

C40 and The Climate Pledge join forces with development banks to propel solutions for electric freight in Latin America

- *Light, medium and heavy commercial vehicles contribute up to 41% of annual transport-related CO2.*
 - *C40 and The Climate Pledge have established an alliance with major financial institutions to support the transition to zero-tailpipe-emission freight transportation in Latin America.*

New York City, 24 September 2024 — [C40](#) and [The Climate Pledge](#) are joining forces with the financial sector to develop products that address specific market needs for last-mile delivery in Latin America. C40 and The Climate Pledge are collaborating with the International Finance Corporation (IFC), Nacional Financiera (NAFIN), Financiera de Desarrollo Nacional (FDN), VGMobility and Development Bank of Latin America (CAF) to develop credit lines tailored to the market and facilitate some of the first deals in the e-freight sector — ensuring that solutions meet the spectrum of its demand.

This alliance is part of [Laneshift](#) — a collaboration between C40 and The Climate Pledge to reduce carbon emissions by reimagining freight logistics through zero-tailpipe-emission vehicles and optimised travel routes. The Climate Pledge committed \$10 million to C40 to accelerate the development and deployment of zero-tailpipe-emission electric trucks and charging infrastructure across major cities in India and Latin America. According to the [Bloomberg New Energy Finance Electric Vehicle Outlook 2023 \(BNEF\)](#), light, medium and heavy duty commercial vehicles contribute to 41% of annual transport-related CO2. C40 and The Climate Pledge are working to enable conditions to accelerate finance across the four countries in LATAM where Laneshift is working: Brazil, Colombia, Ecuador and Mexico.

"Through Laneshift we've engaged with manufacturers, shippers, carriers, and tech solution providers who share that financing is a barrier to entry and stifles scale in rapidly urbanizing cities across LATAM", said Sarah Dimson-Tararuj, Head of Strategic Projects and Programs at The Climate Pledge. "The collaboration between C40, The Climate Pledge and financial institutions aims to address this challenge by developing local solutions that will help crowd-in future investments in the transition to EV freight."

The financial sector's commitment to supporting the transition to zero-tailpipe-emission freight transportation helps lay the groundwork for technical advisory services and financing solutions tailored to the unique challenges of fleet electrification.

"The electric freight transport sector is experiencing significant growth driven by the need to reduce greenhouse gas emissions, improve air quality, and increase energy efficiency in freight transport," said Lusanda Madikizela, Head of Zero Emission Freight at C40 Cities. "The collaboration with key financiers is an important step in overcoming the financial and technical barriers to large-scale adoption of electric freight solutions."

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NOTES TO EDITORS

Laneshift is a collaboration between C40 and The Climate Pledge to abate carbon emissions from road freight, which accounted for over 2.2 billion metric tons of CO₂ in 2020—double the emissions from air, sea, and rail freight combined.¹ The collaboration aims to tackle carbon emissions through zero-tailpipe-emission freight transportation by reimagining medium- and heavy-duty vehicles and their travel routes. In collaboration with cities, Laneshift will accelerate the development of EV infrastructure and the deployment of EV trucks across six cities in Latin America (Bogotá and Medellín, Colombia; Curitiba and Rio de Janeiro, Brazil; Quito, Ecuador; and Mexico City, Mexico) and two in India (Bengaluru and Chennai).

Key highlights of the collaboration:

- Access to Financing: The collaboration aims to promote greater availability of financing options for companies looking to purchase electric truck fleets, overcoming the initial cost barriers associated with electric vehicles.
- C40's Regional Commitment: C40 is focused on implementing innovative and inclusive climate actions in sectors such as zero-tailpipe emission buses and trucks, renewable energy, and green infrastructure, with the support of national, regional, and international partners; mainstreaming climate action in key processes, policies, and instruments of urban management; and facilitating the access of new and existing green finance sources to accelerate climate action implementation.
- Amazon's Decarbonisation Efforts: Amazon continues to decarbonise its transportation network globally. Today, Amazon has more than 24,000 electric vehicles around the world.

For more information on the Laneshift program in Latam, please email laneshift.latam@c40.org and laneshift@theclimatepledge.com.

About The Climate Pledge: In 2019, Amazon and Global Optimism co-founded The Climate Pledge, a commitment to reaching net-zero carbon by 2040 through decarbonisation and high-quality offsets, 10 years ahead of the Paris Agreement. Now, 525 organizations have signed The Climate Pledge, sending an important signal that there will be rapid growth in demand for products and services that help reduce carbon emissions. Visit [The Climate Pledge](https://theclimatepledge.com) site for more information.

About C40 Cities: C40 is a network of nearly 100 mayors of the world's leading cities working to deliver the urgent action needed right now to confront the climate crisis and create a future where everyone, everywhere, can thrive. Mayors of C40 cities are committed to using a **science-based and people-focused approach** to help the world limit global heating to 1.5°C and build healthy, equitable and resilient communities. We work alongside a broad coalition of representatives from labor, business, the youth climate movement and civil society to support mayors to halve emissions by 2030 and help phase out fossil use while increasing urban climate resilience and equity.

The current co-chairs of C40 are Mayor Sadiq Khan of London, United Kingdom, and Mayor Yvonne Aki-Sawyerr of Freetown, Sierra Leone; three-term Mayor of New York City Michael R. Bloomberg serves as President of the Board.

¹ <https://climate.mit.edu/explainers/freight-transportation>



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To learn more about the work of C40 and our cities, please visit [our website](#) or follow us on [X](#), [Instagram](#), [Facebook](#) and [LinkedIn](#).