Asia’s supply chains are shifting toward improving fuel efficiency and environmental performance – Green standards and recognitions are key to making this happen.

**Green Freight Asia** (GFA) is an industry-led program which is incorporated in Singapore as a non-profit organization.

GFA works with its members, partners and other parties that share the same vision: to accelerate the adoption of more sustainable road freight practices in the Asia Pacific region.

GFA is composed of a diverse group of large, medium, and small logistics companies (*carriers*) and customers of logistics companies (*shippers*), which reflects a typical supply chain where multiple parties of different sizes and capabilities work together to make supply chains function seamlessly.

Having closely observed the reality of supply chains, GFA has recognized the following key principles as critical to the success of disseminating sustainable road freight practices in the industry:

1. **The sizes of companies that are involved in supply chains vary from small to large.** GFA and its solutions therefore need to be designed in a way that small, medium, and large companies can contribute and benefit from them.

2. **The ‘green’ capabilities of companies that are involved in supply chains are different.** GFA and its solutions therefore need to be simple so that not only those companies with high ‘green’ capabilities can contribute and benefit from them, but also those with low/no ‘green capabilities’

3. **Each company involved in supply chains has its own distinct set of objectives.** To make its solutions effective and scalable, GFA needs to have a clear focus and leverage on the objectives that are common among all involved stakeholders.
In theory, the motivation for companies to adopt more sustainable road freight practices operations was obvious:

- **higher cost efficiencies** from more sustainable road freight operations
- and **higher consumer attraction** to ‘green’ brand products and services

However, reality illustrated a relatively low adoption rate of sustainable road freight practices.

The motivation of logistics companies (carriers) was found to be curbed by commercial insecurity. Investments into ‘green’ were not necessarily rewarded in terms of ‘more business,’ needed to justify a logistics company’s green investment. Due to this, non-green competitors could undercut and oust them while their ‘green’ investment was still breaking even.

Meanwhile, customers of logistics companies (shippers), with their decision of whom to award their freight business to, were found to have the power to effectively drive the green transformation.

Nonetheless, the motivation of shippers was found to be curbed by the absence of standards and recognition. ‘Green Freight’ was not a standard a logistics company could be measured and benchmarked against. Shippers therefore were unable to obtain the information needed to make conscious, ‘green’ sourcing decisions, and consequently were not rewarded for any ‘green’ sourcing efforts.

It became apparent that the introduction of an industry-wide scheme which

- recognizes carriers and shippers for the adoption of ‘Green Road Freight’ based on a clear, auditable standard
- ties the recognition of a shipper to that of a carrier

would be a game changer as it would address many of the factors that curbed companies’ motivation to go green.
In 2014, GFA, in collaboration with its partners Clean Air Asia, the Smart Freight Centre, and the Green Transformation Lab, as well as with US EPA SmartWay, developed a voluntary Green Freight Standard which is embedded in its recognition scheme, called the ‘GFA Label’.

The GFA label comprises four distinct tiers of recognition. A company that attains one leaf has demonstrated a minimum commitment to adopting green freight practices. A company that attains four leaves has demonstrated itself as a true sustainability leader, with an outstanding commitment.

In order to ensure neutrality and compliance with data security and competition compliance aspects, GFA is engaging neutral GFA Label assessment partners for the collection, management and assessment of the data that companies provided as part of the GFA Label application process.

In September 2014, GFA launched the GFA Label with members and companies nominated by GFA members. TÜV SÜD and BSR Business for Social Responsibility were engaged as neutral GFA Label assessment partners for this initial phase.

By November 2014, 48 GFA Label applications from more than 30 companies were processed and companies with successful applications received their GFA Label and Certificate of Excellence.

Some of the participating companies include:

- Heineken
- HP
- IKEA
- Infineon
- Lenovo
- Ant Logistics
- DHL
- UPS
- Sailing Logistic
- Guoxing Logistics
- Qingdao Guangyunda
- RichLand Logistics
- APLL
- Shanghai FuYing
- Sunjex Logistic
- Tiong Nam
The Green Freight Asia Label – A driver for sustainable road freight practices.

The **48 GFA Label applications** impressively comprised:

- 2,750 road freight vehicles
- 52 million litres of fuel
- ≈ 142,000 tons of CO\(_2\)e

The **GFA Label was applied for in 13 countries/territories** in Asia Pacific:

- Australia
- Bangladesh
- Cambodia
- China
- Hong Kong
- India
- Japan
- Malaysia
- New Zealand
- Pakistan
- Singapore
- Thailand
- Vietnam

Approximately **62%** of the applications **qualified** for the **GFA Label**, of which **80%** attained GFA Label **Leaf-1** and **20%** reached GFA Label **Leaf-2**.

As the next phase, GFA will soon open the GFA Label application process to all companies in Asia Pacific interested in having their commitment to more sustainable road freight practices measured and recognized.

GFA will also further support the sharing of sustainability road freight practices to help companies to learn from them and to adopt them.

Find out on the following pages what companies and organizations think about GFA and the GFA Label.

http://greenfreightasia.org/about-gfa-label
The Green Freight Asia Label – A driver for sustainable road freight practices.

**HEINEKEN**

“HEINEKEN is committed to a long term approach to creating shared, sustainable value through our global sustainability strategy ‘Brewing a Better Future’. Likewise in Asia Pacific, we have set specific targets in our four focus areas of protecting water resources, reducing CO₂ emissions, sourcing sustainably and advocating responsible consumption.

The **GFA Label** helps us to identify transport service providers committed to the introduction of green technologies and the reduction of CO₂ emissions in the logistics field and provides guidance for our efforts to reduce CO₂ emissions within our own operations.”

**Duncan Loynes, Regional Logistics Manager, HEINEKEN Asia Pacific**

**As a Green Freight Asia (GFA) founding board member, HP is proud of the dedication and commitment of GFA and its members. It’s a great journey - from concepts and ideas transforming into an industry led program to reduce fuel consumption and CO₂ emissions across the Asia Pacific road transport network. HP looks forward to the continued collaboration, progress and success of GFA and the GFA Label.”**

**Bill Long, Hewlett-Packard Company, VP – Global Logistics Supply Chain Network and Logistics**

**Roxane Desmicht, Senior Director Corporate Supply Chain at Infineon Technologies:** "Though Freight represents only a minor portion of Infineon’s CO₂ emissions, joining Green Freight Asia will complement our running activities in terms of sustainability, place us one step ahead of our competitors and demonstrate to our stakeholders that we are looking at sustainability with a very holistic approach. We are very proud to have received the GFA Label in recognition of our engagement. This gives us a renewed motivation and we will continue to exert our leadership in the field by engaging our Logistics Service Providers and partners to join and commit to a greener supply chain.”

**Dr Pophal, Senior Director Corporate Environment at Infineon Technologies:** "Subsequent to our listing in the Sustainability Yearbook 2014 for the fourth time and the Dow Jones Sustainability Index for the fifth time, this **GFA Label** we received once more underlines our voluntary commitment towards a sustainable society. This is in particular true as the reduction of CO₂ emissions in the context of climate change is one of the biggest ecologic challenges mankind is facing. Congratulations to the whole team on that success!”

**“Since fuel typically accounts for around one third of operating costs in the road freight sector, many energy efficiency measures can have a positive return on investment. It’s crucial that awareness about the opportunities is disseminated and incentivized through coordinated industry-wide programs like Green Freight Asia. BSR is happy to be supporting GFA on this journey toward more sustainable freight movement in the Asia Pacific Region”**, **Angie Farrag-Thibault, Associate Director, BSR Transport & Logistics Practice**

**“IKEA strives to create a ‘better everyday life for the many people’! Living in good environmental conditions is part of this ‘better everyday life’ and immense efforts are required from all of us to secure the pre-conditions for good living conditions in the future! IKEA wants to contribute, and where possible lead, in meeting our customer needs in a CO₂ neutral way. We are not the only one! IKEA, through Green Freight Asia (GFA) and its partners believe in the importance to collectively work on reducing fuel usage and emissions from road freight transportation in Asia Pacific. Together we create concepts, set standards and lead the way into a ‘cleaner’ future. We are proud to be part of this journey together with you! Jaap Doornbos, IKEA Asia Pacific Director of Distribution (deputy) Asia Pacific, Director of E-commerce Implementation Asia Pacific**

**“Lenovo recognizes that climate change is a serious threat and believes that we should all do our part to reduce harmful greenhouse gas (GHG) emissions.**

As a founding member of Green Freight Asia (GFA), we are proud to see GFA established as a dedicated platform for fleet owners and shippers - to work together on new standards for sustainable shipping and to recognize companies that meet and exceed these standards.

**The GFA Label is important for us as it helps us identify freight companies that share our commitment to reducing transport related CO₂ emissions.”**

**“TÜV SÜD is very excited to be one of GFA’s neutral label assessment partners. We share the same vision as GFA- which is to advocate environment-friendly practices which at the same time, sustainable from a business point of view. Congratulations to the companies which have been certified and received their GFA Label and ‘Certificate of Excellence’.” Mr. Richard Hong, CEO, TÜV SÜD ASEAN"
“Success in sustainability depends on mutually beneficial collaboration and UPS is proud to be part of the standards’ setting process for Green Freight Asia,” said Shiumei Lin, UPS Asia Pacific Vice President for Public Affairs and Director for Sustainability. “As a global leader in sustainability reporting, UPS has been lauded for our efforts in integrating sustainability into our business decisions, most recently with our top ten ranking in the Dow Jones Sustainability World Index. We hope that being accredited with the GFA Label will motivate companies to strive for excellence as they adopt green freight practices into their business.”

Sophie Punte, Executive Director, Smart Freight Centre: “Multinationals that want to be more competitive and environmentally sustainable cannot ignore their freight supply chain in Asia. The GFA Label has every potential to unite industry leaders to drive efficiency and emission reductions across the freight transport chain in Asia. Multinationals must work together to achieve industry-wide adoption of solutions that improve efficiency and reduce emissions. Green Freight Asia offers a label scheme to unite and recognize leaders in greening the freight transport chain in Asia.”

Mr QiBing Zheng, General Manager at Ant Logistics Co. Ltd.: “We value the goal of environmental protection and resource conservation. We are focusing on the reduction of carbon dioxide emissions, and fuel consumption from the operation of our vehicles and we are committed to continuing to promote green logistics practices. We are one of the first companies that have qualified for the GFA Label as a result of our engagement to make road freight operations greener and more sustainable.”

Lin Chen, Administration Manager at 启航物流有限公司 Sailing Logistics Limited: As a road freight carrier, we concentrate our sustainability efforts on route optimization and the use of LNG to reduce CO2 emissions. Green Freight Asia and the GFA Label are important to us as we are keen to learn about other sustainability practices and to exchange our experiences with other companies that are committed to reducing carbon emissions and fuel consumption.