

Data urges international transport sector to work on green fuel alternatives

October 19, 2022



A comprehensive new analysis has highlighted an urgent need for the transport sector to work together to develop and scale sustainable alternatives to fossil fuels.

The [World Benchmarking Alliance's](#) new Transport Benchmark analysed the action taken by 90 international companies – including 25 airlines, nine rail companies, six road companies, seventeen shipping companies, and 33 multimodal companies – towards decarbonisation, and found that progress in the sector is limited. Although UK rail and bus operator [First Group](#) was one of the top three performing organisations in the research – as the only company that publicly commits to both to green and decent jobs, and training workers who risk being displaced by the low-carbon transition.

Despite the transport sector being responsible for 37% of global carbon emissions among all end-use sectors and more than 90% of transport energy coming from crude oil-derived products, only 7% of companies have committed to phasing out fossil fuels. With this in mind, there is an urgent need for more investment in research to develop and scale sustainable alternatives. WBA and CDP are calling for greater collaboration across the sector to combat climate change.

Across all the companies assessed, 85% have fleets which are incompatible with a low-carbon future but the majority fail to disclose any plans for changing this.

Some of the solutions that it is suggested transport operators need to adopt, such as alternative fuels (including ammonia, hydrogen, and sustainable aviation fuel) and cleaner vehicles (including electric trucks) are still in early development and the analysis showed that on average only 0.3% of total transport related revenues are invested in research and development (R&D) into low-carbon technologies and fuels, such as electric vehicles and sustainable aviation fuels.

Investment in R&D is critical to ensuring that new technologies can come to market more quickly, however, 94% of companies do not provide any meaningful data on research and development into low-carbon vehicles and fuels.

Vicky Sins, World Benchmarking Alliance's decarbonisation and energy transformation lead, said: "Transport accounts for 37% of global carbon emissions, so the sector has to step up if we are to keep 1.5 alive. The large-scale change needed cannot be achieved without every company getting actively involved across their business – from research to customer advice to support for low-carbon policies and regulation. There is an urgent need for collaboration to identify and scale solutions.

"Transport companies are vital to connecting people and goods globally – but they cannot thrive unless the places and people around them are thriving too. It is no exaggeration to say the future of our world will be significantly shaped by how these companies translate pledges into action."

Positively, a few companies are using their influence to push for infrastructure solutions, improved climate policy, or customer behaviour change, however, it is only a few. Only three out of 90 showed any significant support for low-carbon policy and just six directly work with infrastructure operators to build low-carbon solutions. There is a strategy to help customers to reduce emissions in place in 48% of the benchmarked companies, but none had set measurable targets for customer engagement to encourage low-carbon alternatives.

The top five performers across the sector were:

1. **ComfortDelGro Corporation** – A Singapore-based company operating vehicles in seven countries, including bus, taxi, rail and car rental. It has set multiple 1.5°C validated targets covering all its emissions and developed a detailed low carbon transition plan.
2. **La Poste Groupe** – The French postal service company has significantly reduced its overall emissions, in part due to the electrification of the company's fleet, which reached 38% in 2021.
3. **FirstGroup** – A UK public transport company that carried almost 1.5m passengers per day in 2021 on bus and rail. It is the only company that publicly commits to both to green and decent jobs, and training workers who risk being displaced by the low-carbon transition.
4. **NS Groep** – The principal passenger railway operator in the Netherlands. NS Groep's entire fleet of trains is electrified and it aims to increase the proportion of renewable energy used to power its rail

infrastructure. It also engages suppliers and customers to encourage emission reductions.

5. **Maersk** – One of the world’s largest container shipping companies, based in Denmark. It is one of the few companies with a policy to engage trade associations on climate issues, and reviews its membership status annually to ensure its trade associations are in alignment with the Paris Agreement.

Amir Sokolowski, CDP’s global director of climate change, said: “ACT assessments are a robust way to evaluate the performance of the top emitting sectors. This benchmark highlights a vital lever or obstacle on the way to a 1.5 aligned world, demanding ambitious action from the transport sector. Companies must go further in setting not only long-term targets, but near-term targets and credible climate transition plans to demonstrate how they are going to reach these targets, currently only 51% of companies within the benchmark have net-zero targets. “These plans must be disclosed so they can be measured and managed. This is not happening across the sector. This means that vital risks are not being assessed or addressed, and all players could be left behind as we see a rise in regulation on mandatory disclosure”.