

Project 1: Accelerating the construction sector's take up of Electric Vehicles: Myth-busting

What is the problem?

1. The CCC 7th Carbon Budget noted the construction sector has a key role to play in meeting the Government's target of 70% of vans sold by 2030 must be EV's (second only to Domestic RMI).
2. Through the Zero Emission Vehicle Mandate (ZEV), Government has mandated car makers to hit yearly sales targets (set out below), aiming for 70% new electric van sales by 2030 and 100% by 2035. For the annual year up to November 2024, CZ analysis (drawn from the Society of Motor Manufacturers) showed **5.2%** of the vans sold were EV's (which was subsequently RAG'd as red in the published Performance Framework).

Current Yearly Mandate Targets

- 2024: 22% of new car sales
 - 2025: 28% of new car sales and 16% of new van sales
 - 2026: 33% of new car sales and 24% of new van sales
 - 2030: 80% of new car sales (under review)
 - 2030: 70% of new vans to be zero-emission by 2030.
 - 2035: 100% zero-emission new car and van sales
3. The ZEV notes car-makers will face fines of up to £12,000 per non-complaint vehicle (i.e. not meeting the annual increasing target) or must buy credits. Due to current market confidence, we understand car makers are currently selling EV's at reduced market value (so negatively impacting them financially), yet are still considerably behind the curve to meet the ZEV target (as well as making a cumulative financial loss on their total sales of EV's).
 4. There is also a lack of accurate information economy-wide about the long-term financial benefits of buying EV's. This is and will continue to impact when businesses are deciding whether to purchase EV's for their fleet.

Why does this matter?

If the sector does not considerably increase its take-up year on year up to 2030, the Government will not meet the CCC's target.

This report will present the current evidence-based picture on the sector's take up of EV's; and how this will help and educate industry in being able to step up and improve its take-up.

It will also consider the sector's uptake of EVs in the broader context of the Government's delivery on its EV target, including progress being made in areas such as infrastructure, funding, technology and wider policy developments.

What can we realistically do to help- Myth busting

This project will focus on the three below bullets through the dual lens of i) EV's (vehicles that are used by the sector to and from site) and ii) non road mobile machinery sites (everything else, i.e. plant, fork-lift trucks).

1. Evidence the financial benefits of HVO (and other biofuels) versus diesel
2. Provide a true picture on the availability of all electric vehicles (not just on-road): A true-evidence based picture on the duration of EV's (once charged) compared to standard vehicles. (This will be informed by data from LTC and Ford)
3. Understand from participating members on both the benefits of using EV's, together with the barriers of doing so, with case studies to support the final report.

4. Consider progress towards the EV target more broadly, including the contributions of areas beyond the construction sector, such as infrastructure, funding, technology and policy.

Group output

A report to industry bringing together the above three points, promoted across industry, and group members. This report will set the evidence-based picture on the above myths and aim to educate the sector, and businesses.

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Group Host/Chair: CECA