.</p> <p>The project aligns with several Sustainable Development Goal (“SDG”), being the main on the SDG 11 Sustainable cities and communities by replacing conventional transport units with electric units, the aim is to provide a sustainable and quality service that reaches the entire population and contributes to improving the quality of life in the city. The project will also align with SDG 3 Health and wellness, SDG 5 Gender Equality and SDG 13 Climate action.</p>
<p>ESS category</p>	<p>Category B</p> <p>The project is expected to have potential limited adverse E&S risks and/or impacts that are few, generally site-specific, largely reversible, and readily addressed through mitigation measures.</p> <p>E&S management programs, for both the construction and operation phases, have been designed to strengthen CUTCSA’s E&S procedures, to effectively address adverse risk and impacts related to worker safety, waste, hazardous material and used battery management; recycling, reuse or scrapping of bus components, as well as fire safety requirements of charging infrastructure. The electric buses will be supplied by BYD and Higer, and the chargers, also of Chinese origin, will be supplied separately. The chargers will have a power capacity between 180 and 200 kilowatts and will meet European standard.</p> <p>The E&S Management Plan has been designed per national law and standards and the requirements of CAF’s Safeguards and GCF’s Performance Standards.</p>
<p>Grievance mechanism(s)</p>	<p><u>CAF’s Grievance mechanism:</u></p> <p>On April 13, 2023, CAF approved and put into operation the “Environmental and Social Complaints Mechanism - MRAS”, which contemplates the basic design and operation requirements established in the GCF policies. The MRAS can be accessed directly from the CAF Institutional Portal (www.caf.com), both in Spanish, English and Portuguese:</p> <p>Link to the Complaints and Grievance Mechanism in Spanish Link to the Complaints and Grievance Mechanism in English Link to the Complaints and Grievance Mechanism in Portuguese</p> <p><u>CUTCSA’s Grievance mechanism:</u></p>

	<p>CUTCSA has two main communication channels available to the public to receive general complaints which are its Institutional Portal and a dedicated WhatsApp number:</p> <p>Link to CUTCSA’s contact webpage</p> <p>Link to CUTCSA’s WhatsApp</p>
<p>Summary of stakeholder consultations and the planned stakeholder engagement process</p>	<p>With regard to the project of acquisition of electric Buses, CUTCSA engaged its main stakeholders which are composed its shareholders/employees. CUTCSA is an atypical corporate organization considering that its shareholders are the corporate entities that owns each bus. Each of the 1.155¹ buses of CUTCSA is then owned by up to 4 private shareholders which can be also employees of CUTCSA. Periodic management information is provided in a monthly basis to all of CUCTSA shareholders/employees and the decision of fully electrify its fleet has been taken by CUTCSA Board of Directors, in its session of December 21st, 2021. More details about the engagement process of CUCTSA can be found in page 22 of the ESMP (cf. Annex 2).</p> <p>With regards to the civil works which contemplates the installation of the charging stations in existing buses parkin lots of CUTCSA, all potential affected stakeholder within a 100-meter radius will be informed and consulted. This consultation process will take place before the beginning of the works in the remaining three parking lots (Canary Islands Plant, Gronardo Plant & Veracierto Plant) as part of the recommendation included in the ESMP.</p> <p>Additionally, part of the PGAS will be published in CUCTSA’s webpage and a print copy in Spanish (local language) will be placed in the main administration building of CUTCSA (Planta Añon) which is accessible to not only employees and shareholders of CUTCSA but also to customers and suppliers.</p>

Annexes:

- **Annex A - Sub Project Disclosure Form**
- [Annex B - ESMP \(including the ESIA\)](#)

¹ The current number of bus operated by CUTCSA has increased in the past months and is currently 1.155 units.

Annex A - ESS Disclosure Report Form for Sub-Projects

Environmental and Social Report(s) Disclosure

Accredited entity	Corporación Andina de Fomento (CAF)
Programme	
FP number and programme title	FP195 E-Motion: E-Mobility and Low Carbon Transportation
Sector (public/private)	Public
Location (target country and, if any, specific areas)	Panama, Paraguay, and Uruguay
ESS category	Category B
Board decision and date	Decision B.34.10/, para. (f), on 20 October 2022
Subproject	
Subproject title	CUTCSA
ESS category	Category B
Location	Montevideo, Uruguay
Environmental and Social Impact Assessment (ESIA) (if applicable)	
Date of disclosure	12 March 2025
Language(s) understandable to affected peoples	English and Spanish
Link to disclosure	<p>English: https://www.caf.com/media/4674951/esmp_r02-cutcsa-20250219.pdf</p> <p>Spanish: https://www.caf.com/media/4674952/pgas_r02-cutcsa-20250219.pdf</p>
Other link(s)	N/A
Remarks on compliance with GCF policies	In accordance with the Green Climate Fund's Information Disclosure Policy (the "Policy"), the AE plans to disclose information relating to a Category B investments being considered for financing with resources from the GCF program FP195. This disclosure is intended to satisfy the requirement set out in paragraph 17 of the GCF Policy in relation to para. 65 of the GCF Revised Environmental and Social Policy to disclose an ESIA and ESMP (included as part of the ESIA), as defined below, at least 30 days in advance of the investment decision.
Environmental and Social Management Plan (ESMP) (if applicable)	
Date of disclosure on AE's website	12 March 2025
Language(s) understandable to affected peoples	English and Spanish
Link to disclosure	<p>English: https://www.caf.com/media/4674951/esmp_r02-cutcsa-20250219.pdf</p> <p>Spanish: https://www.caf.com/media/4674952/pgas_r02-cutcsa-20250219.pdf</p>
Other link(s)	N/A

Remarks on compliance with GCF policies	In accordance with the Green Climate Fund's Information Disclosure Policy (the "Policy"), the AE plans to disclose information relating to a Category B investments being considered for financing with resources from the GCF program FP195. This disclosure is intended to satisfy the requirement set out in paragraph 17 of the GCF Policy in relation to para. 65 of the GCF Revised Environmental and Social Policy to disclose an ESIA and ESMP (included as part of the ESIA), as defined below, at least 30 days in advance of the investment decision.
Environmental and Social Management System (ESMS) (if applicable)	
Date of disclosure on AE's website	N/A
Language(s) understandable to affected peoples	N/A
Link to disclosure	N/A
Other link(s)	N/A
Remarks on compliance with GCF policies	N/A
Any other relevant ESS reports and/or disclosures (if applicable), e.g. Indigenous Peoples Plan (IPP), Indigenous Peoples Planning Framework (IPPF), Resettlement Action Plan (RAP), Resettlement Policy Framework (RPF)	
Description of report/disclosure	N/A
Date of disclosure on AE's website	N/A
Language(s) understandable to affected peoples	N/A
Link to disclosure	N/A
Other link(s)	N/A
Remarks on compliance with GCF policies	N/A
Disclosure in location(s) convenient to affected peoples (or, if none or not yet identified, to stakeholders)	
Date(s)	March 2025
Place(s)	CUTCESA's website & a print copy in Spanish (local language) to be placed in the main administration building of CUTCESA (Planta Añon which located in Avenida José Pedro Varela n.º 3385, 12000 Montevideo, Uruguay) which is accessible to not only employees and shareholders of CUTCESA but also to customers and suppliers.
Provision on disclosure at the subproject level	<p>Clause 11.02(t) of the Funded Activity Agreement:</p> <p>In relation to each Sub-project that is Category B (pursuant to the Environmental and Social Risk Categories), disclose, or contractually require LFIs to provide and disclose, the Environmental and Social Impact Assessment ("ESIA") and Environmental and Social Management Plan ("ESMP") and, as appropriate, inclusive of the Land Acquisition and/or Resettlement Action Plan ("LARAP"), when applicable, and any other associated information including those relevant to indigenous peoples required to be disclosed pursuant to the Information Disclosure Policy and the Environmental and Social Policy (each, the "Sub-project Disclosure Package"). The Accredited Entity shall, at least thirty (30)</p>

	calendar days prior to its approval of the relevant Category B Sub-project, disclose the Subproject Disclosure Package in English and in local language (if not English), on its website and in locations convenient to the affected peoples (or ensure disclosure by the relevant LFI in locations convenient to the affected peoples), and shall submit the Sub-project Disclosure Package to the Fund, which shall include a link on the Accredited Entity's website to the Sub-project Disclosure Package, for subsequent distribution to the GCF Board and the Fund's active observers and for publishing on the GCF website
Date and place of Accredited Entity meeting	The meeting for the approval of this Sub-Project by CAF Credit Investment Committee will be scheduled on or after April 18 th , 2025. This meeting will be conducted virtually.

Note: This form was prepared by the accredited entity stated above. For reference, the ESS disclosure report form for the programme is attached.

Please note that the ESS documents are subject to final review during the 30-days for Category B disclosure period.
