

Partnership Activities: July – October 2006/7

This paper provides an update on LowCVP activities since July. It is provided for information only.

The following highlights are identified:

- Meeting with the Secretary of State for Transport and Shadow Environment Minister
- Partnership provides influential input to EAC inquiry “Reducing transport carbon emission”
- Partnership leads the development of environmental assurance of biofuels & appoints Jessica Chalmers as Fuels Programme Manager
- LowCVP hosts a programme of successful party conference activities
- Membership grows to 225.

Many Partnership members will also be delighted to learn that former Deputy Director, Konstanze Scharring, gave birth to a girl, Johanna on the 9th June. Both are doing well.

1. Ministerial and Shadow meetings held

The LowCVP Chairman and Director were invited to brief the new Transport Secretary of State, Douglas Alexander, in July. The meeting enabled the Partnership to inform the SoS about the work and achievements of the Partnership including:

- Support for the development of the Renewable Transport Fuels Obligation
- Successful launch and establishment of Cenex
- Roll-out of the car labelling scheme
- LowCVP Road Transport “Challenge.”

We also highlighted a number of issues of concern to members including:

- Lack of progress towards the Powering Future Vehicle Strategy targets
- Inadequate incentives and policies to encourage private consumers to buy low carbon cars
- Weakness of consumer information programmes
- Slow rate of progress towards improving new car CO₂ emissions - 1% pa
- Absence of market drivers for low carbon buses – and barriers to market introduction created by current BSOG arrangements
- The relative scale of UK incentives for low carbon cars compared too many other countries.

The SoS listened attentively and confirmed the DfT would consider carefully the Partnership’s thoughts on the review of the Powering Future Vehicles Strategy.

The Director, with the Cenex Chairman, also met with Shadow Environment Minister (Peter Ainsworth) in July. The Director briefed the Shadow Minister on recent Partnership achievements focussing upon the car label and input to the development of the sustainability assurance as part of the RTFO. The Partnership, through its Director, is also participating in the Quality of Life Commission established by David Cameron as part of the transport group.

The Partnership Director also attended a meeting hosted by Saab and EST with John Healey – Treasure Secretary at the Labour Party Conference. The meeting was held to discuss incentives for flex-fuelled vehicles and a follow-up discussion is planned.

The Director and Chairman also met the Shadow Transport Minister, Chris Grayling, during a tour of low carbon vehicles displayed at the Conservative Party Conference and arranged by the LowCVP (further information available in Board-P-06-39).

A meeting is also scheduled with Ian Pearson, Environment Minister, in October.

2. Partnership provides influential input to the EAC Inquiry

The Partnership has provided an influential contribution to the Environmental Audit Committee Inquiry – Reducing Carbon from Transport Emissions. Several of the report's recommendations (that were published in August) were highlighted by LowCVP within its submission (BOARD-P-06-13) including:

- The need for DfT to urgently accelerate its efforts and prioritise more highly reducing transport emissions
- Uncertainty in future emissions projections
- The weakness of the current policy package to support the market for low carbon vehicles and failure to make progress towards Powering Future Vehicles Strategy Targets
- The need for a sector-specific transport GHG emissions target that DfT is responsible for delivering
- The modest rate of progress (c.1% pa) in reducing new car CO₂ emissions and high emissions compared to other EU member states
- The lack of incentives and the barriers to the introduction of low carbon buses created by current BSOG arrangements.

3. Partnership presents recommendations on Powering Future Vehicle strategy to PFV Steering Group

The Partnership has completed its review of the Powering Future Vehicle strategy, which was approved by the Board at their meeting on 24 October. The Partnerships agreed position is available from the LowCVP website (BOARD-P-06-41). The Partnership presented the recommendations to the PFV Steering Group, an interdepartmental committee overseeing the review of the PFV within Government, which is chaired by Malcolm Fendick of DfT.

In summary the Partnership fully supports the objectives of the current Strategy but does not believe they are currently being achieved. The Partnership calls for four issues specifically to be addressed:

1. Further support should be provided for research, development and demonstration.
2. Effective incentives are needed to encourage manufacturers to bring to market low carbon models, and to stimulate the market for low carbon fuels.
3. The framework for vehicle taxation needs to be amended to stimulate a self-sustaining market for low carbon vehicles.
4. An effective communications campaign should inform the public about the contribution of car use to climate change and the options, and benefits to motorists, of reducing emissions.

4. Partnership leads the development of environmental assurance of biofuels & appoints Jessica Chalmers as Fuels Programme Manager

The Partnership is continuing to lead the development of environmental assurance and reporting of biofuels with several major initiatives during the summer including:

- Completion of a study to develop draft environmental standards for biofuels and agreement on the key finding.
- Input to the EC consultation on the review of the Biofuels Directive (Board P-06-37)
- Management of DfT work to prepare reporting technical guidance on sustainability assurance and carbon certification of biofuels within the RTFO.

Further details have been attached in a separate paper (Board-P-06-38).

In response to the Partnership's extensive programme of work on biofuels sustainability the DfT is providing additional funding for a programme manager. Following an extensive selection process, Jessica Chalmers joined LowCVP on 25th September.

Jessica completed an MSc in Environmental Technology at Imperial College in 2004. Focussing on energy policy, her research explored the potential for advanced biofuel production technologies in the UK. Jessica then joined Bronzeoak Limited with project management responsibilities for multidisciplinary projects developing a portfolio of cogeneration and ethanol distillery complexes for bio-ethanol production in South East Asia using biomass resources, primarily sugarcane, as feedstock. Providing the key link between a network of stakeholders including engineers, investors, government departments and banks, Jessica also managed the technical consultants and the project CDM registration. Prior to postgraduate study, Jessica co-ordinated the development of the strategy unit from the merger of five UK telecommunications regulators.

5. LowCVP undertakes programme of party conference activities

LowCVP has organised a fringe events at each party conference, in collaboration with Transport2000. The event, *"Powering Future Vehicles: Can road transport rise to the climate challenge?"* was well attended at each conference.

Each event was held at the **Climate Clinic**: a new coalition of leading environmental NGOs, low-carbon energy trade associations, public bodies and think-tanks collaborating to put climate change at the heart of this year's party conferences. The LowCVP was one of 18 founder members of the Climate Clinic that hosted a comprehensive programme of fringe and special events at a dedicated venue for each conference.

The LowCVP/T2000 events were chaired by Geoffrey Lean, Environment Correspondent at the Independent and included speakers from ministers / shadows plus Stephen Joseph, Director of Transport 2000 and either the Director, Deputy Director or Chair of LowCVP. At the

- **Liberal Democrat Conference** – The key note address was made by Alistair Carmicheal, (Shadow Transport Minister)
- **Labour Party Conference** – The key note address was made by Stephen Ladyman (Transport Minister)
- **Conservative Party Conference** – The key note address was made by Tim Yeo, MP (Chair of Environmental Audit Committee)

Members of the Secretariat also chaired events run by EST & Saab focused on biofuels at each of the conferences.

6. Membership

Membership of LowCVP has now reached 225 members as the result of the active programme of communications activities being pursued by the Partnership. Requests for membership which have been approved since 1st July are:

1. University of Glamorgan
2. Green Bean Energy
3. West Country Vending Service Ltd.
4. TMO Renewables Ltd.
5. Blooming Futures Ltd.
6. Environmental Industries Commission (EIC)
7. Tesco.com
8. MacPherson Motor Company
9. Biotech Services Ltd.
10. Renew Biofuels Ltd.
11. Scottish Executive
12. Institute of Biotechnology, Cambridge University
13. NICE Car Company
14. Clean Air Power
15. Tech Exec Ltd

7. Communication activities

LowCVP representatives have spoken at the following events since July:

- 3/7 LowCVP seminar at the Climate Change Solutions Conference
- 11/7 NSCA Biogas Conference (Director Chaired)

Future planned speaking events are:

- 18/10 HGCA/REA Biofuels Conference
- 6-7/11 IMechE Cost Effective Low Carbon Powertrains for Future Vehicles (session chair)
- 15/11 Dutch Biofuels Conference
- 22/11 HGCA/REA Biofuels Conference
- 29-30/11 Biofuels Investment and Finance (panel member)
- 6-11/3 World Biofuels Congress

A Parliamentary Briefing, to accompany this year's party conference activities, has been prepared and issued to MPs and other decision makers on key developments in the low carbon vehicles and fuels markets and LowCVP activities.

Work is also progressing on a major revamp of the LowCVP website along with a re-design of the LowCVP newsletter. This will be presented at the Board Meeting.

8. Other Activities

The Secretariat has participated in a range of other member / government lead activities including:

- 3/7 DTI Advanced Biofuels Seminar
- 4/7 RSA lunch – carbon trading.
- 12/7 Motor Industry Awards as guest of Freight Best Practice Programme
- 13/7 Reception for Conservative Quality of Life participants
- 18/7 National Transport Awards Dinner
- 19/7 Attended presentation by Lewis Booth (Ford) at British International Motor show and visited displays
- 31/7 Attended SDC showing of “An Inconvenient Truth”
- 24/8 Cenex Board meeting
- 30/8 Meeting with Dutch Environment Ministry to discuss biofuels
- 7/9 Deputy Director spoke at an event for key leasing clients of Toyota GB
- 13/9 Deputy Director attended a low carbon vehicles conference organised by T&E in Brussels.
- 12-13/10 Bioenergy Conference - Bonn

8. Working Group Activities

Details of the current work program are described in paper Board-P-06-35. Issues addressed during the most recent meeting are detailed below.

8.1 Passenger Cars Working Group

The Passenger Cars Working Group met on the 7th September. The meeting discussed:

- Low CVP response to the PFV Review
- Forthcoming DfT Communications strategy
- LowCVP and SMMT activities to take forward the Integrated Approach
- Road User Charging
 - TfL presentation on their Low Carbon Transport Strategy
 - SMF presentation on their Road User Charging Study
- EST Market Transformation Model

The PCWG has on-going sub-groups concerned with:

- Vans
- Influencing consumer attitudes
- Road User Charging and exemptions to the London Congestion Charge
- Fleets.

8.2 Fuels Working Group

The FWG met on the 5th October. The meeting discussed:

- Proposed scheme design for the RTFO (Presentation from the Dft)
- Carbon certification as part of the RTFO (Presentation from E4tech)
- Greenergy Carbon Declaration (Presentation by Greenergy)
- Environmental & Social Reporting as part of the RTFO
- Draft Environmental Standard for Biofuels & proposed position paper
- ECAs for biofuel plant (Presentation by DEFRA and Treasury)
- Infrastructure Programme (Update by EST).

The work programme is currently focussed on biofuels sustainability issues.

8.3 Bus Working Group

The Bus Working Group met on 8th June. The meeting discussed:

- Statement from DfT on the decision not to proceed with the Low Carbon Bus Programme.
- A review of the first draft of the road map to achieve the Powering Future Vehicles bus target of 600 low carbon buses by 2012.
- A peer review of the market transformation model developed by Element Energy and Ricardo and funded by EST. This included technology impact on bus attributes, bus market procurement and model calibration.

Due to time being allocated to discussing the announcement by the DfT on the Low Carbon Bus Programme a number of agenda items were held over to the next meeting. These were:

- Presentation by Allison on their experience of introducing hybrid buses in the USA.
- A paper by Andrew Robinson on opportunities and barriers to low carbon buses.
- A discussion on the future work plan of the Bus Working Group.

The Working Group has one sub-group currently which is taking forward the work on the road map.

8.4 Commercial Vehicles Working Group

Working Group met on the 14th September and considered:

- Powering Future Vehicles review
- CVWG work plan
 - Technical road map – LowCVP will be seeking funding to take forward this work
 - Testing to assess CO₂ from commercial vehicles
 - 100% Enhanced Capital Allowances
- Market Transformation Modelling.

8.5 Innovation Working Group

The Working Group met on 19th July. The meeting considered:

- Input to the PFV paper focussing on supply chain targets
- UK innovation systems for low carbon
- Future work programme – it was agreed to develop a road map of opportunities and issues and how they should be addressed to help the UK supply chain benefit from low carbon vehicle markets

8 Future LowCVP meetings and principal activities

Dates for future activities and meetings:

18 th Oct.	HGCA/REA Event
24 th Oct.	Board Meeting
27 th Oct	Consumer Attitudes sub working group meeting
31 st Oct	ETAC meeting
1 st Nov.	Bus Working Group Meeting
6 – 7 th Nov	Powertrain Conference
9 th Nov	Passenger Car Working Group
15 th Nov	Dutch Biofuels Conference
29 th Nov	Innovation Working Group Meeting
5 th Dec.	Government Liaison Meeting
7 th Dec.	Fuels Working Group Meeting
13 th Dec.	Steering Group Meeting