China’s experience on sustainable freight transport system

Climate change is a global issue that we have to fight together. The transport sector is a major contributor to carbon emissions, accounting for 22% of the global energy-related CO2 emissions. During the last two decades, China’s transportation has registered rapid growth. The vehicle population and the volume of freight transport have increased by 18 times and 4 times respectively. The transport sector has become the fastest growing sector in China’s CO2 emissions, which brings decarbonization challenges.

The Chinese Government has made great efforts in the following aspects to accelerate the construction of a low carbon transportation system, including promoting energy-conserving and low carbon transport vehicles, improving transportation structure, developing multimodal transportation and promoting the transformation and development of transportation services.

Firstly, to promote energy-conserving vehicles, we have developed the fuel economy standards for commercial vehicles and their testing procedures. We strengthened the supervision in order to prohibit the vehicles which do not meet the standards from entering the transport market. The average fuel consumption of road freight transport
enterprises in 2019 was 15% lower than that in 2014.

We encourage the local governments to increase the penetration rate of new energy vehicles by awarding the title of “National Green Freight Distribution Pilot City”. Therefore, the local governments improve the distribution facilities and give privileges to new energy vehicles (such as granting the road-use right, reducing the tax, or directly subsidizing the drivers) to increase the penetration rate. By 2022, there were 838 thousand new energy logistics and distribution vehicles.

Secondly, the Chinese government has developed two important work plans to improve the transportation structure, i.e the “Three-Year Action Plan for Promoting the Adjustment of Transportation Structure, 2018-2020” which was issued in 2018 and the “Work Plan for Promoting the Development of Multimodal Transportation and Optimizing and Adjusting the Transportation Structure, 2021-2025” which was issued in 2021. Both plans have set the work targets on growth rates for railway and waterway freight volume. By 2022, the freight transport volume of railways and waterways had increased to 1.3 billion tons and 1.7 billion tons respectively.

Thirdly, in an effort to develop multimodal transportation, the Chinese Government has almost formulated one important policy per year since 2014. For example, we have launched the promotion of multimodal transportation pilot projects and have carried out 116
multimodal transportation pilot projects by now. In addition, we promote one bill of lading mechanism for multimodal transportation service. From 2017 to 2022, the volume of container rail-water multimodal transportation was booming at an annual average growth rate of 20%.

Last but not the least, the Chinese government promotes the transformation and development of transportation services. For example, we encourage an integrated development of the Internet and the freight transport. By 2022, there had been more than 2500 digital freight enterprises in China processing over 94 million digital freight notes. The application of digital technology in the distribution transportation system has increased the utilization rate of trucks by 50% and reduced the waiting time for allocation of goods by 67%-75%.

I believe that through our joint efforts, we can finally improve the energy efficiency of freight transport and create a green and low-carbon sustainable world. Thank you!

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