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## SUSTAINABLE TRANSPORT: INVESTING IN GREEN MOBILITY

Rapid population growth, urbanisation and the widespread use of motor vehicles have created significant mobility challenges in Latin America and the Caribbean (LAC), including high rates of congestion, traffic accidents and pollution.

Most LAC countries have an existing, well-utilised mass transit culture based on public and privatised transport systems. Since bus rapid transit (BRT) was first adopted in the 1970s, it has grown widely in LAC cities. Equally, Latin American cities of sufficient density and with established infrastructure have invested in metro systems. Privately owned minibus systems and taxi cooperatives provide a widespread service in low- to middle-income neighbourhoods on city peripheries. The existing public transit and shared system accounts for 68% of all passenger travel, one of the highest in the world.

Transport is among the largest energy-consuming sectors and is one of the main contributors to anthropogenic greenhouse gas (GHG) emissions and air pollution. LAC has shown considerable progress in promoting the urban green agenda, aiming to reduce GHG emissions and pollution, but also creating free public space in congested cities and building resilience to climate change.

The connectivity provided by transport services is a crucial element for sustainable growth and safety in LAC. Good quality rural and regional roads are one of the prerequisites for economic prosperity, inclusive growth, job creation, equal access to health services, education, fair trade and

the social and administrative services that are needed to ensure equal opportunities for rural areas and small/medium cities to develop.

Quality roads are also important in reducing the high number of accidents involving road users and local inhabitants. There are still places in LAC where the only access routes are narrow and steep or take the form of uneven pedestrian paths impassable to motorised vehicles. There are many areas where the existing roads are in a bad state of repair and are difficult to negotiate, especially in the rainy season. These restrictions to mobility are significant and physical isolation is one of the main factors leading to the levels of poverty commonly observed among rural communities.

Sustainable transport is closely bound up with progress towards achieving the **2030 Agenda for Sustainable Development**<sup>1</sup>. Cities need to minimise the need for motorised travel through spatial planning, shifting to low-carbon transport modes and improving energy efficiency. This requires making sustainable modes of transport more attractive and discouraging the inefficient use of motor vehicles. Mobility planning must focus on people and goods to create sustainable mobility systems. Green mobility aims to lower GHG emissions from the transport sector, reduce illness arising from air and noise pollution, create free public space in congested cities and build resilience to climate change.

The 2030 Agenda also contains specific targets for the creation of an environment of equality in the provision

<sup>1</sup> Sustainable Development Goals 11 (Make cities inclusive, safe, resilient and sustainable) and 13 (Take urgent action to combat climate change and its impacts), among others.

and quality of infrastructure services to end the stigmas of poverty and isolation that commonly characterise rural areas in LAC.

The European Green Deal seeks to reduce GHG emissions by 2050 by, among other measures, moving to more sustainable transport. This means putting users first and providing them with more affordable, accessible, healthier and cleaner alternatives. The EU's objectives in this sector are to boost the uptake of clean vehicles and sustainable alternative fuels, promote the use of different modes of transport, stimulate digital transformation and reflect the impact of transport on the environment through transport pricing. The EU is supporting the development of qualitative infrastructure and safe and efficient mobility in its partner countries.

Improving the quality of infrastructure in LAC countries,

including sustainable transport, is a strategic objective of the **Latin America Investment Facility and the Caribbean Investment Facility (LAIF and CIF)**. Both facilities are committed to green mobility, promoting energy-efficient and clean technology-based mass transportation systems in large LAC cities, and the creation of sustainable, low-carbon urban transportation systems in small/middle cities. LAIF and CIF are contributing to sustainable reforms of public urban transport plans and regulations for a more resilient urban transport development in regions and megacities.

LAIF and CIF are also financing the rehabilitation, upgrading and safety improvements of key regional roads and their integration into national and regional networks, thereby facilitating mobility and access to markets for local disadvantaged and isolated communities and contributing to regional integration.

## Main challenges and way forward



### **Transition to cleaner means of transportation:**

Financing more public vehicles powered with clean energy and producing low carbon emissions. Sustainable urban transportation systems are a priority.

**Regional integration:** Limited connectivity in rural areas of Latin America and the Caribbean has hampered economic development. A network of higher quality and inter-urban roads is required in every country to ensure safe and efficient transit of people and goods.

## Indicators



Number of projects:  
**9**



Total number of beneficiaries:  
**14,212,100**  
people



Number of jobs created or supported:  
**1,823**



Total length of new or upgraded roads:  
**604 km**



Users benefited from new or upgraded roads:  
**1,000**



Greenhouse gas emissions reduction:  
**18,801 CO<sub>2</sub> kt**  
equivalent/year



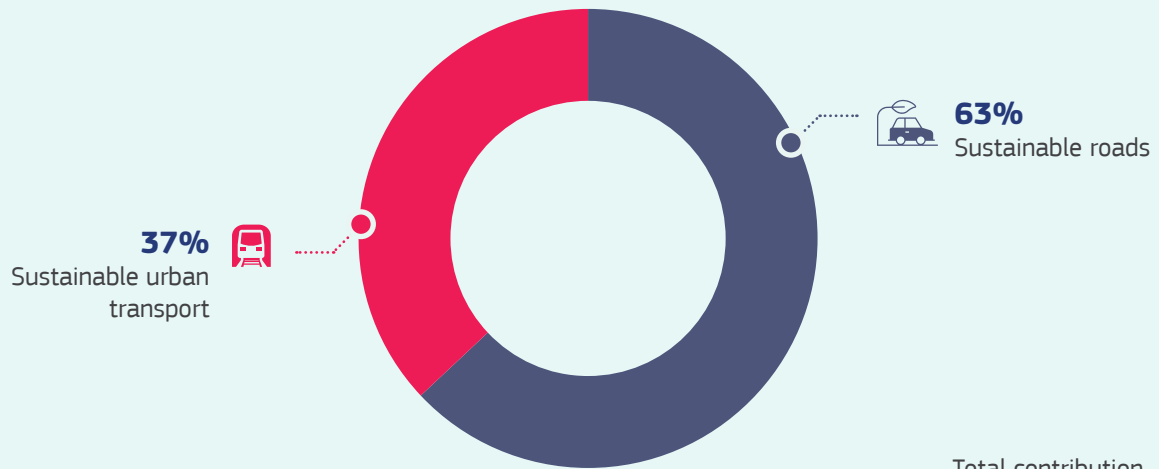
Users benefited from sustainable urban transport:  
**13,625,000 km**



Number of cities benefited:  
**12**



## LAIF and CIF contribution per sector



Total contribution from LAIF & CIF:  
**€ 53 005 000**

### Bilateral and multi-country projects

<https://www.eulaif.eu/en/projects>

<https://www.eu-cif.eu/en/projects>

*This fiche was prepared with the most recent information and data available from the banks under their contractual responsibility fully to inform LAIF promptly about the developments in the projects.*

