



# Stimulating the market for clean low carbon vehicles through Road User and Congestion Charging

**Greg Archer**

**Director**

**Low Carbon Vehicle Partnership**

**EAST Conference, 1<sup>st</sup> April 2005**

# Low Carbon Vehicle Partnership (LowCVP)

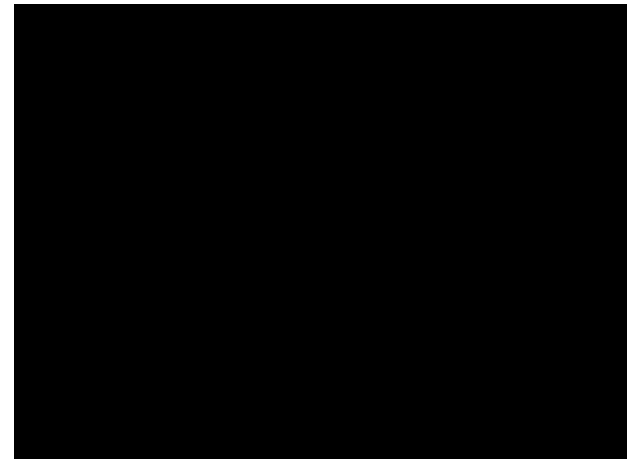
## Mission

*Promoting the shift to low carbon vehicles and fuels in UK*

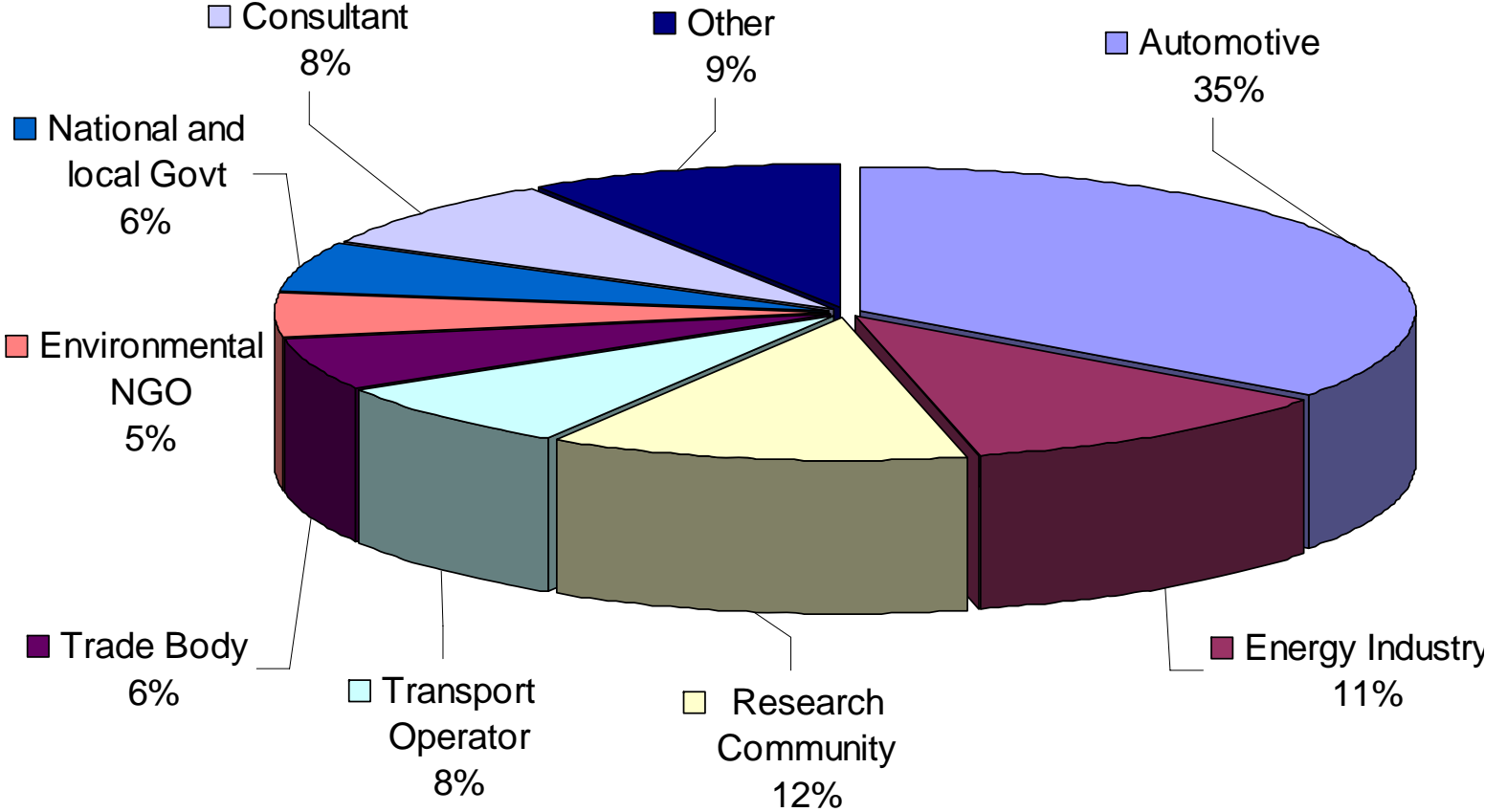
*Stimulating opportunities for UK businesses*

- Policy advice to Government
- Business forum & network
- Facilitator of voluntary industry action
- Research, development & demonstration

Over 150 members – and growing  
Automotive & oil industry, NGOs,  
motorists, academia, EST &  
Government (central/local)



# Over 150 LowCVP member organisations - and growing



# The UK in 2050

**Heavier winter rainfall**

**Summer droughts and water shortages (possibly by 2025)**

**Increased flooding in coastal areas**

**Forests affected by increased storm damage and new pests**

***“The world’s greatest environmental challenge: climate change”***

***Tony Blair PM***



# National policy & fiscal framework

## Powering Future Vehicles Strategy

2012 targets:

- 10% of new cars  $\leq 100\text{g CO}_2/\text{km}$
- 600 new buses at 30% lower CO<sub>2</sub>

Vehicle Excise Duty

Company Car Tax

Fuel duty differentials

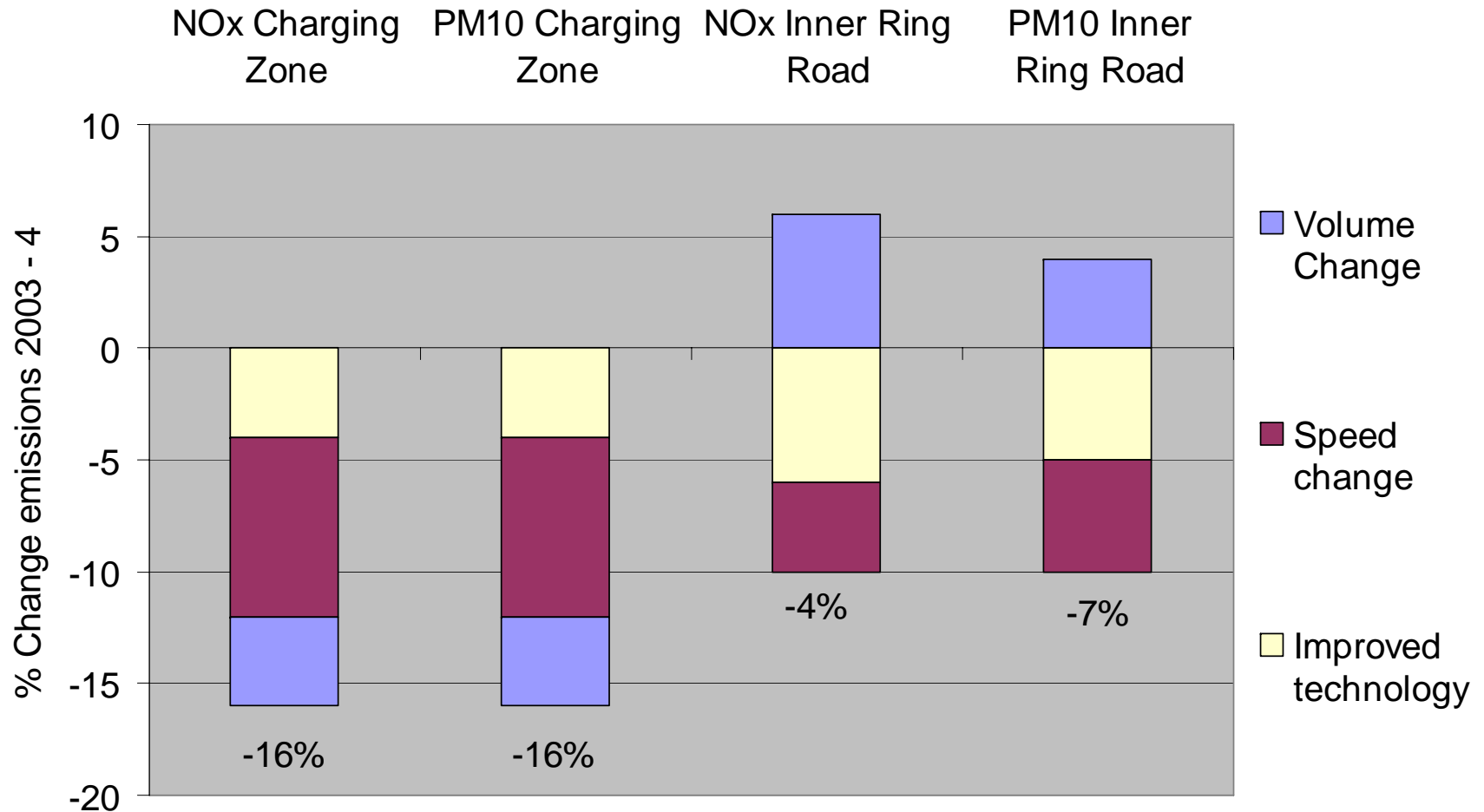
EST Transport Energy Grants

ECAs for low carbon vehicles  $\leq 120\text{g CO}_2/\text{km}$

Green Public Procurement



# Air quality emission reductions arising from the London Congestion Charge



# London Congestion Charging scheme Exemptions for clean vehicles

**Vehicles registered under the  
EST PowerShift Programme  
are exempt**

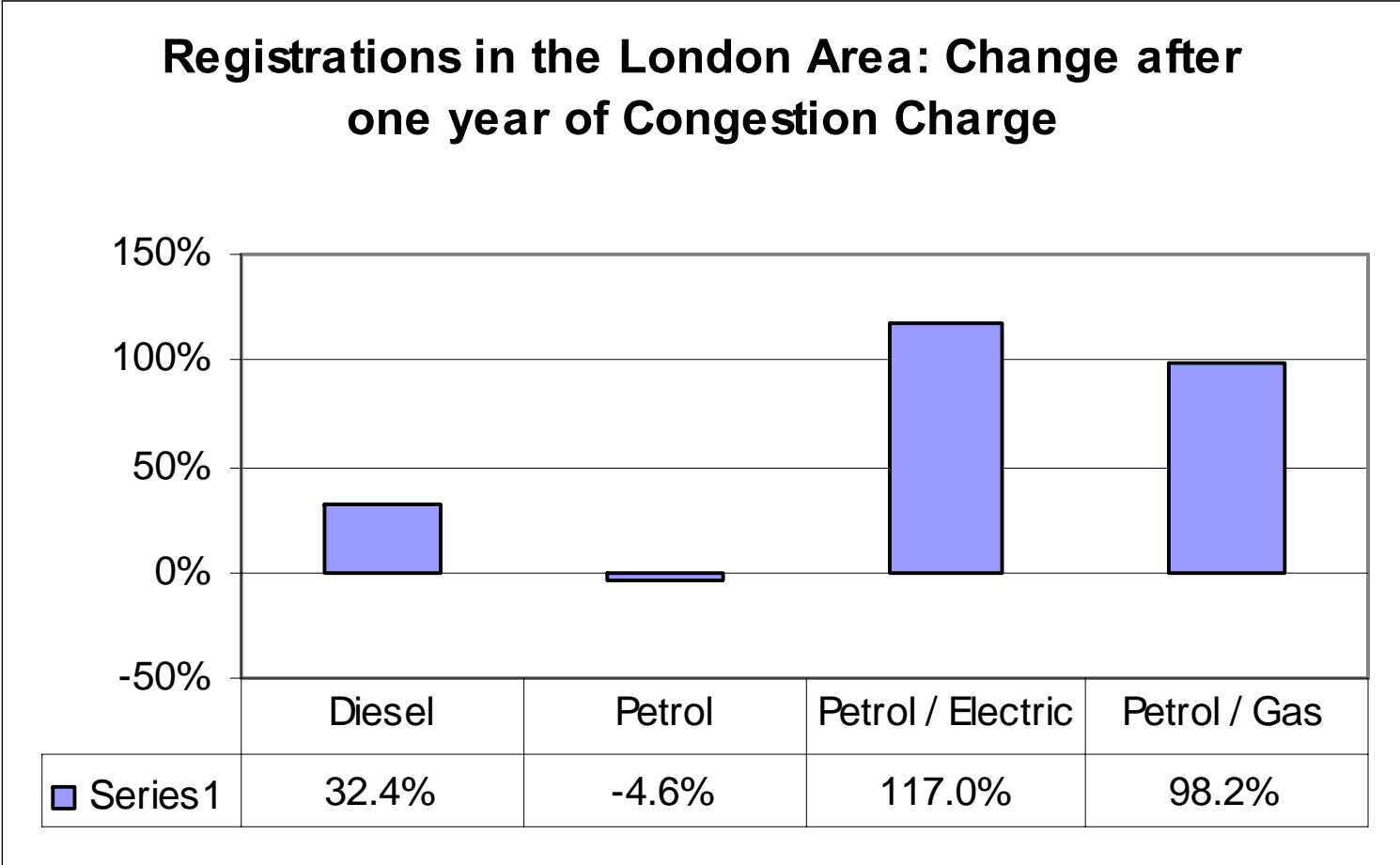
**Exemptions are for  
alternatively fuelled or  
powered vehicles**

- **NGV**
- **LPG**
- **Hybrid vehicles**
- **Electric vehicles**

**NEW: £24m for revised  
Transport Energy  
Programmes in 2005/06**



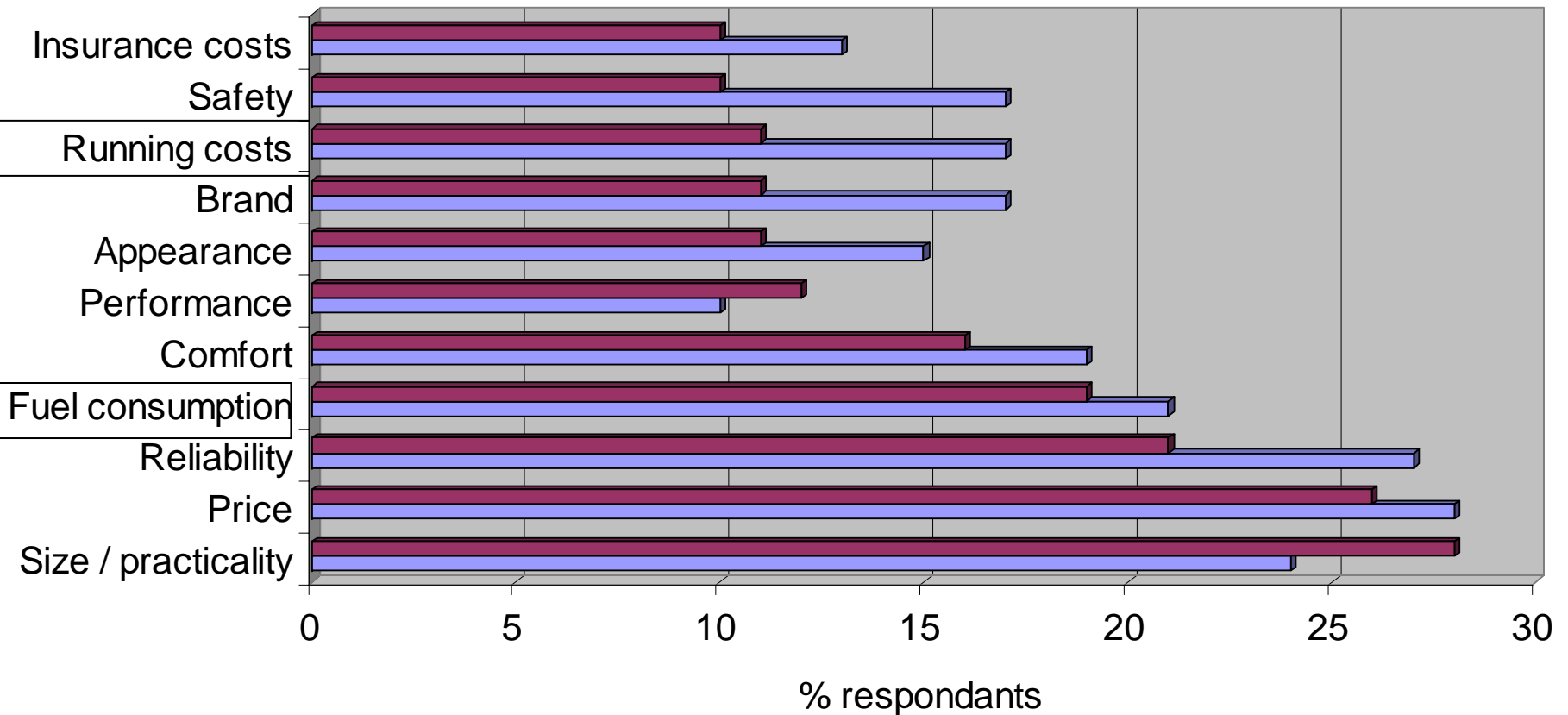
# CC exemption increases AFV registrations





# Kick starting the market for clean vehicles

## Important factors in selecting a new car



■ Next car ■ Present car

Comparative Colour Coded labels for Passenger cars, DfT, 2003

# Colour-coded car labelling scheme

**Voluntary Scheme to be launched in summer 2005**

**Collaboration between LowCVP, Government, SMMT and NGOs**

**Bands linked to UK Vehicle Exercise Duty CO2 categories**

**Running cost information (Annual fuel cost & VED)**

<b>Fuel Economy</b>		Ford Focus 1.6 TDCi (110ps) GHIA
<p>CO<sub>2</sub> emission figure (g/km)</p>		<b>C 127g/km</b>
<p><b>Fuel cost (estimated) for 12,000 miles</b>  <small>A fuel cost figure indicates to the consumer a guide fuel price for comparison purposes. This figure is calculated by using the combined drive cycle (town centre and motorway) and average fuel price. Re-calculated annually, the current cost per litre is as follows – petrol 78p, diesel 78p and LPG 88p (VCA May 2004).</small></p>		<b>£694</b>
<p><b>VED for 12 months</b>  <small>Vehicle excise duty (VED) or road tax varies according to the CO<sub>2</sub> emissions and fuel type of the vehicle.</small></p>		<b>£115</b>
<b>Environmental Information</b>		
<p>A guide on fuel economy and CO<sub>2</sub> emissions which contains data for all new passenger car models is available at any point of sale free of charge. In addition to the fuel efficiency of a car, driving behaviour as well as other non-technical factors play a role in determining a car's fuel consumption and CO<sub>2</sub> emissions. CO<sub>2</sub> is the main greenhouse gas responsible for global warming.</p>		
<p>Make/Model: <b>Ford Focus 1.6 TDCi (110ps) GHIA</b>                      Fuel Type: <b>Diesel</b></p>		<p>Engine Capacity (cc): <b>1560</b>                      Transmission: <b>5 speed manual</b></p>
<b>Fuel Consumption:</b>		
Drive cycle	Litres/100km	Mpg
Urban	6.2	45.6
Extra-urban	4.0	70.6
Combined	4.8	58.9
<p><b>Carbon dioxide emissions (g/km): 127g/km</b>  <b>Important note:</b> Some specifications of this make/model may have lower CO<sub>2</sub> emissions than this. Check with your dealer.</p>		



# Biofuels accreditation scheme

**Biofuels can help reduce GHG impact of road transport**

**BUT: not all biofuels are the same**

**Biofuels accreditation:**

- **Auditing of biofuels GHG balance**
- **Sustainable biomass production**

**Encourage market for most environmentally-friendly biofuels & innovation**

**Tool for fiscal & regulatory incentives**



# Summary

**Climate change is relevant to Local Authorities**

**National fiscal incentives for low carbon choices are in place**

**New round of Local Transport Plans – opportunity**

**Congestion charging + exemptions for low carbon vehicles: effective tool for LAs**

**Less congestion =  
Better air quality = Less CO2**





Thank you

**Low Carbon Vehicle Partnership**

**17 Queen Anne's Gate**

**London SW1H 9BU**

**Tel: 020 7222 8000**

**Email: [secretariat@lowcvp.org.uk](mailto:secretariat@lowcvp.org.uk)**

**Web: [www.lowcvp.org.uk](http://www.lowcvp.org.uk)**