

**Freight Emission Reduction Group (FERG) Meeting, Great Minister House,
Friday, 23 September 2019**

Attendees and apologies: See Annex A

Minutes:

Agenda item 1: Introductions and action points from last meeting

1. The Chair welcomed group members, read the apologies and led introductions. The action points from the last meeting were read and agreed without discussion. A summary of action points agreed at this meeting can be found at Annex B.

Agenda item 2: Road to Zero voluntary HGV 15% emissions reduction target and DfT update

2. Statistics and discussion with BEIS:
 - i. Following the previous meeting DfT met with colleagues in BEIS to discuss what data they held and how this could be used to measure the 15% emissions reduction target. DfT statisticians produced a report on the statistics held, points for further consideration and the questions that were asked of BEIS. This was circulated to the attendees prior to the meeting.
 - ii. A DfT statistician spoke to the report, outlining the headline figures and opened the floor to questions.
 - iii. Further clarification was requested as to the likely causes of the reported 5% increase in HGV emissions, and the implications of this increase for the 15% reduction goal. It was recognised that the 5% increase is the result of a range of factors and a collective adjustment rather than a single increase. It was also recognised that the increase had occurred before the 15% reduction commitment was made and would make achieving the commitment more difficult.
 - iv. In response to questions, stats colleagues explained that fleet average fuel consumption figures are worked out using a combination of known engine types in the fleet, current emissions those engine types produce, fuel usage taking into account mileage and congestion. Recently released road traffic figures indicate that HGV traffic in the year up to June 2019 compared to the previous year were down 1.3% while the figures regarding emissions show an upward trend. As a result, we can likely expect a drop in emissions in the next data release. EU regulations on HGV manufacturers will also take effect in 2020 and should drive a decrease in emissions, although it is questionable as to whether this will have much impact during the 15% commitment timetable.
 - v. DfT asked stakeholders whether Government statistics being produced by BEIS are using the correct fuel mix? They currently use standardised factors but it would be good to get a view from the sector if this was accurate
 - vi. A point was raised that while these top down views on total emissions and regulations are important to consider, we also need to understand the issue from the bottom up and develop our understanding of what is happening on the ground. Industry representatives suggested that the latest LERS scheme data is likely to be

released shortly. Early views indicate that emissions may be increasing but that cargo volumes are also going up. As a result, development and reporting of a vehicle efficiency figure would also be useful.

- vii. Due to the existing lag between data collection and publication of official figures it was agreed that Low CVP and DfT statisticians will work together to see if a more reactive dataset that can be used to better steer policy decisions and will report back to the next meeting. Consideration will also be given to whether fuel tax information could also be used to provide a more reactive dataset.
- viii. Other data sources were also suggested and information about these will be passed along to DfT to consider: CSRG, ESOS, SECA. SMMT will also look to share their data with the DfT statisticians working on this, currently they share data with a different part of the Department.

3. Discussions with scheme operators:

- i. DfT met with the industry accreditation schemes (LERS, FORS, and ECOStars) to discuss bottom up reporting. These meetings were productive and informative and the scheme operators have agreed to send officials details of their potential data offers. When received, DfT will consider and draft a proposal for taking bottom up data collection and reporting forward.
- ii. What has become clear is that these schemes are only able to provide a snapshot of the sector, and that snapshot only captures those engaging in best practice. There will be caveats when using this data and we will need to be careful with how these figures are utilised and reported alongside Government statistics.
- iii. There was a question regarding smaller operators and if we are collecting data from them. Often, they lack the capacity to respond to requests for data, both in terms of collecting the data and having the time to collate it in the format required. FORS were confident that the data they collect reflects the sector as a whole, including SMEs but agreed to consider how they engage with SMEs and if there are ways they can develop this.

4. HGV alternative fuel forecasts

- i. DfT Low Carbon Fuels team spoke to the data they provided on biofuels. They presented both full lifecycle GHG accounting and carbon budgets GHG accounting. Typically, they use full lifecycle accounting for policy analysis and carbon budget accounting for reporting against carbon budgets.
- ii. They explained that this is the best data DfT possess. Some assumptions had to be made calculating this, such as assuming that biofuel distribution is even across the mix. However, the mix, and forecasting for this, need to be considered further going forward. It was agreed that, for the purpose of the 15% target, the carbon budget methodology is the most appropriate, and the statistics we have seen to date on this are based on this methodology. The Low Carbon Fuel team will expand on this at the next meeting, as there were some outstanding questions that would be best answered by other officials.
- iii. Concern was again raised that inclusion of forecourt biofuel contribution towards emission reduction targets may largely allow operators to avoid taking specific

emission reduction actions. The forecasts produced by the Low Carbon Fuel team suggest that emission reductions from forecourt purchased fuels could produce reductions of up to 6% from 2015 levels. However, given the rise in emissions already highlighted by the Government statistics this would still leave operators trying to implement reductions of nearly 15%. A point was also raised that many larger operators bunker fuel and that this fuel could be of higher blends than forecourt purchased fuel and it would be important for these to be captured.

- iv. There was a general consensus that the contribution of biofuels should still be counted but that officials would raise the point with BEIS about whether biofuel contributions could be stripped out of the reported figures and whether forecourt and bunkered fuel could be accounted for so that a comparison could be made.
- v. A question was asked about modelling of the changing carbon intensity of fossil fuels, and if this was considered in the forecasting, LCF team will check.

Actions:

- DfT and LowCVP to consider whether DfT can source a more reactive emissions figure to help guide FERG decisions.
- DfT stats team to consider whether fuel tax data would be a useful addition to figures and to explore whether this might be made available.
- DfT to follow up meetings with operator schemes and develop a proposal for bottom up data collection and use.
- FERG members to send through any further suggestions for data sources. DfT to follow up discussions with BEIS on use of government statistics including production of efficiency figures and whether impact of biofuel in forecourt fuel can be stripped out.

Agenda Item 3: EST Freight Portal

5. Action from the previous meeting was that EST would review the current portal content with a view to establishing a small operator focussed sub-section.
 - i. EST presented an overview of the portal and highlighted that it was not intended to supplant existing sources of advice and guidance but direct operators to sources of information. EST presented their proposals, which focus on highlighting examples of quick wins for SMEs and other operators. They suggested that the information was largely already there but that it may need to be presented in a way that is more likely to capture SME interest and draw them on to practical actions.
 - ii. A general discussion brought suggestions of ways that EST might make further changes to increase the appeal to SMEs. Officials agreed to follow this up with EST and consider circulating draft text to FERG members for comment.
 - iii. DfT officials outlined discussions that had taken place with the Behavioural Insights team to explore evidence of successful marketing and communication with SMEs. Officials also asked FERG members to consider what further actions DfT or the Government more widely could take to support operators in meeting the 15% target and suggested that more detailed discussions could take place outside of FERG once further thought had gone into this.

Actions:

- EST will continue development of SME targeted portal content with FOLR.

- EST will make direct contact with the RHA to discuss case studies.
- DfT will continue to engage with the behavioural insights team for market penetration and what has previously been done in this area.
- All to consider what they can do regarding marketing and outreach.
- A further update will be provided at the next meeting.

Agenda Item 4: Ultra Low Emission Truck standard (ULET)

6. Low CVP provided a summary of the ULET project for those new to the group.
 - i. Three areas for future discussion were raised:
 - How to reflect different vehicle usages, and how they should be weighted in order to robustly represent each type of vehicle?
 - How ULET will take VECTO into account and how it will tie into this EU Regulatory system?
 - How best to collect and record test data from across the sector. There are areas where there is no baseline data so there needs to be consideration of where this comes from.
 - ii. OLEV apologised for being unable to provide the promised project specification, this will be shared with this group as soon as possible following the meeting and a further update will be provided at the next meeting. Discussion of whether FERG could act as a ULET policy advisory group is also still to be considered by OLEV. It is likely that this would need further consideration later in the project when clearer suggestions emerge.
 - iii. A brief update on the LEFT project was provided and it was agreed that a more detailed presentation on the results of this project and lessons learnt would be provided at the next meeting.

Actions:

- OLEV will circulate the project specification for this work to FERG members as soon as possible.
- More detailed update on ULET will be provided at the next FERG meeting.
- An item on the results of the LEFT project will be added to the agenda for the next meeting.

Agenda item 5: next steps for FERG

7. Agreed to postpone this to next meeting. Members asked whether a FERG ministerial roundtable was being considered, along the lines that SHERPA provided. Officials to consider.
8. Officials confirmed that consideration of FERG involvement in type approval discussions would be considered at an official level meeting on 30 September.

Agenda Item 6: Any other business

9. Next meeting will be mid-January. DfT to canvass for dates, book room and send invites by end of October.

Attendees and apologies

Attendees

Stakeholders:

Brian Robinson	- LowCVP
Nigel Base	- SMMT
David Francis	- SMMT
Colin Smith	- Energy saving trust
Becki Kite	- FTA
Daniel Parler-Kline	- CILT UK
Rav Babbra	- Innovate UK
Christopher Ashley	- RHA (dial-in)

Officials:

Matt Carden	- FOLR (acting Chair)
Nathan Warren	- EA (economist)
John Wilkins	- AMES (statistician)
Michael Mansbridge	- OLEV
Jonathan Hood	- Low Carbon Fuels
Alex Wallis	- ES
Antony Ovens	- FOLR (acting secretariat)
Keeley Bignal	- Low Carbon Fuels (dial-in)
Adele Rodrian	- ES
Chris Clarke	- Low Carbon Fuels
Ananya Dasgupta	- ES

Apologies from:

Duncan Price (FOLR)
Michael Sedgwick (FOLR)
Drasar Oliver (TfL)
Andy Eastlake (LowCVP)

Summary of Action Points:

1. **DfT** and **LowCVP** to consider whether DfT can source a more reactive emissions figure to help guide FERG decisions.
2. **DfT** stats team to consider whether fuel tax data would be a useful addition to figures and to explore whether this might be made available.
3. **DfT** to follow up meetings with operator schemes and develop a proposal for bottom up data collection and use.
4. **FERG** members to send through any further suggestions for data sources. DfT to follow up discussions with BEIS on use of government statistics including production of efficiency figures and whether impact of biofuel in forecourt fuel can be stripped out.
5. **EST** will continue development of SME targeted portal content with FOLR and report progress to the next meeting.
6. **EST** will make direct contact with the RHA to discuss case studies.
7. **DfT** will continue to engage with the behavioural insights team to discuss research into effective communication with small operators and evidence of what works in incentivising operators to engage with voluntary schemes.
8. **All** to consider what they can do regarding marketing and outreach.
9. **OLEV** will circulate the project specification for ULET to FERG members as soon as possible and will consider involvement of FERG in taking this work forward.
10. More detailed update on **ULET** will be provided at the next FERG meeting.
12. **Innovate UK** to provide an update on the results of the LEFT project at the next meeting.