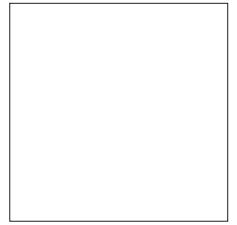




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A NOTE FROM ITDP'S CEO IN TODAY'S WORLD, THE ONLY CONSTANT IS CHANGE — AND OUR CITIES MUST ADAPT



know as BRT (bus rapid transit) to offer its growing population a more accessible, cost-efficient mobility option.

For us in 2026, a similar convergence of economic and climate urgency has created another defining moment for cities and for urban transport. And it is at this inflection point that the teams at ITDP continue to work closely with governments at all levels to help them adapt and improve. Our four decades of influencing policy, promoting investment, and sustaining advocacy during uncertain times have taught us that disruption can also offer opportunity. Around the world, cities are now seeking cost-effective, resilient, and sustainable transport solutions that are both proven and scalable.

Once again, people around the world are experiencing the impacts of a volatile fossil fuel supply and the resulting economic instability. The ongoing spikes in energy prices, driven by conflicts and speculation, have exposed the fragile status quo of our systems, particularly in the transport sector. At the same time, the severity of the climate crisis and extreme weather is making it clear that the social, economic, and human costs are mounting for a society overly reliant on fossil fuels. This is not the first generation to confront these intersecting challenges, and it will not be the last unless we take collective steps to make meaningful change *now*.

The global energy shocks of the 1970s, defined by similar peaks in gas prices and market turmoil, demonstrated how deeply our economies and daily life are tied to the fuel industry, even more than half a century ago. There was a silver lining then, however. Some policymakers saw the crisis as an opportunity to pivot towards more transit-oriented cities that could transform how people move and lower fuel consumption. Amsterdam, for example, reoriented its urban planning away from cars towards its renowned cycling infrastructure. Around the same time, the city of Curitiba, Brazil, introduced an innovative model for what we now

From ITDP's experience, we know that many of the most compelling models are already underway in low- and middle-income countries (LMICs) and that these regions are well-positioned to lead the way for the rest of the world. In cities across LMICs, where car dependency is not yet locked in, our work will continue to have the greatest impact. We know that our vision to increase ridership on electric, well-funded, and well-managed public transport is the key to a sustainable, equitable future for us all.

Better transit systems will not only significantly reduce private vehicle use but also make urban environments more accessible, healthier, and economically inclusive. Our teams are ready to meet the moment by continuing to make progress in the places we already work. Ethiopia provides perhaps the most notable example of a nation now committed to a better future by taking bold action on fossil fuels. In 2024, the government imposed a ban on the import of traditional fuel-powered vehicles and slashed tariffs on electric vehicles (EVs) to jump-start the transition to electric mobility.

This decision was driven not only by climate goals but also by economic realities, including the need to reduce costly government fuel subsidies and to limit the use of valuable foreign currency, which is required to import fuel and is often subject to expensive exchange rates. The country's policy has since evolved to include duty-free imports for segments such as electric two-wheelers, helping contribute

to a 5-percentage-point increase in EV adoption as of 2026. At the same time, regional manufacturing in related industries is expanding, with transport companies like BKG increasing local production and creating new jobs to strengthen the domestic economy.

Building on this momentum, ITDP Africa continues to work with Addis Ababa, the capital city and BKG's largest client, to expand the acquisition and deployment of e-buses across the region. Addis Ababa has already acquired 150 electric mini-buses and 100 larger e-buses as part of a strategy to align transport investment with local manufacturing and economic development. These efforts are supported by plans to expand charging networks and renewable energy grids to ensure that the city's transition is both strategic and viable. Together, Ethiopia's milestones demonstrate that coordinated policy, investment, and vision can lead to real change amid instability.

In India, a different but equally urgent set of challenges is driving national action. The country's outsized reliance on imported oil leaves it vulnerable to fuel price volatility, straining public budgets in a nation where a fifth of the population relies on public transport. In many cities, recent rising costs have led to service cuts or fare increases, making systems less accessible to those who need them most. In response, the national and state governments are working to accelerate a shift towards EVs, particularly e-buses, to leverage environmental benefits, stabilize operating costs, and enhance service.

Central to this shift is the national PM e-Bus SEWA Scheme, which is one of the largest federal investments of its kind to electrify public transport. The program has sanctioned nearly 10,000 e-buses across 116 cities in 20 states, backed by approximately USD 6–7 billion in funding. Crucially, the Scheme aims to pair capital investment with long-term operational funding to help cities transition from fuel imports while still maintaining reliable service. As ITDP India continues to work with policymakers and partners to implement e-buses under the Scheme, these efforts are laying the groundwork for vastly improved public transport in the world's most populous country.

Investing in zero-emission public transport offers a clear path to more predictable costs and spending for governments over time, without the



— With national support, many Indian cities are moving towards electric buses.

need to subsidize fuel costs. When combined with measures that reduce reliance on private vehicles — such as traffic management policies, parking reforms, and safer walking and cycling infrastructure — electrified transport can contribute to energy independence while enhancing quality of life. In fact, Ethiopia and India are also making significant investments in renewables like hydropower, wind, and solar to transform their energy grids with cleaner resources. Both countries illustrate how forward-thinking energy and mobility policies can help governments respond to immediate pressures with actionable, long-term plans.

To build on this progress, we need even more decision-makers, development banks, investors, and institutions to join us in scaling strategies and solutions. This means increasing and stabilizing funding while strengthening regulatory frameworks, building technical capacity, and improving data collection. As we navigate this era of volatility, one conclusion is clear: change may be constant, but it is how we respond that matters most. As you will read in this newsletter, ITDP's work around the world is delivering systems-level changes across countries and cities. We are confident that our brighter vision for the world is within reach, and we look forward to your continued support to turn it into a reality.

Sincerely,
Heather Thompson

GLOBAL INSPIRATION

Highlights from ITDP's work to increase ridership on public transport systems that are zero-emission, well-funded, and well-managed.

ITDP Africa is supporting several national and local governments in planning and financing their urban bus systems. In Ethiopia, ITDP has helped develop e-bus business and financial models to scale operations as the capital, Addis Ababa, begins construction of a landmark BRT corridor, which is set to debut ahead of 2027's COP32. In Kenya, ITDP is working closely with the national Ministry of Roads and Transport to assess viable e-bus business models and explore private financing options for Nairobi's first BRT system. In 2026, the ITDP team also arranged an international exchange for high-level officials from Dar es Salaam and the Tanzanian government to visit Indonesia's Transjakarta system in order to learn about strategies for improving local e-bus operations and services.

ITDP Brazil announced a major collaboration with BTG Pactual (the largest investment bank in Latin America) to create a new blended finance fund to accelerate the decarbonization of public transport nationwide. Structured through the Mitigation Action Facility and supported by Brazilian national ministries, WRI Brasil, C40 Cities, and



— A Metrobús trolleybus station in Mexico City.

other partners, the fund aims to finance the purchase of more than 1,700 e-buses and to provide technical assistance, policy support, and incentives for local industrial development. BTG Pactual has already committed EUR 24 million of the EUR 80 million needed, while the Facility plans to contribute EUR 16 million to reduce investment risk. The initiative could help mitigate 2.7 million tons of CO2 emissions upon implementation and advance a just workforce transition and gender equity across the transport sector.

ITDP China is working with the national government to advance priorities for China's 15th Five-Year Plan, specifically as the country aims to develop up to 10,000 kms of zero-emission freight transport corridors. ITDP worked closely with the China Academy of Transport Sciences to plan for these freight corridors by identifying strategic logistics routes, coordinating public and private stakeholders, and supporting public communications. ITDP also delivered foundational *Zero-Emission Freight Corridor Development Guidelines* to the national government, covering key issues such as corridor selection, financing, and operations. In 2026, ITDP is helping to facilitate a national pilot to deploy 1,500 new heavy-duty energy trucks and 30 charging and battery-swapping stations as part of this move towards greener, more efficient freight planning.

ITDP India has made significant progress in advancing zero-emission vehicle (ZEV) efforts nationally, as highlighted by the completion of a ZEV Framework and an *Accelerating Clean Mobility* report, which were formally submitted to national Ministries for policy guidance. The team is further providing technical support for national e-bus deployments under the PM E-Drive Scheme, which aims to roll out thousands of new buses across nine major cities. The program builds on earlier initiatives by combining bus procurement with support for infrastructure and operations, using tools such as aggregated procurement, viability gap funding, and long-term service contracts. Within this framework, ITDP is also advancing sub-national work on electric mobility, particularly in the state of Tamil Nadu, by



— Women drivers boarding a Transjakarta bus.

launching statewide charging guidelines and recommendations to convert government-owned land parcels into EV charging and battery-swapping stations.

ITDP Indonesia has achieved a new milestone with Transjakarta, helping the system expand its operations to 16 routes throughout the Greater Jakarta region and deploy nearly 500 e-buses at the end of 2025. In this expansion phase, Transjakarta is applying the business models recommended by ITDP through a World Bank project to identify new financing strategies for e-bus operations and to enable private-sector participation. Beyond Jakarta, ITDP recommendations for the City of Semarang's e-bus pilot project were implemented with passenger trials of Trans Semarang e-buses on several priority corridors. Similarly, the City of Pekanbaru formally committed to electrifying its public transport, following a strategy developed by ITDP, and began operating electric feeder buses to serve routes across residential areas.

ITDP Mexico continues to serve as the public transport technical expert for SINAMOV, the national system that coordinates road safety and traffic management functions. The team has helped translate the national government's electric mobility objectives into actionable policies for state authorities, which ultimately hold responsibility for transit operations. Thus, this engagement is key to a national-subnational implementation pathway for public transport electrification across all of Mexico's 32 states. At the local level in Mexico City, ITDP successfully advanced two electric mobility pilot concepts in partnership with Metrobús — one to analyze the battery performance of e-buses across several routes, and another to explore scenarios for improving charging infrastructure in collaboration with electric freight operators. •

WHAT'S NEW

Learn more about ITDP's latest research and knowledge products.

The Principles of Well-Managed, Well-Funded Public Transport

As ITDP works towards our 2030 Strategy to increase ridership on urban public transport, it is essential to establish a shared framework and understanding for the principles of 'good public transport'. The *Building Better Public Transport Systems: Public Transport Principles* brief offers such guidance for governments, planners, and advocates seeking to promote zero-emission systems that deliver good service and are grounded in well-managed, well-funded operations. These core principles (*good service, zero emissions, well-funded, well-managed, for everyone*) define good public transport for all cities. **Learn more at ITDP.org/Publications**

The Benefits of Smaller Vehicle Sizes

In recent years, SUVs and other large passenger vehicles have become one of the fastest-growing sources of global emissions — a trend that is coming at a cost to our economy, our public health, and our air quality. ITDP and the University of California, Davis examined the challenges posed by this rapid growth in vehicle size and evaluated various scenarios to address them. In the *Compact Cities Electrified: The Benefits of Small Vehicles* report, the team provides a first-of-its-kind global and country-level analysis of how increasing vehicle sizes are shaping urban passenger transport in regions like Brazil, China, India, Indonesia, Mexico, and the U.S. **Learn more at ITDP.org/Publications**

Integrating Nature-Based Solutions into Urban Mobility

Leveraging nature-based solutions (NBS) for urban mobility planning offers cities a practical, forward-looking way to confront the climate crisis while improving everyday urban life. Rather than relying on isolated interventions, cities can weave green and blue infrastructure — such as urban forests, permeable streets, wetlands, and shaded corridors — into street and transport systems across regional and municipal

THE FIVE BUILDING BLOCKS OF GOOD PUBLIC TRANSPORT

The **main qualities** and **foundational principles** support **high-quality, inclusive, resilient and long-term viable public transport.**

For everyone

- Barrier-free, equitable access
- Inclusive planning
- Safe, dignified travel

Well-funded

- Sustainable, resilient service
- Economically viable business models
- Affordable fares

Good service

- Fast and Frequent operation
- Reliable service
- Integrated planning & service



Zero-emissions

- Clean energy powered fleets
- Quieter, more comfortable buses
- Healthier, more resilient cities

Well-managed

- Technical capacity
- Strong, coordinated institutions
- Responsive planning and accountability

For more information about public transport systems, go to itdp.org

scales. This approach is an emerging priority for Brazil's policymakers amid the increasing threat of urban flooding, heatwaves, and air pollution. This report from ITDP Brazil assesses the challenges and opportunities for implementing NBS in a regional context, based on direct engagement with public managers and city officials. **Learn more at ITDPBrasil.org**

A Landmark National Active Mobility Strategy

The *Egypt Active Mobility Strategy 2034* was released in 2026 to establish a comprehensive national framework for transitioning Egypt from car-centric urban design to more people-centered mobility. Developed through a collaboration

between the Egyptian government and the U.N., this ITDP-led strategy introduces comprehensive design standards for complete streets, pedestrian networks, and cycling infrastructure. By prioritizing universal access and safety measures, the framework also aims to mitigate traffic congestion and pollution by promoting better streets and robust walking and cycling options. This, in turn, can improve connections to public transport and encourage more sustainable mobility for all Egyptians. **Learn more at Africa.ITDP.org**

Exploring Perceptions of Air Pollution and Low Emission Zones

In cities like Pune and Pimpri-Chinchwad, India, air pollution from road transport is a major public health and safety concern. Measures such as Low Emission Zones (LEZ) can be the key to limiting polluting vehicle trips through targeted restrictions, parking reforms, and pricing measures. To understand how citizens would respond to such policies, ITDP India conducted a unique perception study across 20 neighborhoods in both cities, finding that over 80% of vehicle owners agreed that transport emissions were a direct contributor to air and health hazards. When faced with LEZ-related vehicle fees or restrictions, however, over 90% indicated they would rather switch to a cleaner vehicle, with about 20% opting for a combination of cleaner vehicles and public transport as a commuting alternative. **Learn more at ITDP.in**

Mobilidade Urbana e Soluções baseadas na Natureza: Integrando Estratégias de Adaptação para as Cidades Brasileiras



Bus ridership is dropping fast. But we can stop the slide.

Give
\$75
to ITDP today

Every rider lost leads to higher emissions, worse pollution, and more traffic for everyone. Give a gift to ITDP today to stop the slide and help bring the bus back.

In many countries around the world, bus ridership is in persistent decline. Underfunded systems, unreliable service, and the proliferation of private cars and motorcycles are pulling riders away from buses — and creating a massive challenge for our cities and climate.

Buses move more people, more affordably, and with fewer emissions than almost any alternative. According to the UN, shifting from cars to public transport can reduce up to two tons of carbon emissions per person annually.

When ridership collapses, cities don't just lose a transport option — they lose one of their most powerful tools against climate change.

ITDP has spent 40 years supporting high-quality, extensive bus systems in cities worldwide. But we need your support now more than ever to reverse the decline and bring riders back.

In Jakarta, Indonesia, our work to improve the TransJakarta BRT system drove a record-breaking 1.2 million daily riders — an almost 300% increase in ridership since 2020.



In Rio de Janeiro, Brazil, ITDP's work on the TransBrasil BRT line brought reliable bus-based mobility to 250,000 new daily riders.

Will you give a \$75 gift today to help ITDP save the bus?

Your gift today helps fund:

- Technical assistance to help cities rebuild bus ridership
- Advocacy to protect and grow public transit funding
- Research backing buses as a climate solution



Scan to learn about ways to give
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