

Unlocking Investment for Scalable and Sustainable E-bus Systems

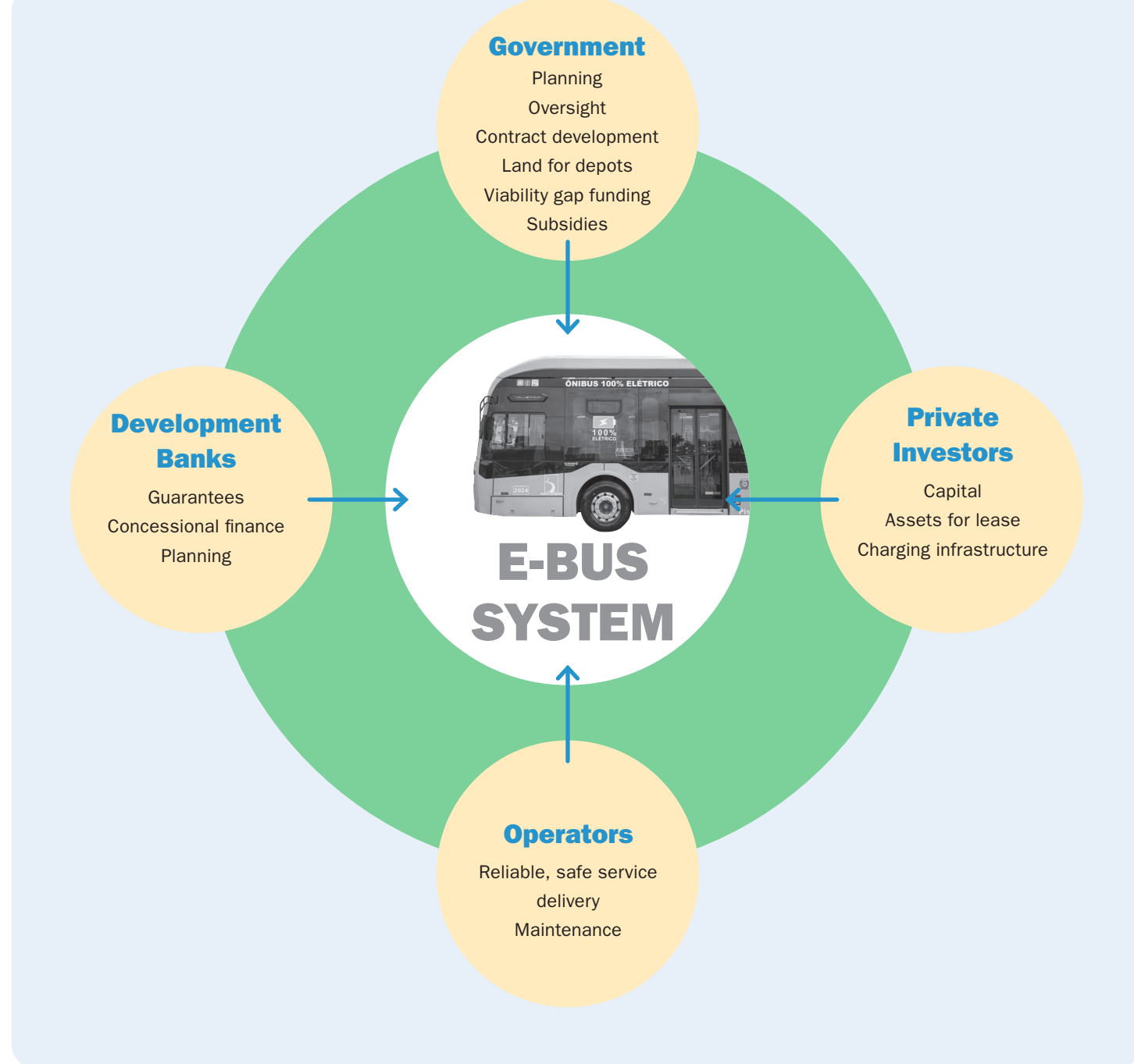
E-buses improve air quality and expand access to jobs and services, but high upfront costs and uncertainty surrounding business models and financing limit impact.

To deliver viable, large-scale e-bus systems, governments, operators, and investors must work together to manage costs, risks, and oversight.



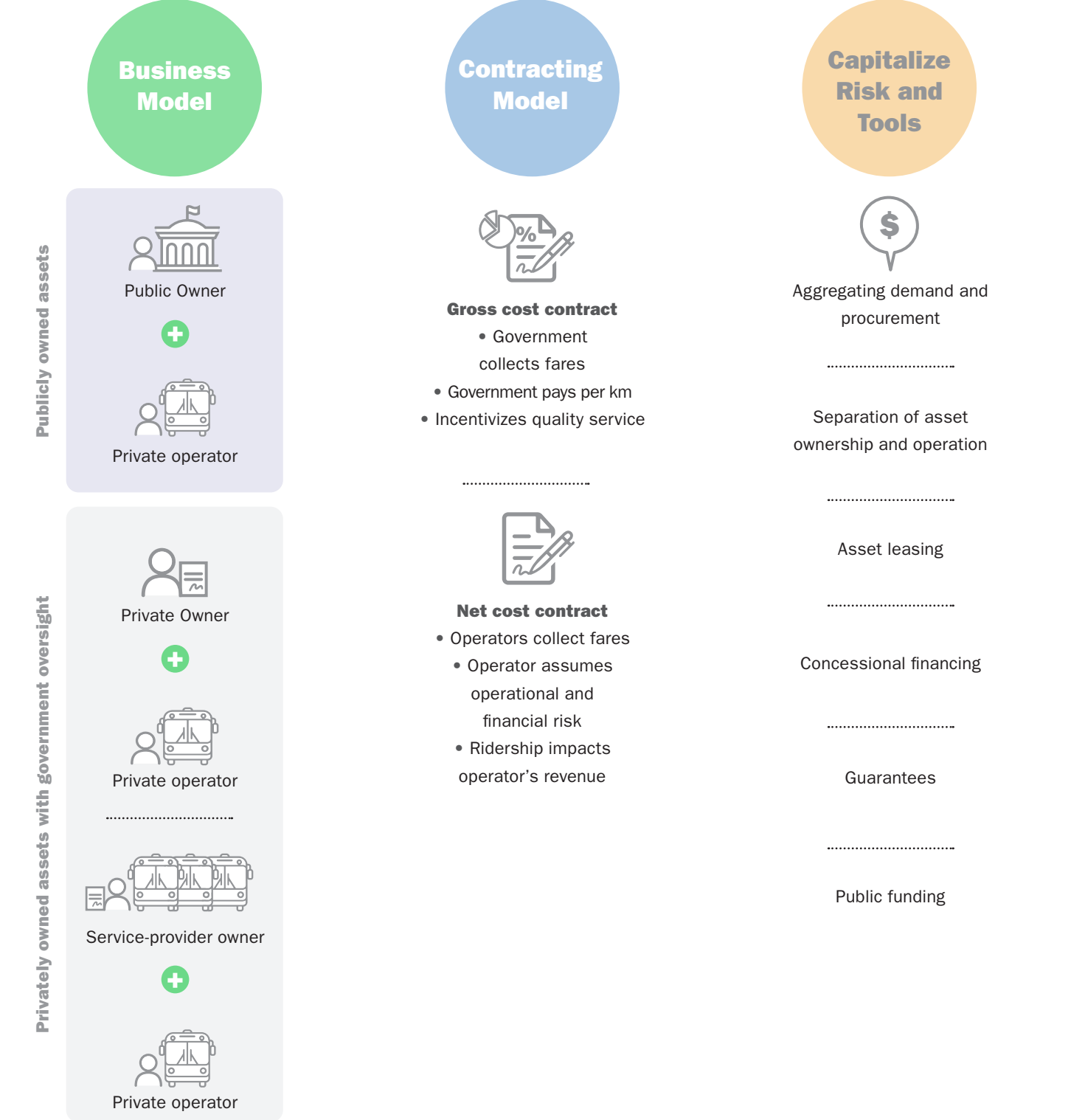
The E-bus Investment Ecosystem

A strong e-bus investment ecosystem includes governments, private investors, operators, and development banks each providing key elements and taking on some risk to ensure bankability.



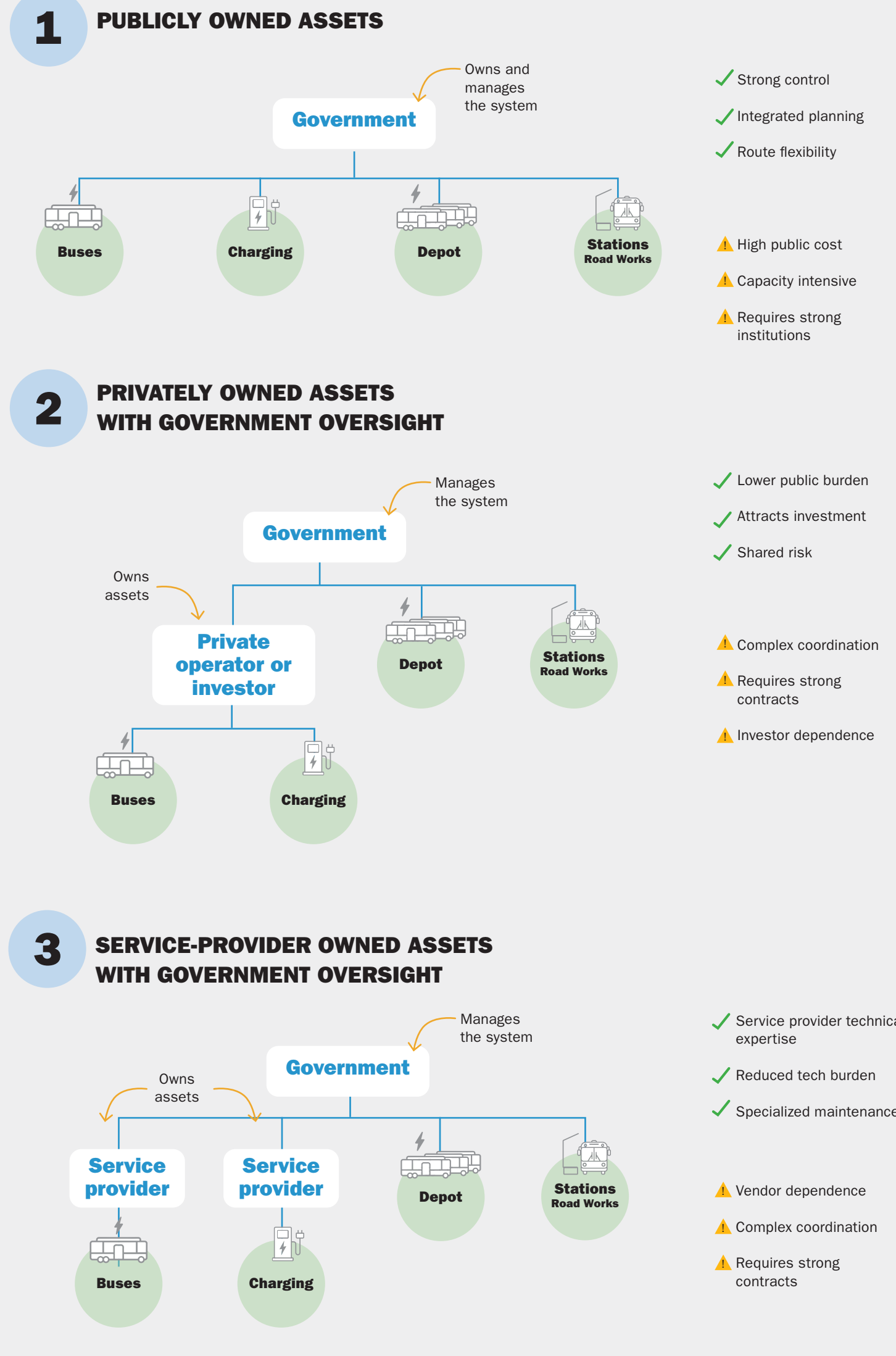
Structuring an E-bus Project for Investment

Financing e-bus systems requires three core components: the business model, which defines asset ownership and operational roles; the contracting model, which sets service and payment structures; and financing and risk-mitigation tools, which reduce financial barriers and improve bankability.



Breaking Down Asset Ownership

Who owns the e-buses, batteries, and chargers is a major piece of the business model for e-bus systems. Different models enable asset ownership across different stakeholders. This can help to distribute costs but can also increase complexity of coordination and dependence on private actors.



Financing and De-risking Mechanisms

High upfront costs and investor and operational risks prevent the implementation of e-bus systems on a large scale. However, several tools and financing mechanisms have emerged to better distribute these costs and risks.

