Incentives shift cargo from road to rail at DP World Southampton

DP World said it has seen a significant increase in rail freight at its Southampton logistics hub after offering new services and implementing financial incentives.

Gary Howard | Apr 03, 2024

The port operator introduced its Modal Shift Programme trial last September. From September to February, Southampton logistics hub saw an increase in freight moved by rail instead of road from 21% to 35%. The initiative is a bid to reduce greenhouse gas emissions by moving to less carbon intensive modes of transport.

Customers are currently being offered an £80 ($100) financial incentive to move import-laden containers via rail to a railhead within 140 miles of the logistics hub

- a distance which would usually be served by road haulage. The incentive is financed by charges on all import-laden containers.

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Four new train services have also been introduced to support the modal shift, connecting Southampton logistics hub to Cardiff, East Midlands Gateway, Hams Hall and Doncaster.

DP World said that since the programme's inception in September 2023, the company and its partners had saved around 4,500 additional tonnes of CO_2 by moving freight from road to rail, equivalent to around 13,500 lorry journeys. "That is more than the total emissions of DP World Southampton's operations," the company said.

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John Trenchard, vice president UK Commercial & Supply Chain at DP World, said: "We believe that our Modal Shift Programme at Southampton has allowed our customers to explore how rail can be effectively utilised to achieve lower carbon international supply chains serving the UK economy. At a time when the pressure to manage costs, maintain reliability and improve speed has never been greater, providing our customers with the right services and incentives to help them unlock better ways to move cargo is of paramount importance.