E-commerce businesses an ideal candidate to lead the EV transition in India – new report shows

- New report by WBCSD and Flipkart says high daily vehicle utilization and large scale of operations make the e-commerce sector an ideal candidate for commercially viable electric vehicle (EV) transition
- Report shows that some e-commerce businesses now recognize EVs as a cost improvement measure, in addition to running their operations sustainably, improving customer satisfaction and meeting regulatory compliance
- E-commerce will contribute to 3.5% of India's GDP by 2030. The growing demand for e-commerce services presents an opportunity to advance the adoption of electric mobility for logistics in the country, while addressing environmental impacts
- Report highlights needs and lessons for e-commerce companies to transition to EV.

Geneva/New Delhi, 26 April – Today, a new report by the World Business Council for Sustainable Development (WBCSD) reveals that 100% electrification of e-commerce delivery fleets is possible with a conducive policy environment and greater collaboration by ecosystem partners. The report, ‘Advancing electrification of e-commerce deliveries in India’, highlights that the e-commerce last mile is uniquely positioned to lead the electric mobility transition in India, and relevant for other global economies. This is due to the high daily utilization, fixed pick-up points, consistency of daily kilometers traveled and the predictability of routes and energy demand of the last mile.

As e-commerce is expected to contribute to 3.5% of the country’s GDP by 2030, the sector will play a critical role in India’s ambition to transition to a more sustainable economy. The report authors estimate that a 100% adoption of EVs in e-commerce deliveries in India by 2030 could avoid 44% of the total CO₂ emissions caused by their conventional vehicle counterparts and reduce consumption of 30 billion liters of fossil fuels per year.

Flipkart, India’s homegrown e-commerce marketplace, has been leading the sector’s EV transition over the past few years and is the first e-commerce marketplace in India to commit to transitioning to 100% EV fleets by 2030 by joining the EV100 global initiative. As part of its commitment, Flipkart will be deploying 25,000 EVs across the country by 2030.

The report traces Flipkart’s journey since the start of their EV pilots in 2017 to its efforts towards bringing ecosystem partners together and scaling the deployment of EVs across the country. Flipkart’s EV journey reaffirms the fact that electrification of fleets is technically and commercially viable and while challenges exist, companies can overcome the same with a coordinated approach to create shared value.

Analyzing the EV journey of Flipkart, the report highlights the role of e-commerce’s delivery stakeholders to solving some of the main challenges related to EV fleet adoption in India:
● E-commerce companies need to signal demand and collaborate with vehicle manufacturers to develop right-sized delivery vehicles
● OEMs need to innovate to fill product variability and reliability gaps
● EV vendors need to scale up to cater to the pan-India requirements of e-commerce companies.
● Financial institutions, together with OEMs, must address the barriers related to access to capital and EV financing
● E-commerce firms must leverage specialist vendors or charging point operators (CPOs) who offer packaged solutions to overcome the challenges of availability, ownership, and optimization of charging infrastructure
● Vendors need to invest in drivers’ awareness, capacity building, workforce development and provide an efficient and accessible charging network
● Greater collaboration between the government and the industry to build conducive policies for development at each stage of the EV value chain.

“The drive towards electric mobility is a significant sustainability initiative for e-commerce companies and a pioneering step for India’s electric mobility goals. Some e-commerce businesses already recognize EVs as a cost improvement measure, in addition to improving customer satisfaction and meeting regulatory compliance. We hope that Flipkart’s early EV adoption lessons will guide and inspire widespread adoption of electrified e-commerce in India.” said Thomas Deloison, Director, Mobility at WBCSD.

“E-commerce delivery is growing fast in India, and we need to ensure that this progress is sustainable. By signing the EV100 commitment, Flipkart has reinforced that it has the willingness, ability and scale to guide India’s transition to sustainable e-commerce deliveries. We thank WBCSD for partnering with Flipkart and bringing out insights into EV adoption in the e-commerce deliveries through this report.”

said Hemant Badri, Senior Vice-President and Head of Supply Chain, Flipkart Group.

The new report builds on the work done by the REMobility coalition in India as part of WBCSD’s Transport & Mobility Pathway. WBCSD will continue supporting businesses to achieve their net-zero carbon commitments by helping them accelerate the adoption of zero-emission vehicles and technologies and find new revenue sources through circularity and data-driven mobility solutions.

For more information, please contact Thomas Deloison (deloison@wbcsd.org).

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About RE mobility

As part of WBCSD's Pathway Transport & Mobility, the RE mobility coalition brings together prominent businesses from the EV ecosystem representing over 10 billion kilometers of mobility in India, who have electrified 250 million annual vehicle kilometers through their own actions. The objective of RE mobility in India is to support the business adoption of electric vehicles, energy storage and renewable energy. Learn more.

About the World Business Council for Sustainable Development (WBCSD)

WBCSD is the premier global, CEO-led community of over 200 of the world’s leading sustainable businesses working collectively to accelerate the system transformations needed for a net zero, nature positive, and more equitable future.

We do this by engaging executives and sustainability leaders from business and elsewhere to share practical insights on the obstacles and opportunities we currently face in tackling the integrated climate, nature and inequality sustainability challenge; by co-developing “how-to” CEO-guides from these insights; by providing science-based target guidance including standards and protocols; and by developing tools and platforms to help leading businesses in sustainability drive integrated actions to tackle climate, nature and inequality challenges across sectors and geographical regions.

Our member companies come from all business sectors and all major economies, representing a combined revenue of more than USD $8.5 trillion and 19 million employees. Our global network of almost 70 national business councils gives our members unparalleled reach across the globe. Since 1995, WBCSD has been uniquely positioned to work with member companies along and across value chains to deliver impactful business solutions to the most challenging sustainability issues.

Together, we are the leading voice of business for sustainability, united by our vision of a world in which 9+ billion people are living well, within planetary boundaries, by mid-century.

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About the Flipkart Group

The Flipkart Group is one of India’s leading digital commerce entities and includes group companies Flipkart, Myntra, Flipkart Wholesale, Flipkart Health+ and Cleartip. The Group is also a majority shareholder in PhonePe, one of the leading Payments Apps in India.

Started in 2007, Flipkart has enabled millions of consumers, sellers, merchants, and small businesses to be a part of India’s digital commerce revolution, with a registered customer base of more than 400 million, offering over 150 million products across 80+ categories. Our efforts to democratize commerce in India, drive access and affordability, delight customers, create lakhs of jobs in the ecosystem, and empower generations of entrepreneurs and MSMEs have inspired us to innovate on many industry firsts. Flipkart is known for pioneering services such as Cash on Delivery, No Cost EMI and easy returns – customer-centric innovations have made online shopping more accessible and affordable for millions of Indians. Together with its group companies, Flipkart is committed to transforming commerce in India through technology.