

## Supply Chain & Transport industry statement of support for Green Demand Alliances and a Book & Claims Standard to accelerate decarbonization of the freight industry

## Context

More than 1000 companies have set Science Based Targets (SBT), signalling clear intent to decarbonize their operations. In many sectors, it has become clear that Scope 3 emissions - those from supply chain operations, including the transport of goods – can make up as much as 90% of an organizations carbon footprint. This provides the freight industry a significant demand-driven opportunity to accelerate the sector's decarbonization efforts. Harnessing multi-stakeholder and multi-modal approaches to leapfrog key barriers (i.e.: scattered demand side commitment; shortage of ZE technologies across entire logistics networks, etc.), to achieve a zero-emission future. Green products and services are often limited to certain corridor pilots and green lanes. As a result, there are fewer options for freight buyers to reduce their transport impact, which limits market confidence in decarbonization and restricts financing for such green transition initiatives.

Recognizing this challenge, the Forum Supply Chain & Transport CEO community developed a proposal supporting pooling of green demand to accelerate the net zero transition. Two mutually reinforcing mechanisms are foreseen: 1) support for multi-modal buyer club models, and 2) development of one industry standard for book and claims carbon credit accounting, for all modes of freight transport.

Through this Statement of Support ("the Statement"), Supply Chain & Transport Industry leaders send a strong signal of the sector's interest to accelerate the zero-emission future through a demand-driven approach. In parallel, we commit to support the technical taskforce that will be established to further shape the operational activities of the Book and Claims Standard and key buyer alliances. This illustrates a high level of commitment from leading transport service providers to accelerate achievement of climate goals under the Paris Agreement.

## Statement of Support:

Recognizing that the decarbonization of the freight sector requires an industry wide, multistakeholder collaborative effort, we are committed to:

- i. Engaging appropriately with Buyers Alliances that provide a clear demand signal for decarbonized freight services that we as an industry strive to provide
- ii. Contributing to the development of one industry standard for book and claims carbon credit accounting for all modes of freight transport, as a credible mechanism that:
  - a. supports our customers to reduce their Scope 3 emissions, and,
  - b. enables the credible allocation of green premiums to further invest in freight value chain decarbonization.

In a practical sense we will:

- Contribute expertise and support for buyers' alliances and the development of the Standard
- Participate in testing of the Standard across the value chain, to help refine the design of the mechanism
- Endorse as industry gold standard and encourage its wide use.



## Supply Chain & Transport Industry Signatories

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