



Decarbonise Transport!

A call from business leaders for climate action and collaboration with governments



The Corporate Partnership Board (CPB) of the International Transport Forum at the OECD brings together companies from across all transport modes and related sectors who want to work with governments to find solutions to transport challenges.

This “Call for Action” outlines 6 key points and priorities for decarbonising transport from CEOs and high-level representatives of the CPB:

1 Keep regulatory frameworks flexible. Remain open to new solutions. Adapt policies to local and regional circumstances.

Regulatory frameworks should support solutions to decarbonise transport. To do this effectively, they must take into account the particularities of each transport mode. Innovation in emerging sectors, for instance micro-mobility, requires flexible regulation to achieve changes in behaviour. The best solutions may also differ between geographic areas or income groups, whether they involve policy or technology.

There is no one-size-fits-all solution for the different travel and transport needs across the globe. To ensure a just transition to zero-carbon transport, policy makers should adapt the policy mix to local and regional circumstances. They need to weigh carefully what regulatory intervention may be required where significant risks of market failure exists. Building periodic reviews of regulations into the governance framework is an effective way to manage the development and uptake of new mobility solutions.

The key to enable the transport sector to meet its decarbonisation ambitions will be to carefully consider consumer needs, the environmental benefits of products and services (assessed on a life-cycle basis) and their social impacts and costs within a flexible policy framework.

2 Provide targeted support to transport decarbonisation

Fossil fuels need to be phased out in all modes of transport to meet climate goals, but a clear path forward needs to be set out to achieve this. Policy makers can accelerate the transition to clean energy sources in transport by keeping in mind the following points.

- **Work together with the private sector to develop successful business models that provide low carbon fuel or electric vehicle charging infrastructure and rapidly scale it up.** City authorities and road management agencies should be at the centre of this process. They are best placed to orchestrate the change and make sure it fits local mobility needs. Charging infrastructure deployment should match mobility patterns. It should strive for optimal allocation of space, notably curb space, while inciting more sustainable mobility behaviour. The technical solutions for optimised deployment are readily available. However, the rate of low carbon fuel or electric vehicle charging infrastructure deployment and the integration of the energy and transport infrastructure is still lagging.
- **Ensure clean vehicles and charging infrastructure are accessible to all.** Private individuals, professional drivers, corporations and public transport operators should all be able to afford a transition to clean vehicles and have access to adequate, affordable low carbon fuel or charging infrastructure, whether on-street or off-street. Subsidies or tax breaks for clean vehicle purchases, including second-hand vehicles, can help achieve this. Reduced rates or benefits for vehicles with high annual mileage, such as those in professional use, can also help to accelerate the transition and generate environmental benefits from clean vehicles at scale.
- **Ensure the transition to clean energy sources at scale moves at the same pace as the adoption of clean vehicles.** The climate benefits of clean vehicles are closely linked to the availability of clean energy. A clear commitment to renewable and low-carbon energy sources and a transition pathway is therefore essential.

3 Encourage changes in mobility behaviour by making full use of available technology and investment in the right infrastructure

Encouraging mobility providers to operate on a common platform can incite citizens to change their mobility behaviour. “Mobility as a Service” (MaaS) builds on a single, digital customer interface to source and manage travel-related services. Policy makers should allow MaaS and other data-enabled transport solutions to evolve by adopting a light and flexible regulatory approach. MaaS can nudge citizens to use more inter-modal transport solutions, e.g. by enabling seamless transfers between private and public transport modes. Operators should also be encouraged to make it easier for transport users to choose the most environmental friendly transport options, e.g. by informing them about their respective carbon footprints. More investment in digital and physical infrastructure (e.g. for cycling, walking and public transport) and available technological solutions is needed to offer attractive, easy-to-use alternatives to private vehicles, whether electric or not.

4 Enable innovation. Support a broad range of pathways to decarbonise transport. Consider the challenges for hard to decarbonise transport modes specifically. Make sure infrastructure and regulatory frameworks are fit for accommodating innovative solutions.

The world will not move forward on decarbonising transport with a business-as-usual mindset. Solutions require the synchronisation of innovation, infrastructure and regulatory frameworks. Policy makers should focus specifically on sectors such as shipping, aviation and road freight transport that are hard to abate and decarbonise but where progress is critical for climate mitigation. Technologies, such as low-carbon liquid fuels, hydrogen and ammonia offer viable decarbonisation pathways especially for these sectors, in addition to electrification. Enabling innovation across all pathways will maximise the chances to fulfil transport’s decarbonisation ambitions. A ‘carrot-and-stick’ policy mix that ensures sustainable alternative fuels will become available at competitive prices will be vital for decarbonising all transport sub-sectors.

5 Apply lessons from the Covid-19 pandemic to accelerate the transition to zero-carbon transport

The Covid-19 pandemic has forced city governments and road-managing agencies to rethink and transform their transport ecosystems. The rapid deployment of pop-up cycle lanes to provide a sustainable alternative to other modes of transport in the face of social distancing is one example. Policy makers should build on this experience. They should design post-pandemic stimulus packages in ways that will accelerate the transition to zero-carbon transport. They could make financial support for transport operators conditional on concrete climate commitments. The Covid-19 pandemic has shown that the public and private sectors can successfully work together when there is a common goal and a shared sense of urgency.

6 Facilitate dialogue. Encourage cooperation and partnerships. Organise data sharing among stakeholders

The transition to zero-carbon transport systems will require an ongoing conversation between transport service, infrastructure and equipment providers, operators, urban planners, transport planners, energy providers and policy makers. Such a constructive exchange will help public-private partnerships to function well. The public sector should take an active role in guiding private-sector investment towards solutions that will help decarbonise transport. Devising norms for data sharing among stakeholders and countries will be essential for creating well-targeted and effective policies and transport services that take into account the environmental, social, equity and economic impacts of different transport modes.

About the ITF Corporate Partnership Board and the Decarbonising Transport “Call for Action” document

Businesses are at the cutting edge of the rapidly changing world of transport and mobility. The International Transport Forum’s Corporate Partnership Board contributes business insights to policy discussions to help policy makers better understand market-driven developments, and provides an effective mechanism for collaboration on issues of common interest.

The Corporate Partnership Board has been a strong supporter of the ITF’s work on transport and climate change and has played a fundamental role in the ITF’s flagship “Decarbonising Transport” initiative since its inception in 2016.

Several points that have been made in this document are aligned with those that emerged during the Ministers’ Roundtable on “Transport and Climate Change: Moving forward from COP25”, held during the International Transport Forum’s Annual Summit in May 2021.



International Transport Forum
2 rue André Pascal
F-75016 Paris

Tel : +33 (0) 1 73 31 25 00

cpb@itf-oecd.org
www.itf-oecd.org/cpb