



## Concept Note

### Background and Rationale

While positive progress has been made in the transition to zero-emission vehicles (ZEVs), emerging markets and developing economies (EMDEs) risk being left behind due to challenges such as access to resources and know-how. Recent predictions suggest a two-tier global auto market could become entrenched: On current trajectories, by 2040, over half of global internal combustion engine (ICE) vehicle sales will be in emerging economies, with the share of electric cars on the road being 45% lower in EMDEs than leading markets<sup>1</sup>.

This urgent and systemic global challenge has been recognized under the [Road Transport Breakthrough](#), which identified a need to take immediate action on strengthening the international assistance available to EMDEs and mobilizing large-scale investments into ZEV deployment across all regions. It was also recognized by the ZEV Transition Council<sup>2</sup> (ZEVTC) in their 2022 Action Plan by forming one of the Council's key pillars – ‘supporting a global transition.’

Under this Action Plan pillar, the ZEVTC established the International Assistance Taskforce (IAT)<sup>3</sup> in 2022 and ran a series of ZEV Regional Dialogues with over 40 EMDE countries. Two prominent gaps in international assistance for EMDEs were identified: (i) A lack of agile response to targeted, short-term and urgent EMDE asks; and (ii) the inaccessibility of current international assistance owing to its typically disparate, fragmented, and uncoordinated evolution.

In short, the key challenge for many EMDE governments (and their technical agencies) is how to navigate the technical assistance (TA) landscape easily—and access vital early-stage support quickly—to put the country on a ZEV transition pathway. Technical assistance could include, for example, support to clarify ZEV transition options that reflect the domestic context, initial data collection and modelling, early project preparation and support for bids to larger regional and multilateral programmes, advice on procurement routes, etcetera.

### ZEV Rapid Response Facility

To help respond to this challenge and support an accelerated global transition to ZEVs, a Zero Emission Vehicle Rapid Response Facility (ZEV-RRF) has been set up under the direction of the ZEV Transition Council. This seeks to learn from, and build upon,

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<sup>1</sup> BloombergNEF EV Outlook, June 2022

<sup>2</sup> The [ZEVTC](#) was formed as the world's first political forum to discuss how to accelerate the pace of the global transition to zero emission vehicles.

<sup>3</sup> The International Assistance Taskforce, mandated by ZEV Transition Council Ministers in their [2022 Action Plan](#) to address a global coordination gap, convenes key delivery partners/experts in the international assistance space – see end of concept note for list of members.



aspects of the Energy Transition Council's RRF launched in 2021. The ZEV-RRF seeks to be a demand-led coordination mechanism that provides EMDEs a single gateway to access a wide network of existing assistance and know-how providers, all committed to working together to respond quickly and effectively to requests for assistance wherever possible.

Operating in a hub-and-spoke model, this is to be achieved through a small central secretariat (the Hub) docking into a network of world-leading experts and delivery partners (the spokes), which include:

- a) Interested members of the existing IAT network; and
- b) Interested non-IAT members who provide on-the-ground support in EMDE countries (for example, regional multilateral development banks (MDBs), amongst others)

It is envisaged that the number and range of spokes under the ZEV-RRF will grow over time to incorporate other relevant bilateral, regional, and multilateral providers. A review by the ZEVTC secretariat team would take place from time to time to update the list of spokes in the ZEV-RRF network. The duration of membership and extent of support provided to countries via the ZEV-RRF would be entirely decided by the individual spoke organization based on factors such as their existing capacity and resources. A full list of members of the ZEV-RRF Spoke Network can be found [here](#).

The Hub would quickly match EMDE country requests with short-term technical support through the Spoke Network. The Hub would also provide an initial advisory function for EMDEs to help test, shape, and sharpen requests for assistance, where needed, to ensure they were clear and well-sequenced, as well as genuinely additive.

The aim would be for EMDEs who wish to go faster in their own ZEV transitions to be able to gain: (a) quick clarity on what their specific needs and requirements are and develop a plan(s) to address these, where feasible; (b) easy visibility on what support is already available through the Spoke Network to overcome the challenges; and (c) where applicable, quick access to support that enables countries to increase and implement their ZEV ambitions, including accessing larger existing support where needed (via e.g. MDBs and global funders).

Given the potential economic, health, and security opportunities offered by a ZEV transition, the ambition is that the ZEV-RRF will enable EMDEs to realize their existing ZEV transition ambitions far faster, and to raise ambitions much further, including by leapfrogging technological stages altogether. The objective of the ZEV-RRF is to support EMDEs with equal access to the Facility's resources and broader network.

The ZEV-RRF continues to seek and secure funding to support the Spoke Network for responding to technical assistance requests from eligible countries. It also links the wider set of strategies and initiatives being taken up under the ambit of the [Global Transition Roadmap](#) of the ZEVTC launched in 2023.



## Process

The ZEV-RRF Hub, comprising of a small but scalable number of specialist staff, would, for example:

1. Collect and coordinate urgent and short-term country requests for TA by remaining up-to-date on the current landscape of international assistance for ZEVs. The ZEV-RRF Hub team would be both proactive and reactive—with the balance of these being dependent on team capacity—in the collation and drafting of requests.
2. Use technical expertise to test and refine the ask with lead officials from the recipient country to ensure it is developed into a clear and actionable project-level scope request.
3. The ZEV-RRF would then undertake one of the following actions as deemed appropriate on a case-by-case basis:
  - a) If the project is eligible for dedicated funding available to the ZEV-RRF, identify a suitable spoke partner through a fair and transparent process to provide the requested TA, and thereafter manage the process for awarding the funding to the spoke partner.
  - b) If the project is not eligible for dedicated funding available to the ZEV-RRF, seek to identify a suitable spoke partner who can provide the technical assistance with their own funding, or new funding that they may be able to independently apply for, and connect the spoke partner with the government agency.
  - c) If neither of the above actions are feasible, signpost the EMDE country to existing resources where known and available. This action may come sooner in the process if the spoke partners identify that prior knowledge exists to support the request.
4. The ZEV-RRF Hub would track all requests to ensure timely responses are made to EMDE countries.
5. Selection of a spoke partner for all requests would be conducted in a fair and transparent manner using a Quality-Cost-Based-System (QCBS). Updates regarding the status of each active request would be provided by the Hub during a monthly Hub-and-spoke meeting and through emails when needed.

## Eligible Countries

There are two eligibility criteria countries must meet to become eligible for the ZEV-RRF. First, they must have signaled their ambition to quickly transition to ZEVs by signing the [Zero Emission Vehicles Declaration](#) (under paragraph 2A or 2B) and/or the [Global Memorandum of Understanding on Zero-Emission Medium- and Heavy-Duty Vehicles](#) (Global MOU).

Secondly, countries must be located in a developing region [as defined by the United Nations Statistical Division](#). Please note that some eligible countries will be only eligible for in-kind technical support and non-ODA (official development assistance) funded



support from the ZEV-RRF Spoke Network (categorized as Tier 2 countries), whereas others that are ODA eligible [as defined by the OECD \(Organization for Economic Co-operation and Development\)](#) could additionally benefit from ODA-funded support (categorized as Tier 1 countries).

As of May 2024, 25 countries are ZEV-RRF eligible. Armenia, Azerbaijan, Cabo Verde, Colombia, Costa Rica, Dominican Republic, El Salvador, Ghana, India, Kenya, Mexico, Morocco, Nigeria, Papua New Guinea, Paraguay, Rwanda, Tonga, Türkiye, and Ukraine are categorized as Tier 1 countries. Aruba, Chile, Curaçao, Seychelles, Sint Maarten, and Uruguay are categorized as Tier 2 countries.

Requests for ZEV-RRF support must be submitted entirely by, or in direct partnership with, a national government ministry and/or technical agency. The ZEV-RRF currently cannot accept requests from entities unaffiliated with the national government of an eligible country.

## Operations and Resourcing

The ZEV-RRF Hub would oversee implementation, track progress and requests, and assess impact—this includes ensuring requests are being responded to in a timely manner. Spoke institutions would have the primary responsibility for undertaking requests under the ZEV-RRF, as/where they have agreed to.

The ZEV-RRF Hub team would sit within the broader secretariat for the ZEVTC and be supported by the same team servicing the IAT, ensuring strong coordination and alignment. The ZEV-RRF team would provide regular reports into the IAT and the ZEVTC on any major gaps identified in the landscape of assistance, lessons learned, progress achieved, and future plans.

The ZEV-RRF will be funded and resourced through a range of means, including via interested donor governments, international institutions, and philanthropy. This could be in the form of funding (for the pot of money to provide bespoke TA) and/or a secondee(s). With the latter, there would also be flexibility with contributing part of 1 full time employee.