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# Decarbonising road freight transport

European hauliers' perspective

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Brussels

[iru.org](http://iru.org)

IRU is the world's road transport organisation, bringing together bus, coach, taxi and truck operators



# IRU policy on decarbonisation



Integrated approach



Business case to invest



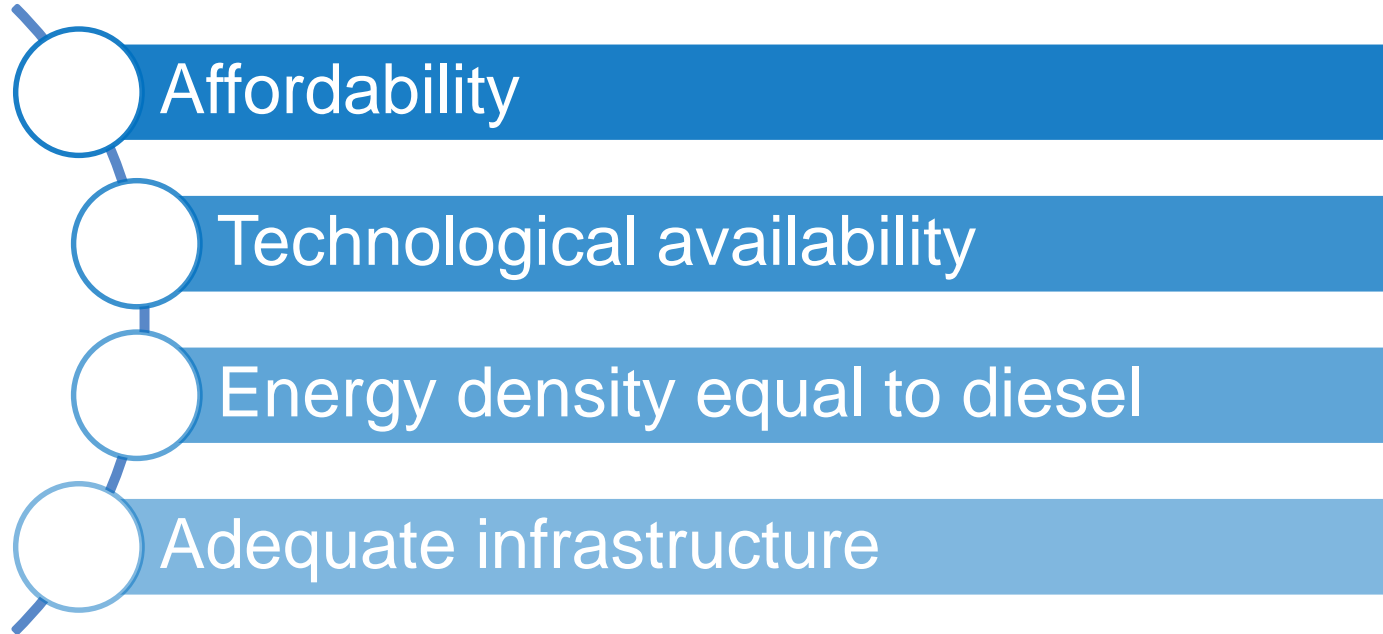
Recognition for all alternative fuel options

# EU road freight transport sector



- Primarily made up of SMEs
- Very competitive with extremely low-margins
- Highly regulated sector entailing a heavy resource burden on operators
- A diverse sector with high complexity of operations and vehicles

# Criteria for alternative fuels

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- A vertical list of four criteria for alternative fuels, each preceded by a white circle with a blue outline. The circles are connected by a thin blue line. Each criterion is written in white text on a blue horizontal bar.
- Affordability
  - Technological availability
  - Energy density equal to diesel
  - Adequate infrastructure

# Alternative fuels options



- Biofuels and LNG/ BNG are currently the most promising alternatives
- Electrification, hybrids, hydrogen fuel cell – further development needed + work on the business case
- ICE will continue to play a role – further investment needed to improve it
- Measuring of CO<sub>2</sub> emissions should use a lifecycle approach in order to most effectively identify appropriate alternative fuels

Operators need all alternative fuel options on the table as there is no silver bullet and different solutions will be appropriate for different problems

# Measures to encourage investment



- Regulatory certainty and stability to facilitate innovation and inspire investors' confidence
- Access to capital - loans should take into account the environmental performance of the vehicle (alternative fuels and fuel efficiency technologies)
- Transparency of the TCO impact of new technologies and alternative fuels + guidance for SMEs
- There should be further research into economically viable alternative energy sources for the long-haul, heavy-duty cycle

# Measures to encourage investment



- Measures to boost fleet renewal - e.g. leasing/ hiring flexibility
- Investment incentives needed for the uptake of cleaner technology and alternatively fueled vehicles - DAFI addresses the supply side but the demand side is equally important
- Weights & Dimensions exemptions for alternatively fueled vehicles or fuel efficient technologies

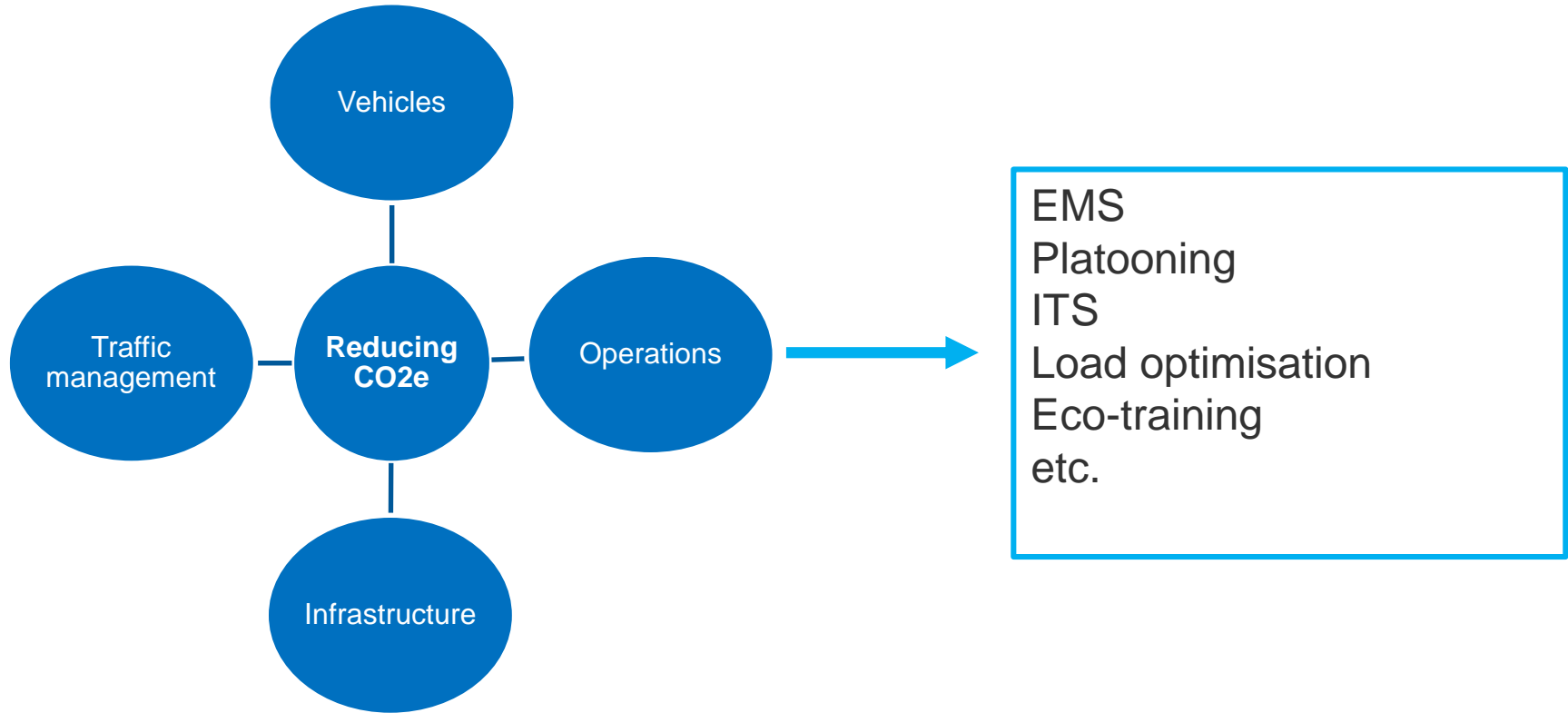


# Supportive legislative framework



- Legislation should consistently support all alternative fuel options
- The tailpipe approach (Clean Vehicles Directive, HDV CO2 Standards) ignores fuel production emissions and therefore does not value all low-carbon options (cross-legislative implications)
- It risks focusing investment only on electrification at expense of further ICE improvement
- Operators have operational efficiency incentives to invest, but not if gains are lost due to other policies

# An integrated approach to decarbonisation





Thank you



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