



Summary –Climate Chance Talk 2

“Transport”

Speakers :

- **Guy Le Bras**, Director-General of the Groupement des Autorités Responsables de Transports (GART)
- **Charlène Kouassi**, Development Officer at the Observatory of African Mobilities (OMA)
- **Nicolas Beaumont**, Director of development and sustainable mobility, Michelin

Moderated by Concepción Alvarez, Journalist at Novethic

The **Global Synthesis Report on Climate Action by Sector** was released on the first week of December and is available in both [English](#) and [French](#). A series of “**Climate Chance Talks**” dedicated to the key trends of each sector took place from December 1st – 4th 2020, all the recordings are available to watch [here](#).

Please find the pages related to the Transport Sector from pages 46 to 111.

Key points highlighted by speakers :

The **Climate Chance Observatory** draws up a contrasted assessment of the impact of the Covid-19 pandemic on transportation. While public transportation ridership fell sharply during the confinement, many measures in favour of soft mobility have been implemented, in particular thanks to local authorities.

- **Charlène Kouassi** (OMA) underlines that despite the strong presence of informal transport in Africa, there is a real desire to strengthen the supply of public transport and to decarbonize the sector. Now the actors must professionalize the transport sector and put the user at the centre of the debate.

- According to **Nicolas Beaumont** (Michelin), the entry of climate change and the environment into the concerns of companies invites them to transform their business model, like Michelin, which is transforming itself from a “product” company to a “mobility” company and moving towards an economy of functionality. Companies must now find ways to articulate health, social and environmental issues while creating economic value.

- **Guy Le Bras** (GART) shows that the massive deployment of cycling infrastructures must be thought of in complementarity with public transport infrastructures. He emphasizes the central role of public mobility authorities in organizing the governance, complementarity and integration of transportation.



Summary

Key Takeaways from the Transport section, highlighted by Ghislain Favé, Climate and Energy consultant for Climate Chance, and co-author of the Transport section:



Synthesis report on climate action by sectors

KEY TAKEAWAYS 2020

TRANSPORT

1 Road: Economic losses due to the sharp drop in demand are putting the business models of public transport companies to the test. At the same time, cycling is emerging in cities as a solution that combines health and environmental benefits, and walking is also gaining ground, in developing countries as well. The growth in emissions from the road sector fell in 2019 thanks to the decline in sales of new vehicles. But SUVs stood their ground, even in the face of Covid-19, and their success continues to negate fuel efficiency gains. They overcome electric vehicles (EVs). Yet, EVs suffer less from the crisis than the rest of the global market (-14% vs. -28%). In general, reducing motorised mobility remains a blind spot in local and national policies. **Page 48**

2 Rail: The growth of the global rail network is struggling to align with climate objectives. It is mainly driven by Chinese investment in their domestic high-speed network and internationally to reach strategic resources in Africa and open up alternative or complementary land routes to maritime freight to boost trade with Europe. Competing with road freight, rail freight transport has proved its resilience in the face of the pandemic. In countries where the challenge is to shift demand to an existing rail network, urban densification policies and economic incentives have shown positive results. Although the electrification of lines continues, the emergence of hydrogen trains, particularly in Europe, lends credibility to more flexible and less costly alternatives. **Page 70**

3 Maritime: The stakeholders in international maritime freight have demonstrated a notable resilience to the health crisis, and have even come out stronger from a year marked by a fall in fuel prices and difficulties in the air sector to respond to the rise in e-commerce. However, the fall in energy demand and oil prices is likely to negatively impact the choices made by the players to meet the two objectives of reducing sulphur and greenhouse gas emissions, set by the IMO in recent years. On one hand, LNG, which has opened up new opportunities and decarbonisation solutions for maritime freight in recent years, is the energy product that has suffered most from the crisis. On the other, scrubbers, used to clean sulphur emissions from exhausts, are facing competition from alternative fuels that have become cheaper. **Page 82**

4 Air: The Covid-19 pandemic has put an end to the continued growth of aviation GHG emissions, which was at 2% in 2019. The fall in traffic in 2020 has led the International Civil Aviation Organisation to agree to consider only 2019 emissions as a benchmark for monitoring their progress. The industry predicts a return to normal in 2024 and a two-fold increase in traffic by 2050. Thus, analysts believe that these calmer years will not change the trajectory of the sector, which is still highly incompatible with the Paris agreement. Other trends illustrate the divergences and uncertainties concerning this trajectory: the drop in activity has put a brake on the States' desire to increase tax for aviation, while airport extension projects are increasingly being challenged by civil society in particular, where there is no longer any hesitation in bringing cases to court. **Page 96**



- **Guy Le Bras**, Groupement des Autorités Responsables de Transports (GART)

Question: How to get riders back on public transport?

In France, public transport is organised by local authorities (“autorités organisatrices de la



mobilité”) and is very largely financed by public money. There is a specific tax on wages which is very important (accounts for 40-46% of total public transport cost) so the user pays only 20% of the price. The crisis has therefore had a major impact on the economic model of the system, because most of it relies on the salaried worker who has been put on short-time working.

The impact is still relatively small (20% loss of revenue) but on the overall crisis it could be around 30%. How to maintain the offer and get riders back ?

During the first confinement, ridership fell very low (around 20%), today with the second lockdown ridership is a bit higher but still very low (30-40%), and the urban transport offer remains the same. The offer is therefore greater and the number of passengers lower than normal. It is necessary to maintain the current offer in order to get ridership back.

The French recovery plan includes 1 billion euros for the transport sector. The GART advocates that there should be compensation at the same level as in other European states.

Moreover, at the first lockdown, public transport was seen as a Covid-19 cluster, but scientific studies show that public transport is ultimately not the main vector of the pandemic. Passengers must therefore be reassured on this point.

There was a lot of cycling measures during and after the lockdown. That’s a good thing because on the cycling, in France we are late. But we can’t replace a RER with bicycle paths. It is necessary to organise the complementarity of these modes, and to develop cycling and mass public transport. It is necessary to continue to support this offer by development plans, and to support the finances of communities so that they can continue to make people benefit from these transport services, which are recognized as one of the most efficient in the world.

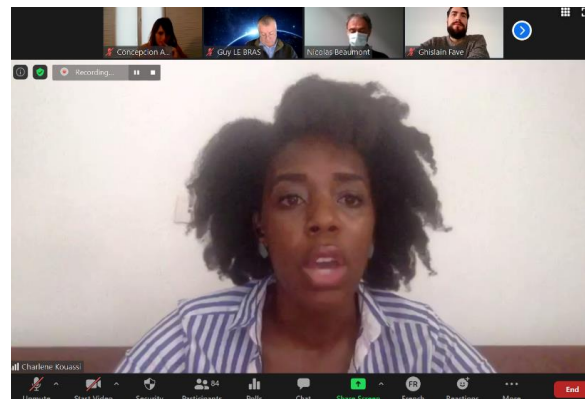
- **Charlène Kouassi**, Observatory of African Mobilities (OMA)

Question: The crisis has undermined public transport in Africa, and shows that it must be strengthened to prevent the private car from taking over permanently. In what direction are African recovery plans going in this regard?

The structural adjustment plans of the 1980s undermined public transport models. In Africa, informal transport has taken over: it relies on private companies that put into circulation taxis and minivans. They hold the core of transport because the public transport is in deficit and cannot meet the demand.



The main objectives of governments are to support this mass transport, with buses in particular (BRT / BHNS for example are part of current African plans in cities in the south of the continent).



In West Africa, there is a real desire to strengthen this public transport, as the informal sector accounts for almost 80% of the offer. These informal modes of transport should be integrated into future mobility plans. There is a real willingness on the part of governments to satisfy demand, to reduce the modal share of the informal sector at least because today they lead to other problems (safety, pollution, etc.).

Stakes in Africa: professionalization of the transport sector and putting the user at the centre of the debate.

- **Nicolas Beaumont**, Michelin

Question: With your international vision, do you think that the crisis will speed up the transformation of transportation towards a more sustainable trajectory or, on the contrary, slow down the current dynamics?

The crisis is accelerating a transformation, it shows that mobility is necessary for human progress, as it represents access to health care, clothing, food etc. Mobility during lockdown was different, but not necessarily less so.



"As we can see in the Observatory's Climate Action Report by Sector, all the bricks exist and we just have to get them to work together, which is the most difficult part."

Nicolas Beaumont

The health crisis must force the integration of robustness criteria. There was a perception that public transport was not "robust". However, we can see that overall the direction is not changing, some things are being done faster than others, air transport for example is changing faster (towards hydrogen etc.), but the major authorities are not moving on the long-term vision. The pandemic has not shaken the major international bodies.

As we can see in the Observatory's Climate Action Report by Sector, all the bricks exist and we just have to get them to work together, which is the most difficult part. Things are being taken



more and more in an ecosystemic way, which is good. Since then, international bodies have realised that many things can be dealt with directly at the local level.

Within the framework of Climate Chance, Michelin has been fortunate enough to finance the Ivory Coast's roadmap for mobility. Now the work is continuing with the implementation of the roadmap in Senegal.

So, the barriers between issues (safety, environment, health, social...) are disappearing and the actors are tackling the problem in a global way, which is very good.

- **Charlène Kouassi**, Observatory of African Mobilities (OMA)

Question: Is decarbonisation taking place in Africa?

Yes, for example in South Africa, who is the pioneer of electric cars in Africa. Morocco is also very advanced, and is counting on the solar potential to implement electric mobility solutions, both in public transport and among private players. Also in West Africa: in Abidjan, 50 articulated buses running on natural gas. 2000 are expected by 2021. In Dakar: Bus Rapid Transit (BRT) and Regional Express Train (TER) projects to relieve congestion in the city. There is also a UNEP-funded project in Dakar and Lagos for the introduction of biofuel and sulphur-free buses.

Africa is on the move, there is a lot of optimism because the opportunities are huge, the needs are huge, and governments are being driven by the private sector and international institutions. Unfortunately the administrations are still very cumbersome. The Covid has not accelerated things, the horizons have not been readjusted. There have been difficulties in adapting the sector, illustrated by the little improvement in public transport during the health crisis.

- **Nicolas Beaumont**, Michelin

Question: You are moving from a product company to a mobility company. What does this imply? Is the message of changing the business model for environmental and economic reasons getting through to companies?

Yes, the message is beginning to be understood at the international level. Societies today operate by seeking a balance between the planet, people and value creation. So we have to find the business models to create this value. Decarbonisation projects need a business model to be able to develop. Infrastructure groups, transport operator groups and startups are starting to think together to find these business models.

The economy of functionality is one of the ways to find these business models. For example, for Michelin, selling a tyre that is good for the environment can be a problem because the tyre will be more expensive. However, putting this environmentally friendly tyre on a fleet of trucks saves money on the overall bill (thanks to fuel savings): this case is a way of aligning environment and economy and value creation. This is the type of business model that needs to be found to ensure that climate trajectories do not rely on ethical considerations of actors.

- **Guy Le Bras**, Groupement des Autorités Responsables de Transports (GART)

Question: In France, local authorities cover all mobility issues beyond public transport. What are the trends? Where are we heading? How to get out of the "all-car" era?



established the role of transportation organizing authorities, which must be present throughout the country, and which have become Mobility Organizing Authorities, with responsibility for managing all mobility (not just public transportation, but also shared transportation, soft modes, mobility as a service, etc.). The crisis has led to a long delay in the implementation of this law, but it remains a major step forward to be implemented in the coming years.

Anecdote: in England (more liberal in mobility), there are still transport organising authorities, notably "Transport for London". Two years ago, Uber was banned from operating in London because they did not respect the London Sustainable Mobility targets insisted on by the mayor of the capital. To come back, they had to commit themselves to ensuring complementarity with existing transports and to align with these objectives.

So the relationship between the organising authority and the companies that have licences to organise this transport is very important. If in a few months the inauguration of the TER in Dakar will take place, it is thanks to an organising authority. In Addis Ababa, there is a well-functioning public transport network, thanks to a strong state which organises mobility between public transport and informal transport through a transport organising authority.

These authorities are therefore decisive in governance, integration and complementarity, three key words for sustainable mobility.