

## Work Programme – 2010-11

This paper describes the current work programme for 2010-11. The programme has been agreed with funders but ongoing adjustments are possible. The paper is provided for agreement.

### 1 Introduction

The 2010-11 Work Programme has been developed in parallel with the new LowCVP Strategy, structured around the 6 identified themes:

- Incentivising and informing lower carbon choices for cars
- Building the market for lower carbon commercial and public service vehicles
- Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies
- Tackling market barriers to the use of lower carbon fuels
- Monitoring progress and defining pathways to low carbon transport
- Enhancing stakeholder knowledge and understanding.

Within the programme a balance has also been sought between projects and activities to:

- Increase understanding (Research)
- Deliver practical initiatives (Initiative)
- Enable strengthened policy or programmes (Policy enabling)
- Monitor and evaluate progress (Monitoring)
- Disseminating knowledge or Partnership views (Dissemination).

A breakdown of staff and financial resources allocated to delivering the work programme is summarised below.

| Item   | Total 2009/10    | Total 2010/11    |
|--|------------------|------------------|
| Total staff resources (Days)                                   | 1380             | 1207             |
| Total budget (£)   | £787k            | £723             |
|  |                  |                  |
| Staff resources for delivery of projects (Days)                | 575 <sup>1</sup> | 560 <sup>2</sup> |
| Staff resources for delivery of external communications (Days) | 389              | 267              |
|  |                  |                  |
| Budget for projects (£)  | £142             | £139             |
| Budget for external communications (£)                         | £55k             | £42k             |

<sup>1</sup> Includes 100 days for upgrading on contact management system

<sup>2</sup> Includes 114 days of communications projects

In 2009-10 over 95% of available work programme resources was allocated within the original programme agreed with DfT/BIS. This created operational inflexibility and an inability to respond to the rapidly changing policy environment in which LowCVP operates. For 2010-11 it has been agreed to define a work programme for the first half of the year and illustrative programme for the second half. The programme for the first half of 2010-11 requires a budget of £87k and 215 man-days of Secretariat resources and can be delivered within the available resources.

The programme for the second half of 2010-11 will be finalised during summer 2010 by the Members Council, Board and funders. The illustrative work programme for the second half of 2010-11 requires LowCVP to secure additional income of £150k (half of which is in the process of being agreed with Freight Logistics Division). To deliver the illustrative programme LowCVP will be required to identify potential project co-funders and sponsors from across the membership and Government Departments and Agencies. One positive outcome of this should be better coordination of different activities across Government and with LowCVP. Projects that are unable to identify the necessary additional resources will be re-scoped, postponed or cancelled and alternative projects

proposed for the second half of 2010-11 that do not require a financial budget and can be undertaken exclusively using Secretariat and member resources. In this way LowCVP has been able to propose an ambitious programme for 2010-11 on the understanding funding restrictions may require this to be subsequently revised.

## **2 Work Programme 2010-11**

The work programme for 2010-11 is categorised in each of the 6 themes of LowCVP activity in the sections below. The project descriptions are annexed for the first five themes.

## 2.1 Incentivising and informing lower carbon choices for cars

This programme area builds upon LowCVP's extensive and successful activities to strengthen consumer information through showroom labelling, advertising and marketing best practice. Activity in this area for the coming year is proposed to build upon 2009-10 activities and will initially focus upon: compiling evidence ahead of the European Commission's review of the Labelling Directive; disseminating the best practice in environmental marketing guide; stimulating uptake of the used car label; and developing engagement with local authorities. LowCVP would also undertake scoping activities for projects designed to commence in the second half of 2010-11 subject to these proving viable and securing the necessary support. The projects proposed to take this activity forward are shown below and described in more detail in the annex.

| Incentivising and informing lower carbon choices for cars            | Core Funding |           | Additional  |           | Total       |            | Activity                      |
|--|--------------|-----------|-------------|-----------|-------------|------------|-------------------------------|
|  | Budget (£k)  | Days      | Budget (£k) | Days      | Budget (£k) | Days       |                               |
| <b>Projects proceeding (months 1-6)</b>                              |              |           |             |           |             |            |                               |
| Informing the development of improved vehicle labelling              | £8           | 20        | £0          | 0         | £8          | 20         | Policy enabling/Dissemination |
| Changing car buyers' attitudes and behaviour - scoping study         | £0           | 10        | £0          | 0         | £0          | 10         | Research                      |
| Promotion of the used car label                                      | £0           | 5         | £0          | 20        | £0          | 25         | Initiative                    |
| Stimulating activity by local authorities                            | £5           | 20        | £0          | 0         | £5          | 20         | Dissemination                 |
| <b>Total Months 1-6</b>  | <b>£13</b>   | <b>55</b> | <b>£0</b>   | <b>20</b> | <b>£13</b>  | <b>75</b>  |                               |
| <b>Projects proposed (full year)</b>                                 |              |           |             |           |             |            |                               |
| Changing car buyers' attitudes and behaviour                         | £15          | 15        | £20         | 0         | £35         | 15         | Research                      |
| Disseminating best practice in environmental marketing with Partners | £5           | 20        | £0          | 20        | £5          | 40         | Initiative/Dissemination      |
| 18-month evaluation of the used car label                            | £0           | 5         | £0          | 20        | £0          | 25         | Initiative/Monitoring         |
| <b>Total Year</b>  | <b>£33</b>   | <b>95</b> | <b>£20</b>  | <b>60</b> | <b>£53</b>  | <b>155</b> |                               |

\* Expected to form part of the in kind contribution from the motor industry via SMMT and RMIF

\*\* Expected to form part of the in kind contribution from the motor industry via SMMT

## 2.2 Building the market for lower carbon commercial and public service vehicles

LowCVP has, and continues to undertake, a broad spectrum of work on low carbon buses, trucks and vans. While work on buses will reduce from the high level of activity in recent years, activity relating to light and heavy commercial vehicles will increase significantly and has been identified as a priority for DfT. It is proposed that during the first half of 2010-11 activity will focus on: supporting local policy enablement for buses; and developing definitions of low carbon HGVs. Activity for the rest of the year would focus identifying barriers and how to overcome these for HGVs and consumer information for vans.

Within the current financial constraints outlined in this paper it will be impossible for the LowCVP to support all the activity relating to trucks which the Freight Logistics Division of DfT sees as a high priority. In particular the LowCVP does not have the resources to undertake the projects on overcoming barriers for Low Carbon HGVs in this theme without additional resources being made available. We understand that FLD intend to fund this activity as an extension to the agreed core budget.

| Building the market for low carbon commercial and public service vehicles | Core Funding |           | Additional  |           | Total       |            | Activity        |
|---|--------------|-----------|-------------|-----------|-------------|------------|-----------------|
|   | Budget (£k)  | Days      | Budget (£k) | Days      | Budget (£k) | Days       |                 |
| <b>Projects proceeding (months 1-6)</b>                                   |              |           |             |           |             |            |                 |
| Low Carbon HGV - Evidence Base  | £0           | 20        | £0          | 0         | £0          | 20         | Policy enabling |
| Low Carbon HGV – Overcoming barriers (a)                                  | £0           | 0         | £35         | 40        | £35         | 40         | Policy enabling |
| Low carbon bus local transport policy toolkit                             | £18          | 10        | £0          | 0         | £18         | 10         | Policy enabling |
| <b>Total Months 1-6</b>   | <b>£18</b>   | <b>30</b> | <b>£35</b>  | <b>40</b> | <b>£53</b>  | <b>70</b>  |                 |
| <b>Projects proposed (full year)</b>                                      |              |           |             |           |             |            |                 |
| Low Carbon HGV – Overcoming barriers (b)                                  | £0           | 0         | £39         | 40        | £39         | 40         | Policy enabling |
| Policy development for low carbon vans                                    | £4           | 30        | £0          | 0         | £4          | 30         | Policy enabling |
| <b>Total Year</b>   | <b>£22</b>   | <b>60</b> | <b>£74</b>  | <b>80</b> | <b>£96</b>  | <b>140</b> |                 |

\* FLD division of DfT procuring directly

\*\* FLD division of DfT assumed to be providing additional funding

## 2.3 Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies

Since its creation LowCVP has undertaken a diverse portfolio of work to support research activities and supply chain companies with early work focused on supporting the successful establishment of Cenex and support the development of the Low Carbon Transport Innovation Strategy. Activities to support innovation in the sector have comprised a larger element of the work programme in recent years with a range of valuable outputs including the Technology Challenge, work on engaging with investors including creating networking opportunities. It is proposed to continue this area of activity by support for cleantech automotive SME's. In addition, the Partnership will seek additional funding in order to undertake projects to help strengthen the UK supply chain for low carbon automotive technologies. This is an area of activity which both BIS and the Office for Low Emission Vehicles have expressed interest in.

One project will require additional funding in order to be implemented in full. Since this has yet to be secured we propose to undertake initial scoping activity to develop the Partnership's proposal and help draw out potential co-funders. If further funding is not available the Partnership's investment in this activity will be constrained in the second half of the year.

| Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies | Core Funding |           | Additional  |          | Total       |           | Activity   |
|--|--------------|-----------|-------------|----------|-------------|-----------|------------|
|  | Budget (£k)  | Days      | Budget (£k) | Days     | Budget (£k) | Days      |            |
| <b>Projects proceeding (months 1-6)</b>  |              |           |             |          |             |           |            |
| New Approaches to strengthening support available to cleantech companies                               | £6           | 20        | £0          | 0        | £6          | 20        | Research   |
| Strengthening the UK's Low Carbon Automotive Supply Chain  | £35          | 20        | £0          | 0        | £35         | 20        | Research   |
| <b>Total Months 1-6</b>  | <b>£41</b>   | <b>40</b> | <b>£0</b>   | <b>0</b> | <b>£41</b>  | <b>40</b> |            |
| <b>Projects proposed (full year)</b>   |              |           |             |          |             |           |            |
| Update Low Carbon Automotive Directory   | £0           | 10        | £0          | 0        | £0          | 10        | Research   |
| Technology Challenge – Commercial Vehicle Aftermarket  | £9           | 25        | £11         | 0        | £20         | 25        | Initiative |
| <b>Total Year</b>  | <b>£50</b>   | <b>75</b> | <b>£11</b>  | <b>0</b> | <b>£61</b>  | <b>75</b> |            |

## 2.4 Tackling market barriers to use of lower carbon fuels

One of LowCVP's principal achievements has been its development of accreditation systems to distinguish more sustainable biofuels. With the creation of the Renewable Fuels Agency, LowCVP's role in promoting sustainable biofuels along with the balance in the work programme between biofuel issues and other energy vectors is being re-evaluated. Initially in 2010-11 the focus will remain on biofuels and in particular activity should focus on supporting the implementation of the Renewable Energy Directive (RED) and the Fuel Quality Directive (FQD) into UK law and the EU consultation on Indirect Land Use Change (ILUC). Currently it is not apparent when the European Commission will undertake the consultation on the ILUC. Should the Commission undertake this consultation prior to the autumn the Partnership will initiate the 'Input to the EU ILUC consultation' project immediately.

| Tackling market barriers to use of lower carbon fuels                      | Core Funding |           | Additional  |          | Total       |           | Activity        |
|--|--------------|-----------|-------------|----------|-------------|-----------|-----------------|
|  | Budget (£k)  | Days      | Budget (£k) | Days     | Budget (£k) | Days      |                 |
| <b>Projects proceeding (months 1-6)</b>                                    |              |           |             |          |             |           |                 |
| Support for the implementation of the RED & FQD                            | £0           | 20        | £0          | 0        | £0          | 20        | Policy enabling |
| Biomass for power, transport and heat – equalisation of benefits (scoping) | £0           | 5         | £0          | 0        | £0          | 5         | Policy enabling |
| Input to the EU ILUC consultation  | £5           | 15        | £0          | 0        | £5          | 15        | Policy enabling |
| <b>Total Months 1-6</b>  | <b>£5</b>    | <b>40</b> | <b>£0</b>   | <b>0</b> | <b>£5</b>   | <b>40</b> |                 |
| <b>Projects proposed (full year)</b>                                       |              |           |             |          |             |           |                 |
| Biomass for power, transport and heat – equalisation of benefits           | £0           | 20        | £25         | 0        | £25         | 20        | Policy enabling |
| <b>Total Year</b>  | <b>£5</b>    | <b>60</b> | <b>£25</b>  | <b>0</b> | <b>£30</b>  | <b>60</b> |                 |

## 2.5 Monitoring progress and defining pathways to lower carbon transport

Independent monitoring of the effectiveness of policy has been an important part of LowCVP's historic role, most notably input to the review of the Powering Future Vehicles Strategy and recommendations for amendments to targets (still pending). The broad membership of the Partnership is providing an invaluable resource from which to canvass informed opinion and evidence on policy and programme effectiveness. In addition, it is important for the Partnership to effectively input to Government climate-transport policy both as an expert reviewer and to build consensus on the most promising solutions.

|  | Core Funding |           | Additional |           | Total       |            | Activity        |
|--|--------------|-----------|------------|-----------|-------------|------------|-----------------|
|  | Budget (£k)  | Days      |            |           | Budget (£k) | Days       |                 |
| <b>Projects proceeding (months 1-6)</b>          |              |           |            |           |             |            |                 |
| Synergies between road safety and climate change | £10          | 20        | £0         | 20        | £10         | 40         | Policy enabling |
| Alternative life cycle metrics to tailpipe CO2   | £0           | 30        | £0         | 0         | £0          | 30         | Research        |
| <b>Total Months 1-6</b>                          | <b>£10</b>   | <b>50</b> | <b>£0</b>  | <b>20</b> | <b>£10</b>  | <b>70</b>  |                 |
| <b>Projects proposed (full year)</b>             |              |           |            |           |             |            |                 |
| Road transport technologies 2020-2030            | £10          | 30        | £20        | 0         | £30         | 30         | Research        |
| <b>Total Year</b>                                | <b>£20</b>   | <b>80</b> | <b>£20</b> | <b>20</b> | <b>£40</b>  | <b>100</b> |                 |

## 2.6 Enhancing stakeholder knowledge and understanding.

The LowCVP's communications activities support the Partnership's overall strategy. They are designed to facilitate communications between key stakeholder groups and with policy-making and policy-forming organisations within and outside government. Increasingly LowCVP communications focus on disseminating the opportunities arising from low carbon vehicles and fuels to increase market demand. A small element of the programme The Secretariat also seeks to ensure that member organisations and other stakeholders are aware of the aims, role and achievements of the LowCVP. The LowCVP Secretariat maintains member and stakeholder databases and uses these as the basis for communications activities. Support for these functions has been enhanced to reflect the LowCVP's recent move to incorporated status. The LowCVP Secretariat team also takes part in a wide range of third-party events as speakers, exhibitors and partners. Specific communications-related projects include:

|   | Core Funding |            | Additional |      | Total       |            | Activity      |
|---|--------------|------------|------------|------|-------------|------------|---------------|
|   | Budget (£k)  | Days       | Budget     | Days | Budget (£k) | Days       |               |
| <b>Projects proceeding (months 1-6)</b>   |              |            |            |      |             |            |               |
| Annual conference & awards dinner*  | -£5          | 40         | £47k       |      | £42         | 40         | Initiative    |
| LowCVP Awards   | £2           | 5          |            |      | £2          | 5          | Initiative    |
| Community Challenge**   | £10          | 7          | £10        |      | £10         | 7          | Initiative    |
| Sustainabilitylive! exhibition and seminars   | £2           | 5          |            |      | £2          | 5          | Dissemination |
| Climate Clinic participation  | £3           | 14         |            |      | £3          | 14         | Dissemination |
| Monthly newsletter, news updates and associated information collection (on-going for 12 months) | £7           | 30         |            |      | £7          | 30         | Dissemination |
| Website updates & enhancements (on-going for 12 months)   | £6           | 15         |            |      | £6          | 15         | Dissemination |
| Webinar programme (on-going for 12 months)  | £2           | 20         |            |      | £2          | 20         | Dissemination |
| Third party events (on-going for 12 months)   |              | 20         |            |      |             | 20         | Dissemination |
| <b>Total Months 1-6</b>   | <b>£27</b>   | <b>146</b> |            |      | <b>£74</b>  | <b>146</b> |               |

Notes: \* Total conference costs of c£45k more than offset by delegate revenues and exhibition/sponsorship fees of c£50k.

\*\*Additional £10k towards costs and prize fund covered by Energy Saving Trust. LowCVP cost may be partly offset by sponsorship.



|  | Core Funding |           | Additional |      | Total       |           | Activity      |
|--|--------------|-----------|------------|------|-------------|-----------|---------------|
|  | Budget (£k)  | Days      | Budget     | Days | Budget (£k) | Days      |               |
| <b>Projects proposed (full year)</b>   |              |           |            |      |             |           |               |
| Investors event  | £5           | 10        | £5k        |      | £10k        | 10        | Initiative    |
| Biofuels event   | £5           | 10        | £5k        |      | £10k        | 10        | Initiative    |
| Updating marketing materials: brochures, exhibition stands, other publications | £6           | 10        |            |      | £6          | 10        | Dissemination |
| Parliamentary lunch  | £2           | 5         |            |      |             |           | Initiative    |
| All Party Parliamentary Green Transport Group                                  | £2           | 10        |            |      | £2          | 10        | Initiative    |
| Autumn Reception   | £5           | 5         |            |      | £5          | 5         | Dissemination |
| Articles for publication   |              | 15        |            |      | 15          |           | Dissemination |
| <b>Total Year</b>  | <b>£25</b>   | <b>65</b> |            |      | <b>£65</b>  | <b>50</b> |               |

### 3 Work programme balance

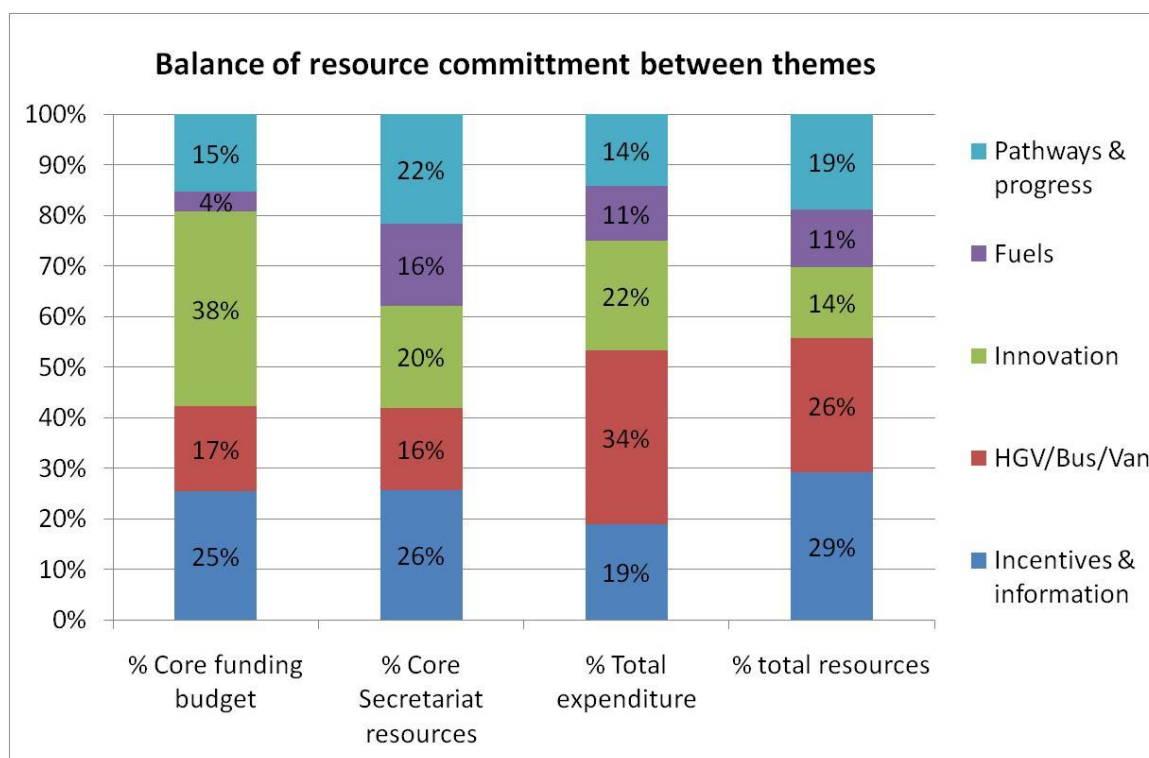
The Strategy seeks to equitably balance available resources between each of the first five work programme themes.

- Incentivising and informing lower carbon choices for cars
- Building the market for lower carbon commercial and public service vehicles
- Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies
- Tackling market barriers to the use of lower carbon fuels
- Monitoring progress and defining pathways to low carbon transport

This equates to about 10% of the total budget and Secretariat resources for each theme. The sixth theme “enhancing stakeholder knowledge and understanding” currently consumes about 7% of the available budget and 20% of the Secretariat resources.

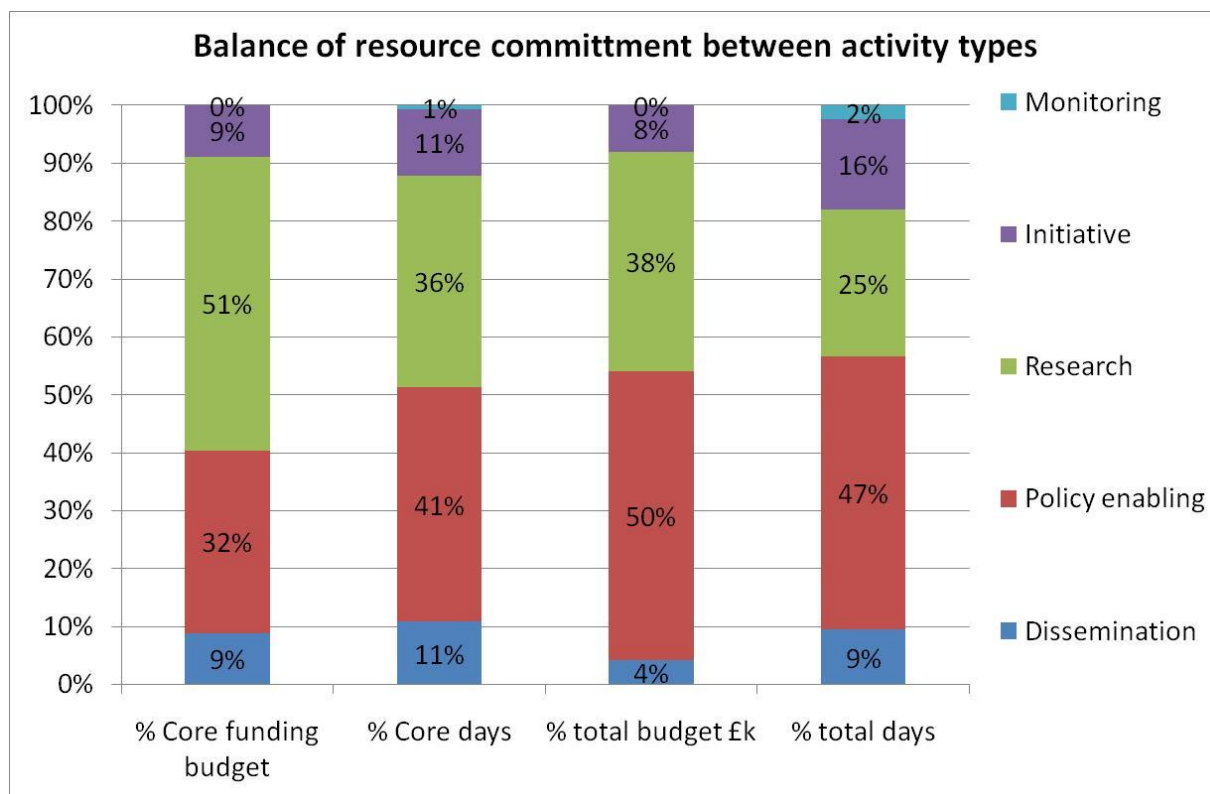
In practice, the actual distributions in any given year vary from the optimum. Notably in 2010-11, there is a small proportion of the available resources allocated to projects designed to tackle market barriers to the use of lower carbon fuels. This reflects the other organisations operating in the area and heavy commitment of resources in previous years. In contrast a large proportion of the available project budget has been allocated to facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies. This is since this area is seen as a particular priority at this time.

Assuming additional funds are secured the balance of effort will be undertaken in *building the market for lower carbon commercial and public service vehicles* where extensive programmes of work are already underway. LowCVP’s extensive programmes on *incentivising and informing lower carbon choices for cars* also receive a higher than equitable share of resources.



Note: only first 5 themes

The balance of different types of activity is shown below which illustrates policy enabling activities and research dominate the type of activities. The relatively high share of research activities reflects the desires for LowCVP to continue to innovate in the sector and bring forward new ideas.



Note: only first 5 themes

## Annex – Project descriptions

### 1 Incentivising and informing lower carbon choices for cars

| <b>Informing the development of improved vehicle labelling</b>   |                     |
|--|---------------------|
| Budget costs - £8k   | Resources - 20 days |
| Activity – Policy enabling/Dissemination   | Timing – Q1-Q3      |
| The LowCVP has a number of important pieces of evidence relevant to the review of the Labelling Directive. The intention is to compile the evidence into a pack for use in informing the debate on review of the EU car labelling directive. |                     |
| Note - culmination of an extensive programme of activity – previous work would be underutilised if this did not proceed  |                     |

| <b>Changing car buyers' attitudes and behaviour scoping study</b>  |                     |
|--|---------------------|
| Budget - £0K   | Resources - 10 days |
| Activity – Research  | Timing – Q1-Q2      |
| This project builds on the Partnership's activity examining car buying behaviours and the action-attitude gap and how to more effectively motivate the choice of lower carbon vehicles. European regulation requires average new car CO <sub>2</sub> to reduce to 130 g/km by 2015 and for accelerated progress to an indicative 95g/km by 2020. This project will develop a detailed scope of activity to be undertaken (if appropriate) later in the year to review how fiscal and other incentives can assist in achieving these targets and the potential for developing a long-term framework. The project will align with activities examining alternatives to tail-pipe CO <sub>2</sub> . |                     |
| Note – This project was proposed by vehicle manufacturer members of the LowCVP Board.  |                     |

| <b>Promotion of the used car label</b>   |   |
|--|---|
| Budget costs - £0k   | Resources – 5 days (+20 days SMMT / RMIF) |
| Activity – Initiative  | Timing – Q1-Q3                            |
| This activity is intended to support the roll-out of the used car label to franchise and other dealers via the SMMT and RMIF ahead of the project evaluation later in the year. Monitoring to be conducted through VCA used car label registrations and downloads and to incorporate car buyers' awareness of the new and used car labels. Marketing activity will promote the scheme. |   |
| Note – To be substantially funded and resourced through SMMT and RMIF in-kind contributions.   |   |

| <b>Stimulating activity by local authorities low carbon vehicle network</b>  |                     |
|--|---------------------|
| Budget costs - £5k   | Resources – 20 days |
| Activity – Dissemination   | Timing – Q1-Q2      |
| Local authorities are an important stakeholder group in creating demand for low carbon vehicles and fuels and providing a local policy framework; they form part of the LowCVP membership but have lacked a focal point in the Partnership to date. It is proposed that this is corrected by establishing a network for local authorities to share best practice on activities that can be taken forward to simulate the market for low carbon vehicles and fuels. Planning activity to date has focused upon building a partnership with the LGA and will lead to a webinar to assess the themes most important to local authorities. |                     |
| Note – Discussed with PCWG and received strong support from key stakeholders.  |                     |

| <b>Changing car buyers' attitudes and behaviour</b>   |                     |
|---|---------------------|
| Budget - £35K   | Resources - 15 days |
| Activity – Research   | Timing – Q3-Q4      |
| This project is the outcome of the scoping study undertaken in Q1 and builds on the Partnership's activity examining car buying behaviours and the action-attitude gap and how to more effectively motivate the choice of lower carbon vehicles. European regulation requires average new car CO <sub>2</sub> to reduce to 130 g/km by 2015 and for accelerated progress to an indicative 95g/km by 2020. The project will examine through quantitative and qualitative research how car buyers can be persuaded to purchase lower carbon models including the long-term fiscal framework that will support this transition. The project will align with activities examining alternatives to tail-pipe CO <sub>2</sub> . |                     |
| Note – will only proceed if the scoping study is successful and an additional £20k of funding secured   |                     |

| <b>Disseminating best practice in environmental marketing with Partners</b>   |                                     |
|---|-------------------------------------|
| Budget costs - £5k  | Resources - 20 days (+20 days SMMT) |
| Activity – Initiative   | Timing – Q1-Q3                      |
| The guide to best practice in environmental marketing of cars and fuels is planned to be launched at the LowCVP annual conference in the summer 2010. This project would focus on initially finalising the guide and then supporting its dissemination and utilisation by the marketing community. The activity would be intended as a joint activity with LowCVP's partners SMMT and ISBA with SMMT taking the lead. |                                     |
| Note - Important and long standing activity area that complements input to Car Labelling Directive; the effectiveness of significant previous activity would be diminished if this did not proceed  |                                     |

| <b>18-month evaluation of the used car label</b>   |                                       |
|--|---------------------------------------|
| Budget costs - £0k   | Resources – 5 days (+ 20 SMMT / RMIF) |
| Activity – Monitoring  | Timing – Q4                           |
| This is intended to provide a robust assessment of the roll-out of the new and used car labels and the impact on car buyer awareness and attitudes to low carbon/fuel efficient cars. Monitoring to be conducted through VCA used car label registrations and downloads and to incorporate car buyers' awareness of the new and used car labels. In recognition of the recommendation from PCWG new label survey to move to bi-annual survey to be conducted in Q2 2011. |                                       |
| Note - To be substantially resourced through SMMT and RMIF in-kind contribution.   |                                       |

## **2 Building the market for lower carbon commercial and public service vehicles**

### **2.1 Trucks**

The CV Steering Group has developed a costed 3-year work programme which has been presented to DfT, and which the Department is seeking to take forward. The initial 5 contracts relating to this programme went out to tender in February 2010 and will run into new FY 2010/11. The projects below relate to the work programme presented to DfT and would commence in Q2-Q3 of 2010. This area of activity is likely to be a strong theme for LowCVP in the coming years.

| <b>Low Carbon HGV – Evidence Base</b>   |                     |
|---|---------------------|
| Budget costs - £0   | Resources - 20 days |
| Activity – Research   | Timing – Q1-Q2      |
| This is the first phase of the LowCVP's Low Carbon HGV work programme. The objective of this set of projects is to increase the level of understanding of low carbon technologies for use in HGVs in order to develop a means of accreditation of low carbon HGVs or alternatively for individual low carbon technologies. The evidence base phase was initiated in March 2010 and will complete in Q2 2010. It comprises of tasks 1 – 8 in the Low Carbon HGV work programme and includes 5 projects let by DfT in March 2010, these are: <ul style="list-style-type: none"> <li>• Market Report</li> <li>• Technology Road Map</li> <li>• Technology Testing</li> <li>• Efficiency Modelling</li> <li>• Accreditation and whole vehicle integration</li> </ul> The cost of these projects will be borne by DfT Freight Logistics Division directly and will not be included in the Core budget. However, the coordination of these projects will require a considerable degree of project management on the part of LowCVP. |                     |
| Note - this work is in progress and is expected to complete during Q2 2010, approximately 75% of resources to be used in FY 2010-11.  |                     |

| <b>Low Carbon HGV – Overcoming barriers to the adoption of low carbon HGVs – NOT CORE</b>   |                     |
|---|---------------------|
| Budget costs - £74k (not from core)   | Resources - 80 days |
| Activity – Policy enabling  | Timing – Q2-Q3      |
| This is the second phase of the LowCVP's Low Carbon HGV work programme and leads on from the 'Low Carbon HGV – Evidence Base' activity initiated in February 2010 and due to complete in Q2 2010.   |                     |
| The objective of this set of projects is to develop proposals for the accreditation of low carbon technology for HGVs either through a whole vehicle process or for groups of technologies. The first step will be to make recommendations on whether to follow a whole vehicle or technology type approach to accreditation should be taken leading to a decision at the end of Q2 2010 as to which direction in which to proceed. The second step will be to develop in detail the accreditation procedure to support the chosen approach to accreditation. |                     |
| This project will commence during Q2 2010 and will be completed during Q1 2011. It comprises of tasks 9 – 15 in the Low Carbon HGV work programme. The cost of these projects will be borne by DfT Freight Logistics Division directly and will not be included in the core budget. However, the coordination of these projects will require a considerable degree of project management on the part of LowCVP.   |                     |

Note – This is not part of the core budget but has been agreed (subject to confirmation with FLD Division) as an additional project to be funded through the GOL.

## 2.2 Buses

LowCVP has been instrumental in convincing Government to introduce fiscal incentives for low carbon buses, culminating in the revision of the Bus Service Operators Grant (BSOG) and the introduction of the Green Bus Fund (GBF). LowCVP's activity on buses is likely to reduce as a period of policy implementation commences and 1 project is presently proposed

| <b>Low carbon bus local authority toolkit</b>  |                     |
|--|---------------------|
| Budget costs - £18k  | Resources - 10 days |
| Activity – Policy enabling   | Timing – Q1-Q3      |
| The “low carbon bus procurement feasibility study” commissioned by the LowCVP in 2008 identified the need for incentives for low carbon buses to be integrated into the terms and conditions of Quality Partnerships and Contracts entered into by local transport authorities and bus operators regionally, and for appropriate key performance Indicators in bus service and supply agreements. The BWG will develop a tool kit incorporating standard T&Cs for inclusion into these legal agreements which can be used as a template by local transport authorities, bus operators and bus suppliers. |                     |
| Note – Carry forward from 2009-10  |                     |

## 2.3 Vans

Currently regulations on van CO2 are being developed at a European level. Once complete, LowCVP is likely to have a role in developing national policy and the provision of information in the UK. Activity in the short term is likely to be restricted to developing evidence relating to national policy only.

| <b>Overcoming barriers to the adoption of low carbon vans</b>  |                     |
|--|---------------------|
| Budget costs - £4k   | Resources - 30 days |
| Activity – Policy enabling   | Timing – Q3-Q4      |
| The Partnership will look at how best and most appropriately to encourage van buyers to select a light commercial vehicle fit for purpose and with low CO2 emissions. This is intended to follow on from the van CO2 study, and will include the most appropriate metric to use in encouraging the purchase of fit-for-purpose low carbon vans. The project would make recommendations on the form activity should take to encourage the purchase of fit-for-purpose low carbon vans in the UK. This is intended to focus on UK activity and not feed into the van CO2 regulation. |                     |
| Note – Carry over from 2009-10   |                     |

## 4 Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies

The Innovation WG that leads in this area has identified and prioritised three topic areas within this theme intended to strengthen:

- The UK supply chain for low carbon automotive technologies (medium priority)
- The support available to cleantech automotive SMEs (highest priority)
- Networking between members and within the wider community (lowest priority).

### 4.1 Strengthening the UK supply chain

| <b>Strengthening the UK's Low Carbon Automotive Supply Chain</b>   |                     |
|--|---------------------|
| Budget costs - £35k  | Resources – 20 days |
| Activity – Research  | Timing – Q1-Q2      |
| The objective of this stage is to produce a clear scope of activity in this area to and help secure cofunding to take this project forward. The final project, if undertaken, will provide a clearer perspective of how OEMs and Tier1s interact with new market entrants considering factors such as product cycle timescales, manufacturer lines, existing supply chains, entrant production capacity/and technology readiness level. It will be undertaken in a series of stages: |                     |
| <ol style="list-style-type: none"> <li>1. Understand OEM view of working with new entrants</li> <li>2. Understand New Entrants experiences</li> <li>3. Understand Tier 1 view of Interacting with new entrants</li> <li>4. Analyse results, Identify barriers, Propose Interventions</li> </ol>  |                     |
| Activity will predominantly involve interviewing members of these groups and rationalising and disseminating findings. Recommendations will inform further as well as non-LowCVP initiatives for supporting the sector.  |                     |
| Note - BIS and OLEV have both expressed support for this project   |                     |

## 4.2 Strengthening support available to cleantech companies

| <b>New Approaches - Strengthening support available to cleantech companies</b>  |                     |
|---|---------------------|
| Budget costs - £6k  | Resources – 20 days |
| Activity – Research   | Timing – Q1         |
| This activity will research new approaches to supporting low carbon automotive companies and respond accordingly with proposals for an initiative. Possible actions range from arranging webinars or events around timely opportunities, web portal development of resources, to deeper engagement with stakeholders such as the finance community. |                     |
| Note - This project will seek to support and coordinate with directions set by the Automotive Council and Supply Chain and Technology Councils. Care will be taken to ensure this does not duplicate existing initiatives, for example the Transport KTN.   |                     |

## 4.3 Strengthening networking between members and the wider community

| <b>2010 Technology Challenge– Commercial Vehicles Aftermarket</b>   |                     |
|---|---------------------|
| Budget costs - £20k   | Resources – 25 days |
| Activity – Initiative   | Timing Q1-Q3        |
| The objective of this project is to identify and promote appropriate technologies from emerging businesses to major customers and supply chain partners. The approach will follow that of the 2009 Technology Challenge involving a structured application and assessment process, taking note of lessons learned to date. The proposed focus for the challenge is aftermarket technologies for the commercial vehicles sector. As part of the preparation the winners of the 2009 Technology Challenge will be surveyed to assess the impact of and what opportunities were created as a result. Findings will inform and support the design of the competition. |                     |
| Note – requires £11k of sponsorship to be identified  |                     |

| <b>Update Low Carbon Automotive Directory</b>   |                     |
|---|---------------------|
| Budget costs - £0k  | Resources – 10 days |
| Activity – Initiative   | Timing – Q4         |
| Last year LowCVP initiated and worked with UKTI and BIS in the production of the Low Carbon Automotive Directory of UK organisations and what they offer to the sector and included stakeholders, product developers, aftermarket and academe. The Directory promotes UK capabilities overseas and provides a useful resource for UK organisations to find suitable suppliers and partners. Once launched and established it was proposed that the Directory would be maintained and updated and that LowCVP would provide suitable assistance. |                     |
| Note –  |                     |

## 5 Tackling market barriers to use of lower carbon fuels

| <b>Support for the implementation of the RED &amp; FQD</b>  |                     |
|---|---------------------|
| Budget costs - £0k  | Resources – 20 days |
| Activity – Policy enabling  | Timing – Q1         |
| The implementation of the Renewable Energy and Fuel Quality Directives into UK regulation will be ongoing throughout 2010-11 and beyond. This project will require Secretariat resources in continuing to input to the DfT Stakeholder Group. In addition LowCVP may be required to input into or undertake stakeholder workshops, webinars and other information gathering activities required by DfT. |                     |
| Note –  |                     |

| <b>Input to the EU ILUC consultation</b>  |                     |
|---|---------------------|
| Budget costs - £5k  | Resources – 15 days |
| Activity – Policy enabling  | Timing – Q3         |
| Whether, and if so how, to address indirect land use change (ILUC) in biofuels policy remains highly contentious, polarises opinions and creates unusual alliances in favour of different policy options. In 2009 LowCVP provided a valuable paper in response to an EU pre-consultation paper on ILUC options and the MD continued to provide expert input to a range of forums. The EC will be issuing a further paper with policy options in 2010 and the Partnership could examine the options and seek to build an informed consensus with the purpose of both addressing UK Government deliberations and the wider EU debate. |                     |
| Note –  |                     |

| <b>Biomass for power, transport and heat – equalisation of benefits</b>  |                     |
|--|---------------------|
| Budget costs - £25k  | Resources – 20 days |
| Activity – Policy enabling   | Timing – Q1-Q3      |
| This project is intended to examine and consider the differing levels of support and regulatory regimes operating for different uses of biomass with the aim of identifying and assessing the impact of any inconsistencies and anomalies and developing proposals as to how best these could be realigned to ensure consistency. An initial scoping activity would determine the activity to be undertaken and whether funding to support this activity is available. |                     |
| Note – LowCVP would seek full funding for this. Alternative project will be identified if this cannot proceed.   |                     |

## 6 Monitoring progress and tracking pathways to lower carbon transport

| <b>Synergies between road safety and climate change</b>   |                     |
|---|---------------------|
| Budget costs - £10k   | Resources – 40 days |
| Activity – Research   | Timing – Q1-Q2      |
| This project builds upon the exploratory conference which LowCVP held on ‘Safety and CO2’ in conjunction with the Parliamentary Advisory council for Transport Safety (PACTS) and the Institute of Mechanical Engineers (IMechE). The conference identified areas of conflict between safety and CO2 but also considerable areas of compatibility with synergistic approaches to improving both safety and reduce CO2 in road transport. This project would explore these issues more fully and identify synergies and how these could be more fully exploited. |                     |
| Note – LowCVP would seek a partner to undertake this project through an in-kind contribution.   |                     |

| <b>Alternative life cycle metrics to tailpipe CO2</b>   |                     |
|---|---------------------|
| Budget costs - £0k  | Resources – 20 days |
| Activity – Research   | Timing – Q1         |
| In a multi-fuel environment with increasing penetration of a range of biofuels blends, EVs, PHEVs (with widely differing electric range) the use of tailpipe CO2 as the comparator of vehicle CO2 will become increasingly anachronistic. The solution is to move to a lifecycle measure of vehicle emissions that can be used to incentivise vehicle/fuel choices in a technology neutral manner. This study is designed to examine the feasibility and options for developing new metrics and how this could be taken forward. It is considered an early input to what is likely to become a long-term policy direction. LowCVP, through its work on C&S reporting as part of the RTFO has developed considerable expertise in how to approach measuring carbon intensity of fuel. The study would include a review of the embedded energy and carbon in batteries. |                     |
| Note – While work is proceeding in this area elsewhere in Europe, LowCVP has unique experience in developing accreditation of the carbon intensity of fuels which will be a valuable input to the discussion of the form this type of metric should take. This project would be delivered through the time and expertise of the Secretariat staff.  |                     |

| <b>Road transport technologies 2020-2030</b>   |                     |
|--|---------------------|
| Budget costs - £30k  | Resources – 30 days |
| Activity – Research  | Timing – Q3-Q4      |
| Within reasonable bounds it is now possible to map the likely development of low carbon vehicle and fuel technologies to 2020. Market development from 2020 to 2030 is much more uncertain to predict and model. This work would seek to develop a small number of scenarios for market development over this period in particularly examining how biofuels, EV-variants, significantly downsized and more efficient ICE and possibly hydrogen will compete in different market segments and what will be the main drivers influencing the commercial viability of each of these alternative technologies. |                     |
| Note – LowCVP would seek co-funding of £20k for this area of activity ideally through collaboration with the Climate Change Committee.   |                     |