



## Green drive threatens to push makers into the red

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Alternatively fuelled vehicles, pure electric, petrol-electric hybrids and plug-in hybrids saw a 21% increase in UK new car sales last year to 141,270 units but only 15,474 of those vehicles were pure electric models, *writes David Miles*.

So far this year only around 2,000 battery electric cars were sold in the first five months of the year. Still small steps might lead to big strides as automotive manufactures have to meet even more stringent emission levels by 2021 punishable by fines for the manufacturers if they fall short of this target.

Britain like other European countries signed up to achieving the 95g/km of CO2 emissions level as an average for their whole range of new car models on sale from 2021. In effect that target will have to be reached by the end of next year when 2021 model year vehicles will be on sale.

To meet the 95g/km target manufacturers have been, and still are, busy forming partnership with each other to share the cost and ideas to develop and manufacture electric technologies to meet the new regulations and the even tougher low emission targets in the future. Only last week BMW Group and Jaguar Land Rover announced collaboration to develop their next generation electrification technology.

Whether we are still in the EU or 'Brexit out' makes no difference, Britain is signed up to the Europe wide directive to meet that 95g/km total range average for CO2 emissions.

Last week Kia Motors UK held a media driving day for their latest range of new models where the all-electric new e-Niro 'Crossover' was the star of the event. Stephen Kitson, their Corporate Communications Director, said that the new 95g/km EU directive it is going to be



very hard to meet in the UK alone if we going to be outside the EU in future.

“Because diesel sales have drastically fallen and petrol powered sales have increased, that has raised current CO2 levels for UK new car sales. We at Kia-Hyundai, have been working for years to meet the 95g/km range average of CO2 emission target as a member of the EU.

“If the automotive industry fails to meet the target manufacturers face horrendous fines, somewhere in the region of 9 Euros per gram per unit above the 95g/km figure. It will cost the industry hundreds of millions of Pounds in fines. Potentially new car prices will have to increase or manufacturers will have to absorb some of the cost or sell fewer cars with higher CO2 emission levels.”

He added that if the UK stays in the EU manufacturers have a better chance of meeting the new target figure because the overall EU new car market includes countries which currently have a higher uptake of zero emission new car sales and include other countries where sales of new generation lower emission diesel cars are still strong. This means the overall average CO2 figure is easier to achieve across a wider range of vehicles sold in a wider range of countries.

Figures from the Society of Motor Manufacturers and Traders in the UK show sales of PHEVs have fallen by 25% for the first five months of this year because of the removal of the purchase incentive.



However sales overall of Alternatively Fuelled Vehicles - battery electric, petrol-electric hybrids and a declining number of PHEVs, show an overall increase of 13.8% for the year to date, but battery powered pure-electric models have still only accounted for around 2,000 sales so far this year.

The motor industry and whatever Government we end up with needs to get on-board with electrification for new cars and to build the re-charging point's infrastructure. They need to instil confidence for new cars buyers that electric power is the way forward and also the power generating industry has to have the capability to meet the demands for electricity all the year round.

*The Government's recent decision to abolish the £3,500 grant off the purchase cost of new PHEV models (Plug-In Hybrid Electric Vehicle) and the reduction of the £5,000 grant to £3,500 for each new electric powered car sold sends mixed messages to the public and has not helped the car industry to achieve the required number of sales of low CO2 emission cars needed to reach the 95g/km target.*

There are a whole raft of new e-models scheduled to arrive in the market including those from Vauxhall with the Corsa-e, Peugeot e-208, Honda e, MINI Cooper SE and a whole line-up from the VW Group of brands as well as the likes of BMW, JLR, Mercedes-Benz, Aston Martin and of course Tesla. More competition should hopefully lead to more competitive prices and longer driving ranges between the need to find a charging point.

Currently the biggest issues for customers adopting these new zero or low emission vehicles remains the high purchase price and driving range anxieties because of the slow growth in providing public charging points for long journeys.