

## **NEWS RELEASE**

**1 July 2009**

### **Government fund for green buses will help to transform the market for low carbon / fuel efficient buses in the UK says the LowCVP**

The Low Carbon Vehicle Partnership (LowCVP) welcomes the announcement by the Secretary of State for Transport, Lord Adonis, of the introduction of a £30 million fund to support the purchase of low carbon buses.

In conjunction with the changes to the Bus Service Operators Grant (BSOG) announced in the Budget, this package of measures will help transform the market for low carbon buses in the UK, significantly reduce emissions from the bus fleet and help to secure UK jobs.

Low carbon buses are defined by the Government as emitting at least 30% less greenhouse gases than a normal diesel bus. They are also significantly more fuel efficient yet they account for less than 0.2% of buses in the UK (and these almost all in London).

Until now there has been little or no financial incentive for operators to introduce low carbon buses into their fleets.

In December, the Secretary of State announced that the BSOG would be revised to provide incentives for low carbon emission buses along with measures to link future BSOG increases to fuel efficiency improvements.

Following the BSOG announcement, detailed work by LowCVP showed that the additional 6p per kilometre for low carbon buses would level the playing field compared with conventional diesel buses. To incentivise the purchase of low carbon buses the Partnership then recommended that the Department for Transport should fund a demonstration programme to enable bus operators to gain experience of vehicles operating with new low carbon technologies. The latest announcement is therefore particularly welcome.

The new £30 million fund will help bus operators and local transport authorities to purchase low carbon buses in their hundreds, which should be sufficient for the market to achieve significant economies of scale in production.

The LowCVP Deputy Director, Jonathan Murray commented: "This new fund to incentivise the uptake of low carbon buses complements the Government's earlier announcements on BSOG.

"It is vital that the public transport sector is encouraged to make progress in emissions cuts if the UK is to meet the legally enforced targets now set out under the Climate Change Act.

"UK bus manufacturers are now better placed to gain a lead in the development of low carbon bus technology which should enable them to gain greater access to foreign markets."

**ENDS**

Notes to Editors

**The Low Carbon Vehicle Partnership** was established in January 2003 with funding from the DfT and the DTI (now BIS) and a mandate to accelerate the shift to low carbon vehicles and fuels and create opportunities for UK business. The Partnership now has over 300 member organisations including representatives of leading motor and fuels companies, government, road user groups, academics/researchers and environment groups. 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:**

Neil Wallis, Head of Communications, LowCVP  
Phone: 020 3178 7863 Mobile: 07974 255720 email: [neil.wallis@lowcvp.org.uk](mailto:neil.wallis@lowcvp.org.uk)

Jonathan Murray, Deputy Director, LowCVP  
Phone : 020 3178 7861 email: [jonathan.murray@lowcvp.org.uk](mailto:jonathan.murray@lowcvp.org.uk)