



SUSTAINABLE TRANSPORT: EXECUTIVE SUMMARY

- ❑ Major themes – climate change, pollution, energy security, resource scarcity, urbanisation/development – are driving a multi-decadal transformation of the ~US\$4trn global Transport sector ...
- ❑ ... creating significant opportunities for ‘Sustainable Transport’ – electric vehicles, low emissions technologies, energy efficiency, “smart” transport (incl. autonomous vehicles, car sharing ...), biofuels – along the respective value chains
- ❑ While not occurring overnight - due to challenges with respect to range, charging infrastructure rollout, cost (batteries) - electrification appears to be marginalising other alternative fuel approaches (fuel cells / hydrogen, biofuel ...), at least for the passenger vehicle segment; this trend may extend up the vehicle classes in time
- ❑ The US (supply/innovation) and China (supply/demand) are leading the EV race currently, although the European supply chain is beginning to assert itself
- ❑ The debate “ICE vs. EV” is heating up, though reflects the EV ramp rate, not the “if”
- ❑ The “holy grail” for EVs is to represent (aggregated) the energy storage solution for (intermittent) renewable energy generators (‘*vehicle-grid integration*’)
- ❑ Traction for start-ups in the Sustainable Transport sector is challenging given long commercial adoption cycles, complex customer supply chains, entrenched (& innovative) incumbent suppliers
- ❑ Relative to other Cleantech sectors, VC/PE investment in Sustainable Transport has remained relatively robust in recent years, although the subsector mix has varied significantly over time