LowCVP Work Programme 2014/15
Final

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LCV Expert Steering Group – 24 June 2014

Low Carbon Vehicle Partnership

Connect
Collaborate
Influence

LowCVP – Vision, Mission and Aims

Our aspiration is for ***Sustainable and efficient global mobility with zero life cycle impact***

We will work towards this by ***Accelerating a sustainable shift to low carbon vehicles and fuels and stimulating opportunities for UK businesses***.

Through:

- **Connecting** stakeholders to build understanding and consensus regarding the optimal pathways to low carbon road transport.
- **Collaborating** on initiatives that develop the market for low carbon vehicles and fuels.
- **Influencing** Government and other decision-makers on future policy directions and optimal policy mechanisms.

Work Programme Development

- Simplified presentation to highlight projects with external spend/substantial separately cost from support work.
- Focussed on each area of market and its relative position along a strategy/technology timeline or states of TRL or life-cycle impact.
- Where innovative approaches emerge (new fuels or vehicle categories or ownership approaches) to research the true environmental impacts prior to developing recommendations for further work.

- Aim to encourage progress in each area by:
  - **Accelerate the current market** for lower carbon vehicles and fuels through information and initiatives.
  - **Influence the policies** at every level to encourage growth of the markets in the right direction for lower carbon progressively from tailpipe through WTW and life-cycle.
  - **Build the understanding** and consensus on the pathways and challenges for the long term future of low carbon vehicles.

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LowCVP's work programme aims to support and help take forward OLEV and BIS strategies together with DfT objectives

Principles adhered to in developing the work programme

Overarching principles

Carbon

Air Quality

UK Growth

The themes of the OLEV strategy to focus on:

Focusing on inward investment and the supply chain

Technology neutrality

Working with the EU on ambitious but realistic regulation

Addressing market failure

Consistent communications

Areas which LowCVP is ideally positioned to focus on include:

Consumer information

Accreditation

Low Carbon Buses

Low Carbon Vans

Biofuels

Road Mapping Fuels and Infrastructure

Supporting DfT, OLEV and BIS on policy issues

SMEs and the automotive supply chain

Views sought in developing the work programme

- Input has been gathered from the Members Council
- Discussions have been held with various teams within DfT, BIS and OLEV
- Currently detailed project briefs are being developed through each of LowCVP's working groups
- A proposed work programme will be presented to Baroness Kramer

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LowCVP Work Programme 2014-15

	PRIORITY FOR FIRST SIX MONTHS	IDEAS FOR FUTURE WORK	
20/Mar	Understanding the issues	Influencing the policies	Accelerating the market
CARS	Car buyer research study	Low carbon cars policy guidance	
VANS			LEV Guide dissemination, on-line tool & microsite
HGV			Accreditation of low carbon HGV technologies
BUS		LCEB policy development study	Low Carbon Bus Symposium
FUELS	Advanced biofuel policy Infrastructure Roadmap	Policy options /timing for fuels to meet RED	E10 fuel - market preparation
INNOVATION	LEP best practice guide to Automotive SME innovation **** SMMT Environmental benefits of 'L' Cat Vehicles		Low Carbon Automotive directory Technology Challenge
VER ARCHI	GHG transport model	UK Auto success - Green Growth	LCA of a range of vehicle categories
Support work	Post 2020 CO2 target discussions, member engagement in support of OLEV Ad-hoc support to Tfl etc for ULEZ, technology assessment EU HDV CO2 Regulation Support? Gas Strategy support to Biofuels Ad hoc Suppport to Freight modelling and CB5 vision, Update of Emission factors	Survey of HGV use/carbon impact to inform modelling	Truck technology and Van Microsites Monitoring LCEB rollout/microsite + support to Bus Team

Innovation

The work of the Innovation Working Group will build on work to support SME/academic engagement by extending this activity to look at regional support for SMEs primarily with regard to Local Enterprise Partnerships. In addition following the successful L Category workshop LowCVP ran, the working group will look at the opportunity for small vehicles and further research needed.

LowCVP Project LEP SME innovation – Research best practice in regional support for SME innovation with particular regard to LEP activity – *N.B. Potential to collaborate with SMMT*

LowCVP Project L Category – research and develop the environmental and low carbon case for L category vehicles

Supporting activity

Support OLEV, DfT & BIS wrt policy development and funding bodies wrt calls.

Review and develop next Technology Challenge and maintain the Low Carbon Automotive Directory.

Buses

LCEB market well developed with WTW standards and range of technologies available, market support after Green Bus Fund is critical. Office for Low Emission Vehicles have agreed to provides funding for low emission buses from 2015. Details to be determined.

LowCVP Project Buses – Development policy/support systems to maintain the momentum for Low carbon buses in UK market.

Project opportunity – Dissemination of the progress made and opportunities available via a Bus symposium in Q3/4.

Supporting activity

Support for DfT bus team and OLEV in developing plans and securing State Aid approval for support mechanisms for LCEBs.

Continue to maintain and disseminate information via the LCEB microsite.

Trucks

Truck market just engaging with low carbon technology, still a challenge to get uptake of simple systems.

LowCVP Project Trucks – Development of robust accreditation scheme for low carbon technology and introduction of principles of CO_2/fuel consumption regulation.

Project opportunity – Dissemination of the progress made and opportunities available via a Truck symposium in Q3/4 (possibly in conjunction with Buses.

Supporting activity

Support to DfT analysts to model HGV market and LC solutions, support on HGV CO_2 regulation development. HGV task force continued role and gas strategy activity.

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Cars and Vans

ULEV market for cars is developing, central government and manufacturer support in place. Need for consistent regional support for ULEVs through local authorities. Van market still very slow.

***LowCVP Project Cars -** to gather and review the widest range of supporting policy opportunities for low carbon cars and to develop a coordinated approach to build a consistent tool box for local policies based on a national framework.*

LowCVP Project Vans – To disseminate the low emission van guide through workshops, developing a web-based tool and microsite for information.

Project opportunity – to research the car buying process from the perspective of what information and sources thereof are most influential to purchasers and choosers, in order to determine where best to focus the Low carbon messages.

Supporting activity

Engagement with DfT/OLEV in helping gather input to inform the position UK might take on Cars and CO2 policies post-2020/21 targets.

Fuels and Innovation

Fuels and energy need to work hand-in-hand with technology and infrastructure – joined up picture required.

LowCVP Project Fuels Policies – Policy options to deliver the fuels required to meet RED in 2020.

LowCVP Project Fuels Infrastructure – *Roadmap for fuelling/energy delivery infrastructure aligned to fuel and technology roadmaps. This project is intended to signpost priority areas for R&D support.*

Supporting activity

Supporting DfT wrt to policy development relating to Advanced Fuels, RED. Gas pathway development support. Dissemination of fuels roadmap. Continued work on E10 fuel implementation.

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Overarching activity

LowCVP needs to maintain a focus on LCA in long-term policy development and to ensure that the growth agenda retains a strong 'low carbon' element There is also the need for a robust LowCVP model to assess progress/scenarios.

LowCVP Project UK Auto Investment – research into the role of consistent low carbon focus in the success of the UK auto industry and inward investment.

LowCVP Annual Conference – Feature role of low carbon in UK growth and success.

Project opportunity – research into the LCA impact of a range of vehicle types and the sensitivity to specific aspects (mileage/ownership models etc)

Project opportunity – Development of GHG model for LowCVP internal use in assessing carbon impacts.

Supporting activity

Ad hoc expert support to members and key public bodies (TfL). Reviewing role of air quality in LowCVP work programme.

LowCVP Project LEP SME innovation

Aim

This project will identifying best practice in supporting and securing investment in low carbon technology developers for the automotive sector at a regional level and make recommendations on how to it might be improved to better support the aims of the Automotive Industry Strategy.

Objectives:

- Identify best practice in working regionally to encourage investment in the low carbon automotive sector.
- Make recommendations on how best practice can be replicated by LEPs at a regional level.
- Make recommendations as to how best the LEPs, SMEs and academia can link into the work of the APC and AIO.
- Disseminate results through the LEP Network, and regional partners and events.

LowCVP Project Fuels Infrastructure

Aim

To develop a consensus view of the infrastructure requirements to support ultra-low carbon vehicles and fuels and what measures are required to ensure the infrastructure is deployed.

Objectives:

1. To identify the infrastructure required to support ultra-low emission vehicles.
2. To identify barriers to infrastructure deployment and any technology breakthroughs required.
3. To make recommendations on how best to ensure infrastructure deployment is achieved and highlight areas for funding bodies to support technology R&D.
4. To input to DfT's Advanced Fuels Strategy, OLEV's plans to support the development of electric, methane and hydrogen refuelling infrastructure.

LowCVP Project UK Auto Investment

Aim

Research into the role of consistent low carbon focus in the success of the UK auto industry and inward investment.

Objectives

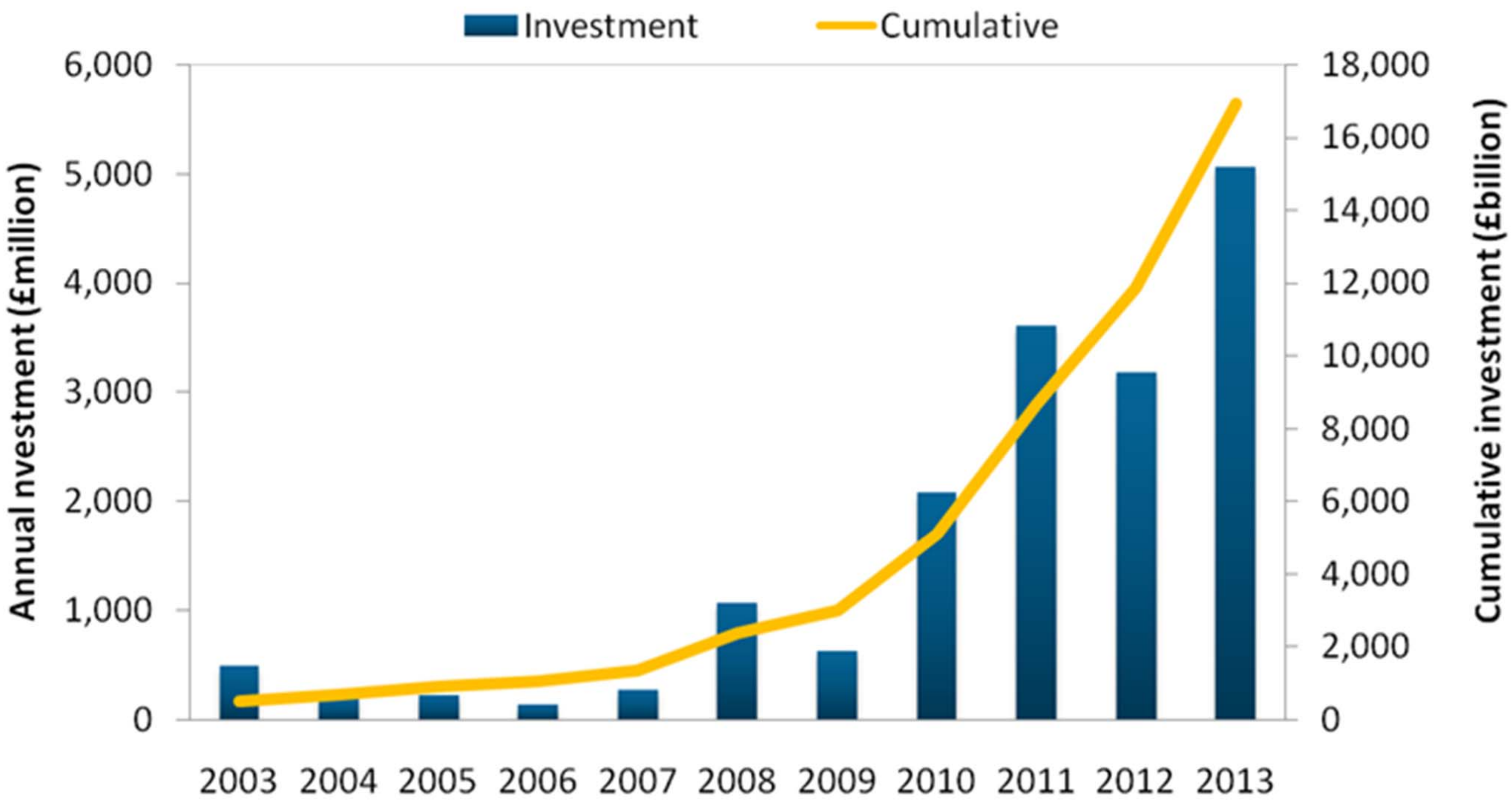
- To provide a comprehensive evidence base on low carbon investment in the UK automotive sector
- To examine whether there is a causal link between a consistently supportive policy and the apparent increase in the rate of low carbon investment in automotive and related production, research and development – including in the supply chain - over the last decade.
- To provide high level recommendations for future policy, which would serve to increase the attractiveness of the UK for inward investment into the low carbon automotive sector.

Key achievements

The last decade has witnessed a resurgence in the UK automotive industry:

- Average new car CO_2 emissions have fallen by 25% to drop below the critical threshold of 130 g/km
- Rapid recovery in new car production following the 2009 global financial crisis, reaching 1.5 million units in 2013
- Even stronger recovery in new car exports, reaching 1.25 million units in 2013
- Automotive sector turnover up to £59 billion by 2012
- Exports value up to £31 billion by 2012
- Major capacity expansions, new model programmes and reinvestments by Jaguar Land Rover, Nissan, Ford, Toyota, BMW and Vauxhall
- Aggregate productivity up strongly to 14 cars per person per annum
- 9 UK bus manufacturers with UK sales of 3,685 units in 2013; rapid uptake of low carbon buses with over 1,500 in service
- 291 unique low carbon investments by 85 different companies were catalogued for the period 2003-2013
- Confirmed total value of £17.6 billion in low carbon investments.

Value of low carbon investments by year



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Some of the evidence

"Investment decisions are always about more than incentives – policy and stability are vital."

Major vehicle manufacturer

"As a very small business with limited resources these [R&D support policies] have been the most important driver for the progress and development of the business and have enabled us to create very significant projects with other ambitious companies in the sector, with very positive outcomes and real opportunities for large scale commercial success."

Small engineering and research firm

"The Automotive Council has been working fantastically... and government genuinely listens."

Automotive company CEO, Automotive Council member

"Government policy context and strategic goals and targets will have a role to play in the investment decision making environment. It may not be the determining factor - but it will be evaluated positively or negatively."

Major automotive manufacturer

Draft Recommendations

- Policy frameworks are working well: it is important to keep the low carbon automotive apparatus in place and maintain a sense of urgency
- Strong emphasis should be placed on the transition from low carbon technology development to manufacturing
- The co-ordination between low carbon technology support and market stimulation can be improved in places
- Attracting further inward investment, especially from component suppliers, would increase UK resilience
- EU regulations are important to shaping a common automotive market and UK should exert a strong influence
- Future skills needs throughout the intellectual supply chain should be supported
- Low carbon policies need closer alignment with air quality issues
- A clear framework is required for heavy vehicle efficiency measurement and incentives
- A collaborative approach is needed to define the outlook for automotive fuels.

Thank you for your attention.

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