

“Company strategies - what transformations compatible with carbon neutrality are required to decarbonise freight transport?”

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Date & Time: 15 October, 9:30-10:30 PM CST, 3:30-4:30 PM CEST.

Key Outcomes

The latest IPCC Special Report on 1.5°C especially highlighted that reaching carbon neutrality by 2050 will require unprecedented, rapid and far-reaching systemic transitions in energy systems but also land, urban and infrastructure, and industrial systems, and will imply deep emission reductions in all sectors such as the freight transport sector (Source: SPM, IPCC, 2018).

Currently, this sector represents about 10% of all energy-related emissions and 40% of global transport emissions and these sectoral emissions have grown continuously over the past years. To reverse this trend and structurally reduce them, technological innovations are not sufficient and a larger spectrum of mitigation options is required (Source: SPM, IPCC, 2018). Reaching zero emission freight transport implies for example to transform existing production and consumption systems to reduce goods deliveries, shorten supply chains and facilitate modal shift and logistics optimisation. Such systemic transformations require a strong involvement of the private sector and companies who are the major transformational players of freight characteristics, supply chain organisations and demanded transport service levels. In this sector, companies could therefore play a key role in looking further into how they could transform their business activities and under which conditions they could implement it.

Key messages:

1. Reaching zero emission freight transport is key to achieve global carbon neutrality and requires systemic transitions in industrial systems, for which companies have key action levers in hand.
2. From first conversations with companies, three business transformations supporting an industrial sector's shift and contributing to zero emission freight transport have emerged so far:
 - a. Revising existing industrial processes and business models
 - b. Relocating industrial facilities and suppliers closer to consumers
 - c. Changing logistics organisations and lowering transport service levels
3. Structuring sectoral conversations, to discuss under which conditions companies could implement those transformations, is a concrete means to organise effective cooperation among actors with complementary actions levers, such as public policymakers and customers, and accelerate action in this sector.