MEDIA RELEASE

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Slash emissions with shipping: New report shows coastal shipping can help reduce freight emissions and bolster Australia's supply chain resilience

Up to 90 per cent of freight emissions can be cut simply by moving more cargo to coastal shipping, a new independent report reveals.

Comparing the emissions performance of road, rail and shipping across four essential Australian freight routes, *The Emission Reduction Potential of Mode Shift to Maritime Transport* report found greenhouse gas emissions reductions of between 60 to 90 per cent by rebalancing freight between road and coastal shipping.

Launched at Parliament House today by the Hon. Catherine King, the report was developed by Transport Emissions/Energy Research and commissioned by the Maritime Union of Australia in collaboration with Maritime Industry Australia Limited (MIAL) and supported by the Energy Futures Foundation. Other key takeaways of the report include:

- Coastal shipping reduced total tonnes of fuel used by 55-85 per cent, when compared to road or rail,
- For longer routes, coastal shipping reduced emissions by 70 per cent, while moving larger cargo volumes than road or rail,
- Shifting cargo to coastal shipping resulted in a 25-90 per cent reduction in total fuel use.

Clare Grandison, Principal Advisor – Decarbonisation and Industry Transformation, said the report shows significant diesel fuel use and emissions reductions are possible using today's technology and maritime footprint.

"The Australian transport sector is a significant contributor to greenhouse gas emissions, making up more than 21 per cent of total emissions each year. Even modest freight mode shifts could deliver meaningful reductions in our nation's emissions," said Ms Grandison.

"Importantly, we don't need to wait for implementation of future technologies. The report shows emissions reductions are feasible now, using today's vessels, infrastructure and capability."

Angela Gillham, CEO of MIAL, said the said greater use of coastal shipping could improve productivity for the freight sector and strengthen supply chain resilience.

"As an island nation, the efficiency of our supply chain affects not only our economy, but our national resilience," said Ms Gillham.

"Despite coastal shipping's emissions advantages, our maritime industry represents only a small share of Australia's domestic freight task."

"By better balancing freight between coastal shipping, rail and road, Australia can lower emissions, improve productivity and build a more diverse and resilient freight network, all whilst supporting Australian fuel security."

"We look forward to continuing to work with government and industry to explore the opportunities identified in this report and support the growth of coastal shipping in Australia's freight future."

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About Maritime Industry Australia Ltd

Maritime Industry Australia Ltd (MIAL) represent the collective interests of maritime businesses, primarily those operating maritime assets or facilities from Australia. MIAL is uniquely positioned to provide dedicated maritime expertise and advice, and is driven to promote a sustainable, vibrant and competitive Australian maritime industry and to expand the Australian maritime industry.