

ESTABLISHING THE PARTNERSHIP

PROGRESS NOTE – 31 July 2003

Partnership Board

Following the LowCVP Board meeting in March, John Wood of MIRA and Bernard Bulkin of BP had been appointed as Deputy Chairs. The main role of the Deputy Chairs is to discharge the activities of the Board and ensure the proper functioning and communication between the Director, Partnership and Board at all times.

The Partnership Board met last on 18 June. It discussed in detail the overall LowCVP Strategy and the need for a hard edged mission statement for the Partnership that was meaningful and acceptable to all members and their aspirations. The Board emphasised that all working groups should focus on their deliverables and target dates. As part of the Communications Strategy, the secretariat should draw on contributions in kind from members to widen its resources for communication activities. Working groups were encouraged to identify a dedicated person per group to give feedback and support the Secretariat in its communication function. All groups should address the question of how consumer perceptions and choices could be influenced to support the shift to low carbon vehicles and fuels. Equally, the question of future innovation and what decisions were needed today to hasten future developments should inform the work of all working groups. The Board received a presentation of the Bus Interim Report by WG Chair John I Smith. Members unanimously welcomed and adopted the report. Following the Board meeting Chair Graham Smith wrote to Transport Minister David Jamieson MP, commending the report and its recommendations to Government.

Tod Evans, PSA Peugeot Citroën, has written to the Chair and the Director to declare his interest in standing for the Board, if a seat allocated to vehicle manufacturers should become vacant.

Steering Group

Robert Evans of Johnson Matthey has been appointed chair of the LowCVP Steering Group. The Steering Group met on 12 June and discussed in detail the Director's draft Strategy, the Communications Strategy, proposals for the Centre of Excellence for Low Carbon and Fuel Cell Technology and the Bus Working Group's interim report. Changes agreed by the Steering Group members will be taken on board by the Secretariat and reflected in their presentations to the board. Two companies, PSA Peugeot Citroën and TotalFinaElf, have asked or been proposed to join the Steering Group. The chair is considering these applications.

Memorandum of Understanding

Following a thorough discussion of the text by the Board, the amended Memorandum of Understanding was circulated with the minutes of the last meeting to all Board members. It will be circulated to all working groups and updated on the LowCVP website as and when the site has been migrated to the EST and is available for updating.

Work Plan

The Board at its last meeting discussed the LowCVP Work Plan and asked the Secretariat to add commercial vehicles as a priority area for the Partnership work. The Director was invited to present a Strategy Paper for discussion at the June Board meeting. In parallel a Communications Strategy has been developed by the Deputy Director. Both papers were discussed by the Steering Group on 12 June. A proposal for setting up an Ultra Light Rail Transit Working Group has been received by the Secretariat from Bristol Electric Rail Bus.

Substantial progress has been made in implementing the work plan. The remits and draft remits of the Bus, R&D, and Passenger Car working groups are attached at the end of the progress note as is the scoping document for the Low Carbon Fuels Group.

Bus Working Group

The Bus Working Group has met four times since December 2002 and has made substantial progress in meeting its first year objectives. Members have adopted an interim report to Government. It recommends appropriate action to ensure that the Government's low carbon bus target will be met, namely that by 2012, 600 or more buses coming into operation per year will be low carbon, defined as 30 per cent below current average emissions. The interim report was presented by the Bus WG Chair, John I Smith, to the Board at its meeting on 18 June.

The interim report was adopted by the Board and has been officially communicated to Government (DfT) by LowCVP Chair Graham Smith. Transport Minister David Jamieson MP sent a positive reply to the Chair. At Coach & Bus 2003 (NEC, 23-25 September 2003) four or five low carbon buses are expected to be on display. It is hoped that there will be a Ministerial announcement in response to the work and proposals by the Bus WG at the opening of the Show. Tony McNulty MP, DfT Minister with responsibility for Buses and Taxis, has agreed to attend the bus and coach exhibition and has expressed his interest in a tour around the show to visit exhibitors' stands with clean low carbon buses on display. The secretariat is liaising with the CPT as the show organisers and the Department for Transport.

Milestones: Coach & Bus 2003 (Sept)

Next meeting: Thursday 07 August 2003, 10.30-13.00, London

Contact: John I Smith, Chair, Tel: 07774 488378, Email: johnjo1.smith@btinternet.com

R&D Working Group

The R&D Working Group has met three times since March 2003. Geoff Callow, MIRA, chairs the Group.

Between full meetings, three sub-groups have actively addressed the tasks of developing the details of the "Centre of Excellence in Fuel Cell and Low Carbon Technology", of identifying and specifying demonstration projects and of benchmarking present and future UK programmes against those in the rest of Europe and the rest of the world. Rob Thring, Loughborough University, Gary Acres, Birmingham University, and Ken Lillie, Energy Technology Services, are heading the subgroups taking forward the work plan for the group.

The sub-group working on the proposed centre has needed to consult widely across a number of constituencies with present and future interests; covering the sponsors, the research-active and the corporate and public beneficiaries of low carbon and fuel cell research. This sub-group has moved on from opinion gathering into the discussion of trial proposals. It foresees that the “concrete” aspect of the Centre will have a light Secretariat located in existing premises, featuring an exhibition area for low-carbon products and also meetings and presentation facilities. The need for access to test and development facilities is under discussion, as is the value of being located near to a strong University research centre. The other sub-groups are also well supported and are making good progress.

Milestone: Agreement on Centre of Excellence objectives and concrete proposal
Next meeting: Tuesday, 02 September 2003, 14.30, DTI, London.

Contact: Geoff Callow, Chair, Tel.: 024 7635 5000, email: geoff.callow@mira.co.uk

Passenger Car Working Group

The Passenger Car Working Group had two meetings since 21 May, preceded by a scoping meeting and a review of the Ricardo study ‘Carbon to Hydrogen – Roadmaps for Passenger Car’ in April. The group is chaired by Paul Everitt, SMMT, and has a broad membership from car manufacturers, fuel industry, environmental NGOs, fleet buyers and Government.

The group has started to establish stakeholder views on the Government’s 2012 target for 10 per cent of new cars to be low carbon, defined as less than 100g/km at the tailpipe, and measures to support its achievement. Vehicle manufacturers distributed a paper on the car industry’s medium term technology perspectives. As input to the 2003 pre-budget report, the group discussed a draft paper advising Government on what could be done to buttress the UK’s motoring tax system to support progress towards the 2012 low carbon car target. Progress on the paper is ongoing. An update was given on the EU CO2 agreements, currently under review in Brussels. The group discussed issues raised by Government (the timetable for future CO2 agreements, a shift to well-to-wheel analysis, the role of carbon trading and a future integration of setting of emissions standards and CO2 target), and planned to provide Government with full views in due course. Preliminary results from MORI research on consumer information and car labelling showed that environmental performance low in consumers’ priorities when choosing a new car. The Group agreed that simplicity in the car label was key and that members would try and reach agreement in the UK to help European discussions. A first discussion of a longer term vision for ultra low carbon cars by 2020 took place which put transport in a broader context of national energy and industrial policy, global innovation and carbon trading.

Next meeting: Monday, 08 September 2003, 10.30-13.00, London

Contact: Paul Everitt, Chair, Tel.: 020 7344 9223, Email: peveritt@smmt.co.uk

Low Carbon Fuels Working Group

A scoping meeting to establish the remit of a fuels working group took place on 07 July in London. Malcolm Watson, UKPIA, agreed to take over the chairmanship of the working group. Participants discussed the envisaged scope for the group, i.e. to

develop a strategic view on medium and long term options for fuelling low carbon transport, advise Government on the fiscal and regulatory implications of its shared views, contribute to the Government's assessment of the hydrogen economy and large scale use of biomass based fuels, and facilitate a smooth development of new fuel distribution infrastructures as needed. The Chair and Deputy Director will meet in early August to develop a work plan for the Fuels Group, based on discussions at the scoping meeting.

Milestones: Workplan development & membership recruitment (August)

Next meeting: Monday, 08 September 2003, 14.00-16.00, London

Contact: Malcolm Watson, Chair, Tel.: 020 7379 3102, malcolm.watson@ukpia.com

Working groups on commercial vehicles & supply chain

Commercial vehicles - In order to assess the implications of low carbon technology on the commercial vehicle sector initial discussions have taken place with a major truck manufacturer. A meeting with the FTA and other stakeholders is scheduled for 19 August.

Supply chain - Due to restricted resources no progress has so far been possible on investigating the best way forward on engaging the UK supply community in the drive for low carbon technology. It is recognised that this is now an urgent priority and options are being reviewed on how best to take this forward. The completion of a current DTI project to develop a supply chain database will provide a strategic overview of players and capabilities and starting point for the group.

Meeting with Ministerial Group

The meeting between the LowCVP Chair, a small representative group of Board members and the Director with the Ministerial Group on Low Carbon took place on Tuesday 22 July 2003, 10.00 am at Great Minster House. Transport Minister David Jamieson MP chaired the meeting which was also attended by Jacqui Smith MP (DTI), John Healey MP (Treasury), Lord Whitty (DEFRA), John Spellar MP, Leslie Packer (DfT) and members of his staff.

The LowCVP Chair talked the group through a prepared paper which was well received and the Minister congratulated LowCVP on the progress being made. Various questions/comments concerning next steps were reviewed, including the need to finalise the Centres of Excellence proposal, getting the supply chain and other working groups in to place and maintaining overall momentum. In particular the Minister acknowledged that although in the long term hydrogen from renewable sources was likely to be the best solution, he was concerned that bridging technologies such as hybrids were also being developed in parallel. LowCVP Chair confirmed that this was so.

The Minister re-iterated continued support for LowCVP and stated that the Ministerial Group were encouraged by the enthusiasm and progress to date and looked forward to further reports indicating continued progress towards achieving LowCVP's objectives.

Partnership Secretariat

On 01 April, David Wallis started as Executive Director of the LowCVP. He is currently temporarily located at Romney House until refurbishment of new offices in 17 Queen Anne's Gate. Deputy Director Konstanze Scharring was appointed in mid-May on a two-year secondment from SMMT. She is currently working out of Forbes House. Catherine Dove has joined the team as PA/Partnership Coordinator on 28 July. She is located at Romney House. EST has agreed to act as the host organisation for the LowCVP. The contractual arrangements provide for EST to pay all costs associated with the occupation of the office suite at 17 Queen Anne's Gate together with the employment costs (including any travel and other expenses) for all the members of the Secretariat which will then be rebilled on a monthly basis in equal parts to DfT and DTI.

Working out of two locations without proper facilities or a full complement of staff has inevitably affected the ability of the Secretariat to deliver a fully effective support service to members. The refurbishment and kitting out of the new offices is now estimated to be completed by the end of July with occupation in early August. At that time the Secretariat will have the technical capability and have recruited the additional resources to provide a full service including migrating the LowCVP website from PSI.

Communication

External Communication - Since his appointment, the LowCVP Director has spoken at three external events: Ultra Low Carbon Car Challenge (SMMT, 29 April), SMMT CO2 Report (SMMT, 09 May), Green Fleet Awards (Hammersmith, 15 May). DTI Automotive Unit have used and distributed LowCVP materials at the Congress of the Japanese Society of Automotive Engineers' (19-23 May 2003) at their exhibition stand on low carbon vehicle technologies. The LowCVP website is in progress of being migrated from the PSI to the EST server. Due to this delay, the Secretariat had not been able to update the website since the end of the launch phase. Full capability for updating and developing the website in content and form will depend on the Secretariat's move to its new offices and its working relationship with the EST. The Secretariat had meetings with the relevant EST departments to develop the necessary contacts and working procedures. This work is ongoing.

Internal Communication – The handover of LowCVP materials and procedures from the Launch team to the new Director took place in mid-April. The LowCVP working groups have been serviced by the Deputy Director through arranging and participating in WG meetings, preparing and distributing agendas, minutes and working papers, and identifying key participants for scoping meetings. Email communication and meetings with LowCVP members and working group were the key means of internal communication. The Director had various one-to-one meetings with board members and other players since his appointment to establish a first hand view of how the partnership had developed and what members' expectations of LowCVP and its Secretariat were.

Annex A

Low Carbon Vehicle Partnership

Bus Working Group – Terms of Reference

The Bus Working Group is set to contribute to the LowCVP's mission by providing a forum that brings together stakeholders in the establishment of development, manufacture and use of clean low CO₂ emitting buses in the UK. Its tasks will include:

- Identifying and recommending ways of removing barriers to the introduction of low carbon buses in UK
- Creating wider awareness of the opportunities for the UK presented by low-carbon buses
- Providing guidance on achieving the Government's target of 600 or more new buses to be low carbon by 2012, defined as 30% below current average carbon emissions.
- Advising on policy, fiscal and regulatory instruments that will help the UK to achieve and move beyond the 2012 target, by taking into account wider European and global developments.
- Identifying low carbon bus demonstration and pilot projects and creating opportunities for stakeholders to participate in such projects
- Providing feedback on the progress and effectiveness of Government R&D programmes relating to low carbon vehicles, with particular reference to buses

Annex B

Low Carbon Vehicle Partnership

R&D Working Group – Terms of Reference

The R&D Working Group will contribute to LowCVP's mission by providing advice and fostering collaborative activity which will underpin and strengthen the framework for a strong UK research and development presence in low carbon and fuel cell technologies, thus contributing to the competitiveness of the automotive and related sectors. In pursuing its tasks, it will take account of: a) on-going policy developments and the progress of other LowCVP Working Groups; and b) wider R&D efforts at the European and global levels.

Its tasks will include:

- developing, for Government, terms of reference and proposals for the establishment of a new *Centre of Automotive Excellence and Development for Low Carbon and Fuel Cell Technologies* and making recommendations as to how the Centre and the Partnership should work effectively together.
- identifying demonstration projects which will further the low carbon agenda, identifying the stepping stones necessary to take the projects forward, and fostering viable collaborations between sets of partners who can implement the projects successfully
- providing Government with independent feedback on the progress and effectiveness of its R&D programmes, identifying gaps in the R&D portfolio and providing guidance as to how these should be filled.
- guiding the establishment of a “Single Portal” for low carbon RD&D support programmes in the UK to be operated by the LowCVP Secretariat
- guiding the creation of a directory of UK research competencies in low carbon automotive technology to be maintained by the LowCVP Partnership.

Annex C

LOWCVP PASSENGER CAR WORKING GROUP

Remit

The objective of the Passenger Car Working Group is to support the Low Carbon Vehicle Partnership's role in contributing to the shift of mainstream motoring to low carbon vehicles and fuels, including advice to Government on future low carbon vehicle targets and related taxation and other matters.

Policy context

The policy context for the passenger car working group has been set by the UK Government's Powering Future Vehicles Strategy, its recent White Paper on Energy, and European Commission policies on CO₂ reductions and regulated emissions from passenger cars. The development of the Commission's CO₂ agreements with European, Japanese and Korean vehicle manufacturers is critical for the working group, as are the aspirations for new vehicle CO₂ emissions that the UK Government has set out in the Energy White Paper.

Instruments

To achieve the shift to clean low carbon mainstream motoring in the UK, current Government policy supports voluntary action and the partnership approach, as reflected in the CO₂ agreements at European level and the LowCVP creation in the UK. The Government has also introduced environmental, CO₂-related, vehicle taxation, which it regards as complementing the voluntary agreements, by encouraging consumers to take up the low-carbon vehicles which the voluntary agreements bring to the showroom.

The Passenger Working Group will provide the central partnership forum to advise Government, facilitate business engagement in this shift in the market, and develop suitable initiative or action to support it. It will seek both to encourage industry to make maximum use of the key Government programmes – Foresight Vehicle, New Vehicle Technology Fund, Powershift grant programmes, and Green Fuels Challenge – and to help Government shape the further development of the programmes. The Working Group will similarly encourage industry to make use of the environmental tax regimes in encouraging consumers to take up low-carbon vehicles, and advise Government on the further development of the regimes.

Remit

The Passenger Car Working Group will via the LowCVP:

- Advise Government on measures to support the achievement of its 2012 target for 10 per cent of new cars to be low carbon, defined as less than 100g/km CO₂ equivalent at the tailpipe (tank-to-wheel), and advise L and advise LowCVP members on potential business benefits which the target can help create;
- Advise the Government and LowCVP members on the review of the EU voluntary agreement on CO₂ emissions from new passenger cars to be carried out in 2003;
- Advise the Government on possible 2020 targets for 'ultra-low carbon cars';
- Advise Government on consumer information and labelling

Annex D

Low Carbon Transport Fuels Group

Scoping Paper - Draft

Remit: The Low Carbon Transport Fuels Group will develop a strategic view on the medium and long term options for fuelling low-carbon transport, including hydrogen and biofuels. The recent Energy White Paper provides the essential policy context for this group, setting out the Government's perspectives on low carbon options for transport fuelling in a 2020/2050 timeframe. The group will:

- Develop and promote a common view on the carbon foot print and well-to-wheel analysis of various fuel pathways, using existing UK and EU work and studies.
- Advise Government on the group's strategic view on low carbon fuel options and its implications for national and EU regulatory and fiscal policies in light of the Energy White Paper
- Engage with the Government's car and bus targets for 2012
- Contribute to the Government's assessment of the overall energy implications of both a hydrogen economy and large scale use of biomass-based fuels
- Provide Government with expert advice in the development of roadmaps of the possible transition to sustainable hydrogen and biomass-based fuels in transport.

Milestones: Scoping meeting Q3

Other

- Facilitation of quick and smooth development of new fuel distribution infrastructure as it is needed (contacts, planning, H&S, LA, Fuel industry)
 - CNG
 - Hydrogen
 - Biogas
 - Methanol
 - Bioethanol