









## **#TransformingFreightTransport**

## Manifesto for intermodal, low-carbon, efficient and resilient freight transport and logistics

In a world of interconnected challenges, our economies and societies must transform to remain competitive, equitable and resilient, while keeping global warming to 1.5°C. Accelerating the transformation of freight transport and logistics is among the most impactful steps the global community can take to enable positive socio-economic transformations by mid-century.

We call on governments and businesses to plan and finance intermodal, low-carbon, efficient and resilient freight transport and logistics. We urge action towards prioritising systems that efficiently and resiliently combine low-carbon services from the first to the last mile, be that local or intercontinental. We also call for urgent action on transitioning to zero emission fuels and renewable energy, optimising logistics systems, and creating local and circular value chains.

Freight transport and logistics connect goods, markets and consumers, driving socio-economic development. International freight corridors can foster international cooperation and regional stability. However, challenges like the COVID-19 pandemic, geopolitical tensions, energy supply issues, inflation and extreme climate events are exposing the increased vulnerabilities of freight systems and their workforce. Projected changes in demographics, climate, behaviour, energy sources, production and consumption location, workforce and technology will dramatically impact the future of freight transport and logistics.

Improving freight transport and logistics can significantly enhance people's quality of life, even though these operations often go unnoticed. From major shippers to informal deliveries at our doorstep, a wide range of operators and economic flows are involved. Transforming freight transport and logistics is crucial for boosting local production, jobs, tax revenue, circularity and resilience to shocks, and can also reduce energy consumption and emissions.

Freight transport and logistics play a key role in accelerating the transition to a low-carbon economy, creating green jobs, scaling up low-carbon technologies and enabling low-carbon value chains. However, the way goods are moved today results in significant climate impacts, air pollution, noise, fossil fuel consumption and loss of habitats with substantial social and economic costs. Because of its near complete dependence on fossil fuels and the growing demand for transport, in 2022 the transport sector accounted for 20.7% of global  $CO_2$  emissions, with freight transport contributing 42% of them. Urban transport related to the movement of goods is increasing. With freight transport demand expected to more than double by 2050, without a paradigm shift, the negative impacts from freight transport will continue to rise.

The resilience of freight transport and logistics is crucial. The negative impacts of transport disruptions on a country's connectivity and development are even greater than the huge financial losses in transport assets. Transport is also a lifeline and essential for rapid recovery in moments of disaster and shocks. Low- and middle-Income countries, where many systems still have to be developed, can avoid sunk investments and costly retro-fitting, if adequate climate finance for both mitigation and adaptation is made available now.

We emphasise that to achieve decarbonised and sustainable pathways, we need to transform freight transport and logistics systems. This requires prioritising systems that efficiently and resiliently combine low-carbon services from the first to the last mile, be that local or intercontinental. It also requires transitioning to zero emission fuels and renewable energy, optimising logistics systems, and creating local and circular value chains. Protecting workers and giving them a voice in decision making, in alignment with the principles of a just transition, will be key to making the transformation possible.

Global frameworks and processes at the intersection of transport, development, climate, energy and resilience often overlook the role of freight transport and logistics in prosperous, low-carbon, resilient societies. Responsibility and solutions often get lost within an international system that primarily assigns them to state actors, lacking transparent mechanisms for monitoring progress and harnessing action by multiple stakeholders. The political, technical, monitoring and financial mechanisms of these global frameworks must prioritise addressing challenges and leveraging solutions in freight transport and logistics, especially in low- and middle-income countries.

> While each country will adopt its own pathway, there are critical enablers to intermodal, low-carbon, efficient and resilient freight transport and logistics systems. We call on governments and businesses to urgently take bold action.

### **Critical enablers**

#### Ambitious, science-based targets, regulations, policies, standards

- Low-carbon freight transport infrastructure, operations, vehicles and fuels.
- Combination and shift to the most efficient, low-carbon modes of transport.
- Intermodal, low-carbon, efficient and resilient freight transport corridors across borders.
- Capacity and infrastructure for zero emission fuels, renewable energy and zero emission energy sources for all transport modes.
- Energy efficiency in all freight transport modes.
- Local value, circularity, and resilient, optimised value chains, including through industry and trade policies.
- No dumping of polluting, unsafe freight vehicles in low-and middle-income countries.
- Decarbonisation and sustainability **procurement criteria** for all logistics and freight vehicles.
- Application of **just transition principles**, including social dialogue, to **address risks and engage workers** as co-creators of decarbonised and sustainable pathways.

#### Economics, finance and investments

- Climate and development finance aligned with decarbonisation and sustainability goals, and that supports low- and middle-income countries in achieving multiple development priorities.
- Enabling environments for private investment.
- Pricing and fiscality to reflect the entire costs of each freight transport mode on our societies and the environment, and to guide market forces towards the most sustainable services, across supply chains.
- Re-use of funds collected from inefficient and polluting services to support efficient, green freight transport and logistics solutions.
- Multilateral, bilateral and private financing and funding, accessible to formal and informal operators for intermodality, logistics networks efficiency, fleet renewal, electrification and charging infrastructure for all types of vehicles, zero emission fuels and renewable energy, etc.

# Mandatory, standardised and transparent tracking, reporting and evaluation

- GHG emissions, and climate & sustainability impacts and risks for all freight transport modes and along supply chains.
- Corporate emissions from logistics and mitigation efforts across the entire value chain.
- **Indicators** on intermodality, low-carbon, efficiency and resilience for all freight transport modes.

### Integrated planning and operations

- Land planning for multimodal freight transport and facilities (loading bays, intermodal terminals, distribution centres, recycling facilities, electric charging, etc.).
- Location of resources, production and consumption from "source to end user" for reduced transport demand and distances, involving all value chain stakeholders.
- **Optimised logistics** operations.
- Low-emission light vehicles (e.g., two- and three-wheelers) for urban deliveries.
- Resilience and vulnerability assessments, and adaptation plans across freight transport and logistics systems.
- Alliances of first movers to incentivise and demonstrate positive behavioural and industrial changes.

# Data, research, technology, innovation and capacity building



- Workforce planning and training to build skills for new jobs in low-carbon freight transport and logistics.
- Multi-stakeholder partnerships (e.g., cargo owners, operators, customers, academia, governments) for peer exchange, joint action and resource pooling for the uptake of intermodal, low-carbon, efficient and resilient freight transport and logistics.
- Incentives and programmes for North-South and South-South technology transfer and cooperation.



**Co-initiators** 





