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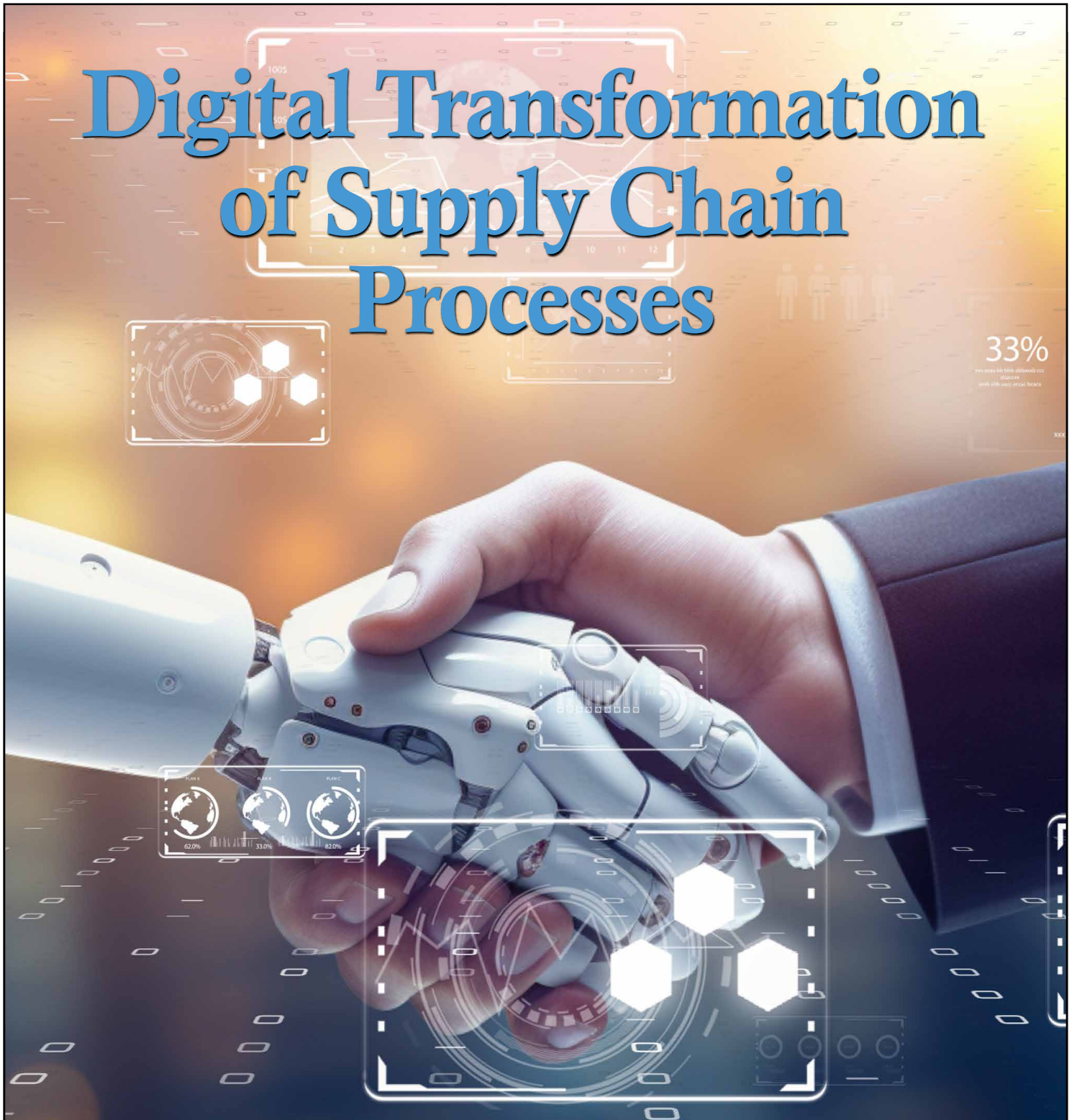
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COP28 – Transport Connects to the Broader Decarbonisation Agenda

Feature Article by **Wolfgang Lehmacher**, partner at Anchor Group and advisor at Topan AG and **Mikael Lind**, Professor of Maritime Informatics engaged at Chalmers, and Research Institutes of Sweden (RISE)

Some 100,000 delegates, participants and visitors joined COP28, the United Nations (UN) Climate Change Conference in Dubai. COPs are the formal meetings of the Conference of the Parties (COP) convened under the UN Framework Convention on Climate Change (UNFCCC), which is a multilateral treaty adopted at the UN Headquarters, New York on 9 May 1992.

Scientific reports show that we are heading towards a +3 degree world, which is hardly the future we would like to create. Luckily, more and more are joining the decarbonisation bandwagon. According to the Global Climate Action Portal more than 170 announcements were made at COP28, including pledges and declarations, publications and reports, initiatives and updates: double as much as at COP27. Under the Green Shipping Challenge alone, countries, ports, and companies made over 50 announcements.

In 2023, decarbonisation of transport continued to gain global traction. In some

countries more and in others less. Like digitalisation, transport decarbonisation has turned into a global trend, also at COP28. "Shipping's presence and integration in the climate debate further grew at this COP. One estimate was of around 50 side-events, with increasing touch points to the broader agenda," according to Tristan Smith from UCL Energy Institute in Splasg247 after the event. Once again, with this article we share our key takeaways which we think are important for decision-makers in the supply chain and logistics industry across the globe.

CLIMATE NEUTRAL ROAD TRANSPORT

Previously, we reported on numerous collaborations such as the ZEV Transition Council, the International ZEV Alliance, Accelerating to Zero Coalition, and Drive to Zero. The work of these and other collaborations has created sufficient momentum for negotiators to recognize the potential of road transport in the quest to reduce greenhouse gas (GHG) emissions. This increased awareness resulted in the first ever call in the UNFCCC negotiations to ".



Illustration: Sandra Haraldson

Also for the first time Avoid & Shift strategies entered the thematic agenda. The focus was on passenger transport but reduction of transport demand and the shift of cargo to lower/no-emission transport can easily be applied to freight transport as well. The SLOCAT Partnership used the opportunity to mobilise action calling to double the share of energy efficient and fossil-free forms of land transport for people and goods by 2030 which also includes electric vehicles and railways but also Avoid & Shift strategies. Road transport operators will face increasing pressures from their national regulators.

CLIMATE EFFICIENT MARITIME TRANSPORT

At COP28, the Green Maritime Africa Coalition (GMAC) was launched to promote the supply and use of zero emission fuels in Africa's maritime sector, in line with the International Maritime Organisation's (IMO) 2050 decarbonisation plan. 10 companies joined the Cargo Owners for Zero Emission Vessels platform to collaboratively work on the acceleration of the transition to zero-emission (ZE) shipping bringing the number of members to 36. Mondelēz International, Pledge, Reckitt, and REI Co-op have joined the Zero Emissions Maritime Buyers Alliance (ZEMBA), a first-of-its-kind buyers group making advanced market commitments to kickstart the market for ZE solutions. Pressure on transport is rising and consolidating.



Maritime decarbonisation will fail without green shipping technologies. Also, there we saw progress. Zéphyr & Borée announced Canopee, the first modern sail-powered cargo ship, Yara International the world's first clean ammonia powered container vessel, with a first decarbonized shipping route between Norway and Germany, and Wallenius Wilhelmsen showcased its green energy new-builds for a net-zero end-to-end offering by 2027. Together with its partners, Wallenius Wilhelmsen is developing the 'Orcelle Wind' concept, a full-size RORO vessel capable of being propelled solely by wind power, in addition to its methanol dual fuel class.

Many announcements referred to the 2023 IMO GHG Strategy and included the green technology and green shipping corridors. The Clydebank Declaration for Green Shipping Corridors announced the Republic of Korea, Lithuania, and the United Arab Emirates as new signatories. The United States continue to facilitate Green Shipping Corridors in the U.S. and Worldwide, through a

number of decarbonisation initiatives. The UK joined forces with the United States, Norway, and the Netherlands to roll out end-to-end Green Shipping Corridors and many other countries, including Denmark and Chile made corridor-related announcements. The Mærsk McKinney Møller Center for Zero Carbon Shipping launched the Updated Blueprint for Green Shipping Corridors.

We can expect ships to become greener and ports to turn into data and low/no-carbon energy hubs.

SUSTAINABLE AVIATION

In the Pressroom of the IATA website, we can find the statement on the outcome of COP28. "The airline industry is committed to achieve net zero carbon emissions by 2050. To do that we know that we need to transition from fossil fuels to sustainable aviation fuel. It's encouraging that governments have formally recognized the same necessity. To move forward we need SAF



PROGRESS STARTS WITH MEASURING

The Global Stocktake (GST), a checkpoint agreed in the 2015 Paris Agreement requires transparency and national inventory reports. The next submission is due in 2024. Many agree that transport must be reflected in the 2025 Nationally Determined Contributions (NDCs) updates.

COP28 saw the launch of a new Strategy of the International Climate Initiative, a central program of the German Government's international climate and biodiversity funding. The strategy calls for robust MRV systems and reliable data sets to ensure that the transport sector makes a substantial contribution to the NDCs.

This is a very important development as this requires forwarders, carriers, and other supply chain service providers to put in much more effort and diligence around digitalisation and data management. The supply chain services industry is becoming a vital element in supply chain decarbonisation and needs to ramp up its transparency efforts to meet the expectations of cargo owners.

production to rapidly increase to meet demand that is already there. That means governments must deliver policies to support SAF production. And fuel producers must heed the clear call from governments in the COP 28 declaration for them to prioritize investments in renewable fuels," said Willie Walsh, IATA's Director General. IATA expects over 60% of the carbon abatement needed to reach net zero emissions by 2050 to be achieved through SAF.

The statement by the International Civil Aviation Organisation (ICAO) starts with a highlight. "Just last week, here in this dream city of Dubai, ICAO and its Member States took a landmark decision to facilitate the global scale up in the development, production and deployment of aviation cleaner energies, by adopting the

ICAO Global Framework for Sustainable Aviation Fuels (SAF), Lower Carbon Aviation Fuels (LCAF) and other Aviation Cleaner Energies, at its third Conference on Aviation and Alternative Fuels (CAAF/3)." The implementation of CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) is on track, with 126 States voluntarily participating in the scheme from its first phase which starts in , 2024, with almost 100% coverage of CO2 emissions reported annually by States, through the CORSIA MRV (monitoring, reporting, and verification) system.

This shows that aviation has taken measures and is confident to contribute their share to the decarbonisation of the economy and particularly the supply chain and the transport sector.

CONCLUDING REMARKS - A STEP CHANGE IN CLIMATE ACTION

The First Movers Coalition (FMC) about which we have reported previously as it contains a transport dimension also gained new members. COP28 has once more demonstrated that it can truly mobilize collaboration to drive progress and respond to the grand challenges of climate change. Most importantly, countries did include language on fossil fuels for the first time. The language is not limited to unabated fossil fuels but covers fossil fuels in general. A post-fossil fuel era has become a possibility. Some expected a commitment to a clear exit from fossil fuels, but we believe this is a step

into a good direction. We should now be all aware that without replacing fossil fuels, we do not preserve the slightest chance to stay on a 1.5°C pathway, which was also referenced in the final agreement and should be our driver to do better at COP29.

The language on “Tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030” will drive the uptake of zero emission vehicles and fuel. In hindsight, COP28 may be seen as a step change event in global supply chain and logistics decarbonisation and decision-makers in the industry should prepare for this future because we expect the development to continuously gain speed.



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