



NEWS RELEASE

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Government changes to BSOG will stimulate introduction of low carbon buses says LowCVP

The Low Carbon Vehicle Partnership (LowCVP) welcomes today's announcement by the Secretary of State for Transport, Geoff Hoon, regarding changes to the Bus Service Operators Grant (BSOG) which will incentivise the introduction of low carbon, fuel efficient buses and help towards meeting the UK's climate change targets.

The BSOG has been widely recognised as the main barrier to the introduction of fuel efficient/low carbon buses in the UK but amending it had been viewed as too difficult and uncertain, until now. The LowCVP has coordinated a campaign involving a wide range of stakeholders over many years for reforms to the BSOG in order to address this key barrier to the uptake of low carbon buses.

The LowCVP members including bus manufacturers, operators and passenger transport executives reached a consensus on how to change the BSOG. The Group's recommendations were communicated to Government as part of the Partnership's submission to the consultation on "Local Bus Service Support" conducted by the Department for Transport earlier this year. A series of follow-up meetings have helped to define detailed proposals for revisions to the BSOG. The LowCVP looks forward to working with the Government on how to take forward today's announcement and finalise operational details of the scheme.

The LowCVP Director, Greg Archer commented: "This change is well overdue but reflects a renewed willingness by the Department for Transport to tackle important barriers to the adoption of low carbon vehicle technologies. The announcement follows concerted efforts by bus industry members of the Low Carbon Vehicle Partnership to build a consensual, practical solution to replace BSOG and encourage the market for low carbon buses. It illustrates the value of the Partnership in tackling and overcoming market barriers to the introduction of low carbon vehicles"

LowCVP has also undertaken a feasibility study into the procurement of low carbon buses in the UK, particularly for areas outside London, and has developed an operational requirements specification for a low carbon bus which has now been adopted by a consortium of Italian, French, German and Swedish cities intending to procure new, cleaner buses.

As part of the LowCVP's future work in this area, the Partnership is planning a survey of interested parties in the establishment of a procurement group for low carbon buses in the UK. It is also working on the development of a tool-kit for local transport authorities moving to Quality Contracts to ensure that there are appropriate incentives in place for the adoption of low carbon buses.

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Notes to Editors

The Low Carbon Vehicle Partnership was established in January 2003 with funding from the DfT and the DTI (now BERR) and a mandate to accelerate the shift to low carbon vehicles and fuels and create opportunities for UK business. The Partnership's aims are:

1. To facilitate cross-sectoral engagement between industry and other stakeholders with the purpose of:
 - Developing collaborative initiatives that develop the market for low carbon vehicles and fuels;
 - Building understanding and consensus regarding the optimum pathways to low carbon road transport;
 - Influencing Government and other decision makers on the future direction of policy and optimum delivery mechanisms.
2. To encourage research, demonstration and commercialisation of low carbon automotive technologies in the UK and assist UK businesses to participate in emerging markets.
3. To contribute towards the setting, and achievement, of UK Government's targets for carbon reduction from the road transport sector.
4. To facilitate an effective flow of information within and between industry and other stakeholders to:
 - Raise awareness of recent developments and new opportunities;
 - Improve understanding and awareness of key issues;
 - Increase stakeholder knowledge of the mission of the Partnership and its achievements.

It delivers on this aims through initiating practical initiatives amongst its members, providing advice to Government and other decision makers and through research to understand and address market barriers.

For further information:

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