

P R E S S R E L E A S E

Volvo founding member of First Movers Coalition to drive demand for low carbon tech

Roughly half of the emission reductions needed to reach the 2050 climate goals rely on technologies in early development, demonstration, or prototype phases. Accelerating innovation in this decade is critical to bring these technologies to market and make them cost-competitive. To jumpstart this effort, the World Economic Forum, in partnership with US Special Presidential Envoy for Climate John Kerry, announced the First Movers Coalition - a new platform for companies to make purchasing commitments that create market demand for low carbon technologies. Volvo Group joins the Coalition as founding member.

The commitments aim to be collectively significant enough to commercialize emerging decarbonization technologies. The First Movers Coalition will create long-term impact by driving milestones this decade through investment into these technological solutions.

The First Movers Coalition provides opportunities for a wide range of companies to make commitments, take action and build the clean and profitable supply chains of the future. It also brings together a range of civil society and expert organizations to build momentum, complement ongoing efforts and input into the design of the initiative.

Martin Lundstedt, President and CEO of Volvo Group said: “The Volvo Group believes in the force of partnership with a clear aim – to rapidly introduce and implement best-in-class low carbon technology throughout industry verticals. Together we are strong enough to really make a difference and we are increasing our efforts, both ourselves, but also with partners to accelerate the shift into a path that aims to deliver the goals in the Paris agreement.”

Børge Brende, President of the World Economic Forum said: “Technology has given us the tools to reduce our emissions and build a stronger and more inclusive economy of the future. For innovators and investors to play their part in tackling the climate crisis, they need clear market demand. The First Movers Coalition will leverage the collective purchasing power of leading companies and drive the need for these technologies. I call on business leaders to work with us and be the role models keeping our climate goals alive.

Phase 1 commitments launched

These commitments target new technologies and aim to create a market by 2030 that can be ramped up to achieve decarbonization in 2050. Volvo has as a founding member made commitments in two sectors.

Trucking: Members commit to purchase or contract zero-emission medium and heavy-duty vehicles by 2030. These can include battery or fuel-cell electric vehicles and also incorporate

renewable sources of electricity and hydrogen for charging. Trucking owners and operators also set a target that at least 30% of their heavy-duty and 100% of their medium-duty truck purchases will be zero-emission trucks by 2030. Retailers & manufacturers set a target that they will require all of their trucking service providers to meet the trucking owners and operators' commitment by 2030.

Steel: Members commit to purchasing volumes of near-zero emissions steel by 2030. The deployment of breakthrough iron and steelmaking technology is needed to deliver a net-zero steel sector with minimal residual emissions. These technologies include hydrogen direct reduction, carbon capture use and storage, and electrolysis-based production processes. Steel purchasers set a target that at least 10% of their annual steel procurement volumes by 2030 meet or exceed the First Movers Coalition definition for 'breakthrough steel'.

The remaining sectoral commitments will launch in early 2022.

Founding members

Aker ASA
Agility Logistics
A.P. Møller – Mærsk
Bain & Company
Bank of America
Boston Consulting Group
Boeing
Cemex
Dalmia Cement (Bharat) Limited
Deutsche Post DHL Group
Fortescue Metals Group
Holcim
Invenergy
Johnson Controls
Mahindra Group
Nokia
Ørsted
Scania
SSAB Swedish Steel
Trafigura Group
Trane Technologies
United Airlines
Vattenfall
Volvo Group
Yara International
Western Digital
ZF Friedrichshafen AG

The First Mover Coalition commitments have been developed with support from Design Committee and Expert Members and BCG.

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