Annual Report 2023
Moving from Announcement to Action
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Introduction

Since its inception in 2013 ten years ago, Smart Freight Centre (SFC) has focused on a single mission: the decarbonization of freight in collaboration with shippers, logistic service providers, and carriers end-to-end and across modes. 2023 has seen the conversion of the Global Logistics Emission Council (GLEC) framework for freight emissions accounting and reporting into a new ISO standard. What started as a small expert group a decade ago, has become mainstream. Road freight, maritime, and aviation sectors – referred to as “hard-to-abate” only a few years ago– have become engaged in designing roadmaps and frameworks for action.

Shippers, Logistics Service Providers, and Carriers are taking responsibility for their scope 3 emissions and pushing for collaborative action, with Smart Freight Centre as the neutral platform. At the ten-year mark, SFC engaged in a strategic partnership with the Science-Based Target Initiative (SBTi) – and recently with the Carbon Disclosure Project (CDP). While emission accounting and reporting are still the base for SFC, we have added modal initiatives on primary data sharing, giving cargo owners more visibility and choices on reducing their carbon footprint. And ultimately, SFC has stepped up its efforts to push partnerships for joint action, such as the “Fleet Electrification Coalition (FEC)”. The Fleet Electrification Coalition is one of three hot topics, on which SFC is currently focusing, in addition to Book & Claim and the SFC Data Exchange. Book & Claim, based on the “SFC Market-Based-Measures Emissions Accounting framework”, is a key building block towards scaling low-emission transport solutions, prominently in aviation but ultimately across modes. The SFC Data Exchange has matured from concept to an IT platform, spun out into a dedicated company to integrate emissions data from across the supply chain, in particular in road freight, into shipper carbon footprints under a trust protocol. Decarbonizing global supply chains has become mainstream, which everyone who joined for the 2nd Smart Freight Week in April 2023 as one of more than 350 participants can confirm. SFC celebrated its 10-year anniversary in August 2023 with a much larger team and broadened its global reach with a dedicated India program, an enlarged team in China, and a scoping effort in East Africa. By the end of 2023, our membership had surged to 134, with a growing number of engaged parties across all industry sectors in the pipeline. SFC launched its Clean Air Transport (CAT) program in 2023, initiated a Ro-Ro Maritime Community and relaunched its SFC Learning Centre as SFC Academy with new leadership and a new program.

When we look forward, we see a shift in the global logistics sector “from announcement to action”. Member and funding growth is a promise and a show of trust in our organization. SFC is committed to delivering across all its programs and is grateful to our members and partners for their support, inspiration, and collaboration in impactful initiatives. We look forward to hearing your feedback and to deep collaboration where it counts.

Christoph Wolff
CEO Smart Freight Centre

Until the end of 2021, Christoph was a Member of the Executive Committee for the World Economic Forum, heading the Global Mobility platform that includes the Forum’s initiatives around sustainability and digitization in the supply chain, automotive and aviation industry. Before, he was Managing Director of the European Climate Foundation 2014-18, following 16 years at McKinsey as a Senior Partner.
The transport sector is facing a challenge in meeting increased demand while reducing carbon dioxide emissions.
### 2023 in Numbers

#### Logistics Industry

According to the Intergovernmental Panel on Climate Change (IPCC), the transport sector accounts for almost a quarter of global energy-related carbon dioxide (CO₂) emissions (23%).¹ The transport sector is facing a challenge in meeting increased demand while reducing carbon dioxide emissions.²

As part of Smart Freight Centre’s goal to achieve a zero-emission global logistics sector by 2050 or earlier, in accordance with 1.5°C pathways, Smart Freight Centre has further strengthened its impact.

23% of the world’s energy-related CO₂ emissions are due to the transport sector.

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#### Growing Impact

- **New global programs added**
  - Clean Air Transport and the Ship Recycling Transparency Initiative.
- **Set up 1 regional office in India**
- **New communities convened**
  - Book & Claim and Fleet Electrification Coalition (FEC).
- **Publications (co-)launched**
  - See publications and releases.

#### Training

- **Total numbers of people trained**
  - 164
  - ±35

- **Total number of companies trained**
  - Through the two most renowned courses. Read more in Chapter ‘Academy’.

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#### People and Culture

- **Total number of new joiners**
  - 2022: 25
- **Total Employees**
  - 2022: 22

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After a decade of shaping standards and aiding projects worldwide, Smart Freight Centre is evolving its strategy to tackle fresh challenges.
Vision, Mission, Goal

How Smart Freight Centre Advances Global Transformation

Smart Freight Centre is a globally active non-profit organization for climate action in the freight sector with the goal to mobilize the global logistics ecosystem, in particular its members and partners, in tracking and reducing its greenhouse gas emissions.

Our Vision
A zero-emission global logistics sector by 2050 or earlier, consistent with 1.5°C pathways.

Our Mission
To accelerate the reduction of logistics emissions by fostering collaboration within the global logistics ecosystem.

Our Goal
Mobilize the global logistics ecosystem, in particular our members and partners, in tracking and reducing its greenhouse gas emissions to achieve 1.5°C pathways.

Smart Freight Centre’s core strategies:

By setting global standards for emission accounting in logistics and maintaining recognition as global authority to enable validation and impact/tracking

By facilitating emissions data exchange and establishing reference platforms at global scale to exchange emissions within and across transport modes, enabling low emission choices for shippers and tracking progress

By shaping and convening communities of practice of logistics practitioners at regional, sectorial, and functional level to exchange best practices, engage in programs to jointly set up decarbonization pathways and support advocacy for zero carbon solutions and policies

By creating and scaling capacity building programs within the logistics ecosystem in partnerships, with a focus to spread implementation of standards, foster collaboration, and support impact

By shaping collaborative initiatives for action, focusing on high impact scalable decarbonization levers, that require joint action across the logistics ecosystem

Smart Freight Centre accelerates the reduction of logistics emissions to achieve a zero-emission global logistics sector by 2050 or earlier, consistent with 1.5°C pathways.
Examples per strategy

Setting global standards for emission accounting
E.g. the newly launched ISO14083 standard for which Smart Freight Centre's Global Logistics Emissions Council (GLEC) Framework was the foundation.

Facilitating emissions data exchange
E.g. by spurring the inception and further growth of a Data Exchange company.

Shaping and convening communities
E.g. the launch of the regional office in India and the Ship Recycling Transparency Initiative which was onboarded to Smart Freight Centre.

Creating and scaling capacity building programs
E.g. by training people and companies through the Smart Freight Centre Academy.

Shaping collaborative initiatives for action
E.g. by launching the Fleet Electrification Coalition.
Two key regional markets are being managed separately, being China and India. These markets are managed from local offices with the Smart Freight Shippers Alliance and Zero Emission Freight Initiatives being the leading programs in China.

Smart Freight Centre is also the host of the Ship Recycling Transparency Initiative. SRTI was founded as a purpose-driven community with a focus on responsible recycling of ships and will keep its status as a unique group within SFC.

Smart Freight Centre is a partner to many organizations, including World Resources Institute (WRI), WBCSD, The Climate Pledge (TCP), World Economic Forum, UC Davis, RMI, Global Maritime Forum (GMF), Roundtable for Sustainable Biomaterials (RSB), Climate & Clean Air Coalition, CALSTART, ETP-ALICE, Climate Group (EV100+), Transport & Environment, The International Council on Clean Transportation (ICCT), OECD, International Transport Forum and many more.
International standards and unified approaches to decarbonize the freight sector.
Evolving logistics accounting

After a decade of shaping standards and aiding projects worldwide, SFC is evolving its strategy to tackle fresh challenges.

This year’s landmark achievements include driving the development of an international standard for transport carbon emission accounting, ISO 14083. The new ISO standard, published in March 2023, was based on the principles Smart Freight Centre established with its members in the GLEC Framework as well as a pre-existing European standard (EN 16258).

To facilitate the adoption of these standards, Smart Freight Centre offers training materials and courses on ISO 14083 implementation and on the GLEC Framework, as well as various other important topics in freight decarbonization. This initiative extends its support not only to members but also to practitioners, institutes, and associations. Learn more about our learning offering and activities in chapter ‘Academy’.

Taking a Book & Claim chain of custody approach

In 2023, the Market Based Measures Accounting Framework (MBMA) was released by Smart Freight Centre to support voluntary, market-based transport decarbonization. The accounting framework is based on a “book and claim” chain of custody approach that permits a provider of freight transportation or of a freight decarbonization solution to allocate a low emission profile to the organizations that contribute to the emission abatement cost, even if those organizations’ freight is not always transported using a low emission solution or service. It also allows a purchaser of freight transportation to contribute to the cost premium of and report the greenhouse gas emission profile of a low emission transportation service, even if their freight was not physically transported on that low emission transportation service.

Additionally, in partnership with the RMI, the Book & Claim community was launched in June 2023 to support stakeholders who are interested in fostering a high-integrity book and claim ecosystem.
Conformity Assessment Scheme

Smart Freight Centre promoted assurance of sustainability reporting by shaping its Conformity Assessment Scheme (CAS) was launched in October 2023. The CAS holds a database of Verification Bodies that reporters can trust to carry out a competent, impartial verification service. In November, Verifavia was the first Verification Body to be approved by SFC under the CAS.

To increase stakeholder trust in the use of Book and Claim instruments, the Conformity Assessment Scheme is intended to cover market-based measures transactions, planned for the year 2024.

Smart Freight Centre emphasizes the importance of addressing the increasing regulation to internalize external costs and carbon accounting provisions globally and aims to provide a robust standard, similar to the International Financial Reporting Standards, to prevent market distortions and ensure credibility.

Primary data as a foundation

As the demand for transparency grows, Smart Freight Centre emphasizes the need to balance data sharing with preserving business relationships and the integrity of its partners. The organization commits to fostering a trustful and open-minded environment, prioritizing common goals over individual business interests. By providing tools for accelerated adoption of sustainable measures, Smart Freight Centre aims to support its members in different sectors in achieving ambitious climate targets, creating an ecosystem of care and collaboration.

The SFC Exchange Network facilitates emissions data exchange between actors in the transport logistics sector based on decentralized principles. A decentralized network for transparent and accurate data sharing is critical to overcoming the industry’s structural challenges in exchanging data on logistics emissions, including limited availability of primary data and difficulties accessing logistics emissions data.

In 2023, the SFC Exchange Network progressed working towards the Stable Release v1.0, built upon a solid Proof of Concept foundation, showcasing the scalability and ease of deployment of the custom Application Programming Interface (API) technology. Leveraging API technology breaks down barriers to data exchange and accelerates collaboration across the industry. End of 2023, The SFC Exchange Network transitioned into a dedicated entity—Hermione. The mission of the new spin-off stands for full emissions transparency through strategic partnerships to offer industry compliant features on data collection, reporting and exchange that is scalable and tailored for various actors.

Additionally, Smart Freight Centre launched an initiative - Project Integrating Logistics Emissions and Product Carbon Footprints (iLEAP) - aimed to facilitate emission transparency throughout the logistics supply chain, with a particular focus on assisting shippers in their decarbonization efforts. By gaining visibility into the logistics component of their product carbon footprint, shippers can make informed choices to reduce emissions and enhance sustainability. After the project launch during Smart Freight Week 2023, it was set out to improve the current logistics emissions data model. This led to the development of iLEAP’s technical specifications. The objective is to provide a first tested data model that can capture transport activity and emission data for logistics actors while being interoperable with the World Business Council for Sustainable Development’s data model by the end 2024.
Through our global programs, we collaborate with our members and partners to address the needs of their respective sectors in accelerating the decarbonization journey.
Global Programs Decarbonizing the Freight Sector

Decarbonizing freight transport is critical in achieving the global goals of zero greenhouse gas emissions by 2050. Therefore, at Smart Freight Centre communities are conveyed through global and regional programs. These communities provide a space for members and partners to collaborate and find solutions which address the needs of their respective sectors, while developing ways to accelerate the decarbonization journey.

Global Logistics Emissions Council

At the heart of Smart Freight Centre is the GLEC Framework which is the foundation of all other CO₂ emission calculation methods and newly released standards, including the new ISO 14083 standard as was launched in early 2023. In September 2023, Smart Freight Centre released an updated version of the GLEC Framework – GLEC Framework version 3.0 – which encompasses revisions resulting from new versions of source information, as well as recognizing the latest findings on higher emissions from fossil fuel production. The new version supports businesses in becoming ISO 14083 compliant by translating ISO requirements into comprehensive language in an accessible, new interactive pdf format.

Decarbonizing the Maritime Sector

Smart Freight Centre has two programs in place convening maritime communities: Clean Cargo and the Ship Recycling Transparency Initiative. In addition, Clean Cargo is also hosting the Roll-on/Roll-off Community.
Clean Cargo

Clean Cargo is a collaborative program between ocean container carriers, freight forwarders and cargo owners, focusing on tracking and reducing greenhouse gas emissions from ocean container shipping lines.

In 2023, Clean Cargo expanded its community from 70 to 106 members, an increase of over 50%, with 36 new members.

The program also celebrated its 20-year anniversary during Smart Freight Week 2023, and held five Best Practice Sharing Sessions, including discussions on green and e-fuels with the World Bank and the International Transport Forum.

In 2023, the port-to-port aggregation of greenhouse gas emissions (GHG) emissions intensity was approved and use in the Clean Cargo Data Integration Tool. Clean Cargo also published the Global Average GHG Emission Intensities report, based on data from 18 ocean container carriers with almost 4,100 vessels, representing 69% of the total cellular vessels. This report supports transparent tracking of the greenhouse gas emissions associated with ocean containerized cargo transportation.

Ship Recycling Transparency Initiative

In 2023, Smart Freight Centre declared that it is becoming the new host for the SRTI. The SRTI uses transparency to drive progress on responsible ship recycling by way of a one-stop shop online platform to report information on policies.

This partnership facilitates collaboration amongst like-minded partners and strengthens both Smart Freight Centre’s and SRTI’s joint efforts towards sustainable shipping. In 2023 the Initiative has seen a small contraction in its signatory base: while 3 new members joined, 7 members left (of which 4 were paying members). The SRTI has worked to rebuild momentum by redefining the program’s strategy together with granular work on its fundamental tools that prepared the new phase of this ambitious relaunch.

Roll on – Roll Off

In addition to the ship recycling program, Clean Cargo is establishing dedicated communities for Roll-on/Roll-off (RoRo) and Break-Bulk shipping.

In July 2023, the first ever methodology on harmonizing emissions in the Roll on Roll off segment was published. The methodology is aligned with existing international standards regarding carbon accounting for the logistics industry namely the GLEC Framework and ISO 14083.
Decarbonizing Air Transport

Smart Freight Centre's Clean Air Transport Program aims to support the decarbonization of air transportation.

In May 2023, Smart Freight Centre announced and launched the Clean Air Transport program. This group, dedicated to decarbonizing the aviation sector, supports Sustainable Aviation Fuel implementation with a robust accounting framework. A strategic partnership with the International Air Transport Association (IATA) has been formed to coordinate sustainable aviation efforts.

Since its announcement at Smart Freight Week in April and its official launch in May, the CAT Program reached a total number of close to 50 members by the end of the year, including a broad spectrum of globally active shippers, logistics service providers, airlines as well as fuel providers. Together with its committed members, the CAT team was able to first install a foundational program structure and in September 2023 kicked off a methodology workstream. Dedicated working groups were put in place to discuss topics like primary data sharing, Book & Claim principles, ISO compliant accounting practices and the reformation of an environmental, social and governance airline survey.

Important foundations for a strategic partnership between CAT and IATA were laid. Furthermore, a fruitful exchange between the CAT Program and the Book & Claim Community administrated by Smart Freight Centre and RMI was established.

Andrea Schoen participated in the Air Cargo Conference 2023 in Frankfurt.
Decarbonizing Road Freight

Truck electrification is one of the most impactful strategies to decarbonize logistics. With existing incentives — fiscal incentives, road toll exemptions, and carbon pricing — e-trucks are already the most cost-effective solution for some use cases. Leading governments are setting clear regulatory standards that will accelerate zero-emission trucks, in particular in Europe and the U.S., spearheaded by California and other progressive states. These regulations will require that 30-45% of new truck sales be zero emissions by 2030 with a pathway to a full transition to zero-emission technologies in new vehicles by 2040.

In September 2023, Smart Freight Centre launched the Fleet Electrification Coalition during Climate Week New York. This coalition is focused on leveraging demand aggregation as this is set to create clear visibility of demand to OEMs scale up e-truck production. The Fleet Electrification coalition has been established to drive sustainable practices in Europe and the U.S. and empowers companies to decarbonize their road freight operations faster through collective action. Its main objective is to enable 30% zero-emission truck sales by 2030 and 100% by 2040 globally. The Fleet Electrification Coalition is a project from Smart Freight Centre’s Sustainable Freight Buyers Alliance, and partners closely with CALSTART in North America.

The Road Freight Electrification Guidance works towards this goal by helping fleet owners and freight buyers to better understand where and when electrification should be applied, based on solid research, a tested decision-making approach, and through real-life examples from around the world. In 2023, six webinars under the Road Freight Electrification Guidance project were hosted, to further build knowledge and skills for those industry stakeholders.

Sustainable Freight Buyers Alliance

The Sustainable Freight Buyers Alliance (SFBA) unites corporate freight buyers to shift towards zero-emissions freight across all modes of transport in collaboration with their supply chains and partners.

SFBA reached 50+ members over the course of 2023. Together with Implement Consulting Group and with the support of First Movers Coalition, SFBA co-produced the first draft of the ‘Procurement Playbook: Toward Zero Emissions Logistics Services’, aimed at helping logistics professionals change their procurement operations to include sustainability practices. Furthermore, through conducting over 20 supply chain interviews across six different sectors, the team successfully identified three potential decarbonization solutions.

SFBA’s presence was also felt in the field of policy, having organized information sessions of HDV CO₂ legislation and CountEmissions EU, while raising awareness and gathering voices in support of stricter HDV CO₂ standards in Europe. As such, SFBA conducted 3 in person events, and 21 virtual workshops and meetings across workstreams, ranging from Fleet Electrification to Procurement.
We continue to build regional communities in China and India, whilst exploring opportunities in East Africa to foster emission transparency.
Regional Programs Decarbonizing the Freight Sector

Decarbonizing freight in India

In Delhi, efforts are underway to boost road electrification for truck transport services in collaboration with governmental institutions to accelerate the decarbonization journey in India.

In July 2023, the Smart Freight Centre India office was announced. With the official launch of the Smart Freight Centre India office, SFC took concrete steps towards emissions reduction in one of the world’s largest freight markets. This adds to a portfolio of global programs for ocean, road and air freight. Quickly after, the Green Freight Program for India was launched.

Smart Freight Centre India convened the first successful “Shippers Roundtable” in May 2023 in partnership with World Resources Institute. Over 40 members and partners joined at India Habitat Centre. The event brought together stakeholders from government, industry, and academia to collaborate and accelerate the transition towards sustainable logistics.

Smart Freight Centre India, as part of knowledge partner coalition for e-FAST, actively engaged with the Indian freight sector to establish the first demand signal of 7750 zero emission trucks (ZETs), announced at CEM Goa. Smart Freight Centre India is leading on the demand aggregation and Finance pillars of the e-FAST platform, in alignment with knowledge partners working on other pillars, towards a collective goal of ZETs pilot rollout in 2024. Aligned with the initiative Smart Freight Centre India was also part of the discussions held at the 28th session of the Conference of the Parties (COP) in December 2023 regarding e-FAST: Paving the Way for Zero-Emission Freight in India.

Smart Freight Centre India also organized a successful second roundtable in Mumbai in November 2023, bringing together the Policy and Logistics Industry (Shippers, LSPs and Carriers) players to delve into the topic of freight decarbonization and expanding upon its various strategic levers, including emissions accounting, freight efficiencies and ZETs. Read more here.

Two Memoranda of Understanding have been signed with The Energy and Resources Institute and Indian Institutes of Management- Bengaluru, Smart Freight Centre India is collaborating with both on the development of national framework for freight emissions accounting with industry-wide emissions intensity targets as per GLEC.
Decarbonizing freight in China

Following 10 years of close collaboration with the Chinese freight and logistic industry, Smart Freight Centre China is now an acknowledged influencer that sets the agenda for the industry to identify key challenges and opportunities in moving towards zero emissions and efficiency.

Smart Freight Centre China connected partners and promoted collaboration through its SFSA and Zero Emissions Freight Initiative (ZEFI), including quarterly deep dive workshops regarding environmental protection and fiscal policies, hydrogen energy cost reduction and green finance contributing to the promotion of zero freight heavy-duty trucks. Smart Freight Centre China co-hosted the Zero Emission Medium and Heavy-Duty Commercial Vehicles Forum during the 2023 World New Energy Vehicle Congress to promote the global conversation and experience exchange between China, Europe, and U.S. Additionally, SFC China participated in the “Shenzhen-Dongguan-Huizhou Heavy-duty Trucks Electrification Demonstration Project” and Beijing-Tianjin-Hebei Zero Emissions Freight Corridor Demonstration Project”, bridging enabling factors and engaging with stakeholders to promote the application of zero emission freight vehicles in China.

To support the industry in starting to calculate carbon emissions, Smart Freight Centre introduced the GLEC Framework and ISO14083 standard to the Chinese market, including participation in the formulation of local industry standards, being the “Evaluation Index for Green Logistics of Logistics Enterprise” and “Requirements of Greenhouse Gas Emission Accounting and Reporting for Logistics Enterprise”. Smart Freight Centre China also developed a systematic training curriculum on Logistics Roadmap Training Project with teaching materials and guidelines for the Chinese market granted by the World Bank Global Environment Facility Project in China.

Decarbonizing freight in East Africa

The community in Nairobi is piloting the production of green hydrogen to drive sustainable practices. Along with its strategic partners, Smart Freight Centre started a scoping study to launch a Green Freight Program in East Africa, with a key focus on transnational transit routes. Smart Freight Centre is also partnering with United Nations Environment Programme to update the Green Freight Strategy of one such major corridor: the Northern Corridor.

As part of the Africa Climate Summit and Climate Week in Nairobi, Smart Freight Centre hosted an official side event on the role of the private sector in decarbonizing logistics and a half-day stakeholder consultation, co-hosted with the Kühne Foundation on the building blocks for a Green Freight Program in East Africa.
Gain industry-leading insights and drive change in decarbonizing the logistics industry.
Academy

Educating Towards Zero Emissions

The Smart Freight Centre Academy (previously known as the Smart Freight Learning Centre) is the knowledge and education hub of Smart Freight Centre. Quarter 1 and quarter 2 of 2023 saw the successful rollout of the first cohorts of the Develop Your Sustainable Logistics Roadmap and GLEC & ISO 14083 Calculation Workshop.

In late quarter 3 of 2023 a Head of Learning Centre (now Head of Academy) was onboarded. This represented a turning point for the Smart Freight Centre Academy as it is the first time there has been a dedicated strategic focus on the development, rollout and scaling up of the learning offering.

Quarter 3 and quarter 4 of 2023 were dedicated to the rollout of cohort 2 of the Develop Your Sustainable Logistics Roadmap, as well as the GLEC & ISO 14083 Calculation Workshop, and the development of the roadmap and strategy for the Academy to be rolled out in 2024. The year closed with the Academy focused on revamping the Introduction to the GLEC Framework self-paced e-learning to align with GLEC version 3 and the ISO Standard as well as the implementation of a new learning management system.

### Develop Your Sustainable Logistics Roadmap Training:

- **Total numbers of people trained**: 75
- **Total number of companies trained**: ±20

### GLEC & ISO 14083 Calculation Workshop:

- **Total numbers of people trained**: 89
- **Total number of companies trained**: ±15
Engaging with the global community to build trust and awareness.
Events and engagements 2023

In the year 2023, Smart Freight Centre ramped up its communication and engagement activities to further build its reputation as a trusted partner and raise awareness.

- Increased our LinkedIn following from 4,150 at the beginning of Quarter 1 to 6,400 at the end of Quarter 4.
- Increased the number of our newsletter subscribers from 3,000 individuals (December 2022) to 3,900 subscribers in December 2023.
- Increased the number of website visitors from 6,300 visitors in November 2022 to 8,900 users in quarter 4 of 2023.

Smart Freight Centre also hosted several events and was invited to join panel discussions and speaking opportunities at global sustainability and logistics events. See some examples here.

- **APRIL 18-20 | AMSTERDAM**
  Smart Freight Week 2023
  350+ participants being members and partners were hosted at Smart Freight Week in Amsterdam.

- **OCTOBER 31 - NOVEMBER 2 | GREENVILLE U.S.**
  Smart Freight Centre Fall meeting
  Over 90 of our SFC members came together for our first Fall Meeting. During three days, they discussed topics regarding Clean Cargo, Clean Air Transport, SFBA and FEC. This meeting was co-hosted by one of our members, Michelin.

- **SEPTEMBER 17-24 | NEW YORK CITY**
  UN Climate Week
  Between September 17 and 24, Smart Freight Centre participated in Climate Week New York City. The Sustainable Freight Buyers Alliance, together with CALSTART, hosted a ‘Fleet Electrification Coalition Session’ on September 20, discussing how stakeholders can accelerate the transition to electric trucks.
NOVEMBER 30 - DECEMBER 13 | UAE

28th Session of the Conference of the Parties
The 28th session of the Conference of the Parties (COP28) was held in the United Arab Emirates between November 30 and December 13, 2023. Smart Freight Centre participated in the climate conversation by co-hosting and speaking at various events. To see our extensive work during COP28, you can go here.

OCTOBER 11-12 | DUSSELDORF

Logistics Summit
Smart Freight Centre’s head of Methods, Standards and Assurance, Kathrin Schuller, attending the Logistics Summit in Dusseldorf.

OCTOBER 3-6 | BRUSSELS

FIATA World Congress
Smart Freight Centre’s Clean Air Transport Andrea Schoen participated in the Green Logistics Panel at the FIATA World Congress 2023 in Brussels.
Actively sharing, advocating and publishing news and knowledge with our external stakeholders.
Publications and Releases

Our Core strategies

Setting global standards for emission accounting

Facilitating emissions data exchange

Shaping and convening communities

Creating and scaling capacity building programs

Shaping collaborative initiatives for action

SETTING STANDARDS
JANUARY 18 | 2023 DAVOS
Smart Freight Centre and WBSCD released a new guidance titled “End-to-End GHG Reporting of Logistics Operations”
To the guidance >

DATA EXCHANGE   CAPACITY BUILDING
JANUARY
Data Exchange of GHG Emissions
Guidelines providing an introduction on how to overcome the barriers to exchanging GHG related information across a supply chain.
To the guidance >

CAPACITY BUILDING
MARCH
To the framing paper >

SETTING STANDARDS
APRIL 25
Smart Freight Centre and the Science Based Targets initiative join forces to further drive transport sector decarbonization.
To the news article >

CONVENING COMMUNITIES
JUNE 2
Book and Claim Community launches to accelerate climate solutions for heavy transport decarbonization.
To the news article >

SETTING STANDARDS  COLLABORATIVE INITIATIVES
JUNE 26
Leading global companies advocate for higher CO2 standards for trucks in the European Union and EU Legislation.
To the news article>

CAPACITY BUILDING
JULY
Technical University of Denmark and Smart Freight Centre. “Guidelines – Charging Infrastructure for Truck Depots.”
To the guidelines >

Companies unite to advance truck electrification in India and signal demand for at least 7700 electric freight vehicles by 2030.

Smart Freight Centre China released the first comprehensive assessment report on zero emission freight in China.

Leading global companies unite to propel electric truck adoption in the United States and Europe and signal demand for more than 60,000 electric heavy duty trucks by 2030.

SFC Exchange Network announces its next phase by transitioning to a new dedicated company to scale impact, further catalyzing the shift towards emissions transparency and logistics decarbonization.

Decarbonizing the Logistics Supply Chain: What’s on the Mind of Industry Leaders? At COP28, Pledge and Smart Freight Centre brought together leaders from global logistics to discuss the industry’s best routes to decarbonization. Here are ten insights from their discussion.
Being a member with Smart Freight Centre unlocks solutions.
Membership

Making impact through the SFC membership

Organizations on their journey to freight decarbonization can become a member of the Smart Freight Centre Community. Members have access to a wide portfolio of programs and initiatives to help them collaborate to improve their GHG emission performance and supply chain economics. Membership unlocks solutions through several global programs, including the Global Logistics Emission Council, Clean Cargo, Sustainable Freight Buyers Alliance, and Clean Air Transport.

Smart Freight Centre offers a two-tiered membership structure: Premium and Base.

- Premium Members have access to SFBA and all the programs included in the Base membership.
- Base Members have access to the GLEC, Clean Cargo and Clean Air Transport programs.
In 2023, we accumulated the participating members’ emission reduction data for 2022, leading to the following insights:

**SFC Membership**

**Total members**
- 2022: 105
- 54 Premium
- 80 Base

**Representatives Membership**
- Others 6%
- 39% Shippers
- 35% LSPs
- 20% Carriers

**Number of SFC members reported**
- GHG data 2022
  - 51 Shipper
  - 18 Sea Carrier
  - 13 LSP

**GHG emissions coverage**
- Shippers: 1.7%
- LSP: 2.7%
- Sea carriers: 4.2%

**Absolute emissions reported 2022**
- in million tonnes CO₂e
  - 327
  - 158 Sea Carrier
  - 66 Shipper
  - 103 LSP

**GHG emissions coverage**
- Million tonnes CO₂e reduce from previous year: 1.0
- Million tonnes CO₂e reduced since 2017: 9.3
- Indication of industry coverage: 4-8%
Driven, professional and collaborative – the people behind Smart Freight Centre are all propelled by a belief in what we do.

2013 - 2023
10 years of Smart Freight Centre
People Driving Smart Freight Centre

Growth of People & Culture: The Heartbeat of Smart Freight Centre

Throughout 2023, the importance of People & Culture within Smart Freight Centre has grown at an unprecedented speed. This remarkable growth reflects the core belief that people are the most valuable asset driving forward Smart Freight Centre’s success. Smart Freight Centre’s commitment to fostering a thriving work environment has led to numerous initiatives aimed at nurturing talent, promoting well-being, and enhancing overall employee satisfaction.

Embracing Diversity, Equity, and Inclusion (DEI)

A key point of the People & Culture strategy is unwavering dedication to Diversity, Equity, and Inclusion (DEI). A diverse workforce brings a wealth of perspectives, fostering innovation and creativity. By prioritizing equity, Smart Freight Centre ensures that every team member has access to the same opportunities for growth and development. Inclusion is the cornerstone of the company’s culture, creating a sense of belonging where everyone feels valued and heard.

Looking Ahead

As Smart Freight Centre continues to evolve, the focus remains on building a culture that not only supports employees but also empowers them to reach their full potential. By investing in people and embracing DEI principles, Smart Freight Centre is shaped into a more dynamic and resilient organization but also contributes to a better, more inclusive future for all.

Smart Freight Centre’s global team united in August 2023 to take stock on its strategy and further build engagement in the team during an offsite.

Smart Freight Centre Annual Report 2023
SFC Advisory Council

Smart Freight Centre’s Advisory Council consists of leading experts from academic institutions, international and commercial organizations to ensure that Smart Freight Centre’s activities are best positioned to accelerate and scale energy efficiency and emission reductions in the freight sector and strengthen other efforts to achieve this mission.
Transparency & accountability – detailing the responsible management of funds that support our mission and impact.
Stichting Smart Freight Centre was established in 2013 as a global non-profit organization dedicated to a more efficient and zero-emissions global freight and logistics sector. SFC is registered in The Netherlands as a foundation, recognized as a Dutch Public Benefit Organization and is certified as an equivalent to a US public charity. To allow operation in China, SFC established Smart Freight Centre Asia Ltd, registered in Hong Kong, and Smart Freight Centre China as a Wholly Fully-Owned Enterprise, registered in Beijing. In 2021, SFC established Smart Freight Centre B.V. to continue providing training and services to the companies to increase impact but maintain the ANBI status of the foundation.

Smart Freight Centre received philanthropic funding from Hewlett Foundation, Trafigura Foundation, UPS Foundation, Energy Foundation China, We Mean Business Coalition, Shakti Foundation, CH Robinson Foundation, European Climate Foundation, ClimateWorks Foundation, the European Commission, Kühne Foundation, Climate and Clean Air Coalition, Climate Imperative.

### Consolidated Balance Sheet

<table>
<thead>
<tr>
<th>Assets</th>
<th>31-12-23</th>
<th>31-12-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible fixed assets</td>
<td>125,849</td>
<td>93,814</td>
</tr>
<tr>
<td>Tangible fixed assets (equipment)</td>
<td>55,322</td>
<td>30,054</td>
</tr>
<tr>
<td>Financial assets</td>
<td>81,089</td>
<td>54,678</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>397,765</td>
<td>881,794</td>
</tr>
<tr>
<td>Taxes and social security charges</td>
<td>2,009</td>
<td>22,471</td>
</tr>
<tr>
<td>Other receivables (prepayments and accrued income)</td>
<td>372,164</td>
<td>122,844</td>
</tr>
<tr>
<td></td>
<td>771,938</td>
<td>1,027,109</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,496,040</td>
<td>3,217,565</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,530,238</td>
<td>4,423,220</td>
</tr>
</tbody>
</table>

| Liabilities                     |           |           |
| Group equity (reserves and earmarked funds) | 352,489 | 319,784 |

| Short-term liabilities (<1 year) |           |           |
| Account payable                  | 276,783   | 74,004    |
| Taxes and social premiums        | 131,369   | 84,640    |
| Accruals and deferred income     | 1,769,597 | 3,944,792 |
| **Total**                        | 2,177,749 | 4,103,436 |

<table>
<thead>
<tr>
<th><strong>Consolidated Income and Expenses</strong></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td>7,764,995</td>
<td>3,598,237</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-5,873,961</td>
<td>-2,108,796</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>1,891,034</td>
<td>1,489,441</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee expenses</td>
<td>1,091,544</td>
<td>835,535</td>
</tr>
<tr>
<td>Depreciation of intangible and tangible fixed assets</td>
<td>54,422</td>
<td>33,728</td>
</tr>
<tr>
<td><strong>Total sum of expenses</strong></td>
<td>1,838,810</td>
<td>1,442,687</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td>52,224</td>
<td>46,754</td>
</tr>
<tr>
<td>Other interest and similar income</td>
<td>642</td>
<td>-</td>
</tr>
<tr>
<td>Currency translation differences</td>
<td>-14,565</td>
<td>4,457</td>
</tr>
<tr>
<td><strong>Financial income and expenses</strong></td>
<td>-13,923</td>
<td>4,457</td>
</tr>
<tr>
<td><strong>Result before tax</strong></td>
<td>38,301</td>
<td>51,211</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>-2,085</td>
<td>-3,171</td>
</tr>
<tr>
<td><strong>Result</strong></td>
<td><strong>36,216</strong></td>
<td><strong>48,040</strong></td>
</tr>
</tbody>
</table>

These numbers are currently undergoing an audit which will be finalized in July 2024. The official ANBI publication form can be found [here](#).