

Car industry set to meet 2024 EV sales target, analysis finds



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The UK car industry is on course to meet the Government's electric vehicle sales requirement this year despite some manufacturers complaining it is too tough, according to new analysis.

The Energy and Climate Intelligence Unit (ECIU) think tank said this is because the zero-emission vehicle (Zev) mandate takes into account credits earned from selling lower-emission hybrid petrol and diesel vehicles, as well as sales of fully electric vehicles.

It calculated the former is on track to achieve a market share of more than 3% this year, with the latter at around 19%.

This means the Zev mandate target of 22% for each manufacturer is set to be achieved as an average across the industry, the

ECIU said.

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Colin Walker, ECIU

The percentage will increase each year, such as to 28% in 2025 and 80% in 2030.

Failure to abide by the mandate or make use of flexibilities – such as buying credits from rival companies or making more sales in future years – will result in a manufacturer being required to pay the [Government](#) £15,000 per polluting car sold above the limits.

Industry body the [Society of Motor Manufacturers and Traders](#) (SMMT) insisted more flexibilities are needed to enable some car makers to meet “the challenging target set this year”.

The Government is developing a consultation on relaxing the mandate’s rules following pressure from the automotive industry.

In November, [Vauxhall](#) owner Stellantis announced the closure of its van-making factory in [Luton](#), putting 1,100 jobs at risk, and said the decision was made within the context of the “stringent” Zev mandate.

ECIU head of transport Colin Walker said: “The mandate is having the desired effect of driving down costs and driving up sales, enabling more families to get behind the wheel of cleaner, cheaper-to-run cars.

“Some manufacturers have been slow to wake up to the global shift towards EVs and are being left behind, but many – including BMW, Mercedes and Hyundai – are ahead of the mandate targets.

“Lowering the UK’s EV ambitions by weakening the mandate would

risk putting the UK car industry in the slow lane at a time when global competition is hotting up, and stalling billions of pounds of investment in charging infrastructure.

“Weakening the mandate will remove competition, prices could well increase, growth in EV sales will slow and expansion of the second-hand EV market will be held back, leaving people stuck driving dirtier and more expensive-to-run petrol cars for longer.”

Ginny Buckley, chief executive of car buying website Electrifying.com, said: “The Zev mandate ensures that the car industry shifts away from fossil fuels, providing it with a clear direction and timeline to work from, allowing manufacturers to plan production, streamline supply chains, and invest in new technology effectively.”

SMMT chief executive Mike Hawes said: “While registrations of new electric vehicles are increasing, underlying demand is still significantly below expectations.

“This is forcing manufacturers to subsidise the transition to the tune of £4 billion this year alone.

“Existing flexibilities in the regulation do help, but they are insufficient to meet the challenging target set this year, such that manufacturers are having to consider constraining the sale on non-EV vehicles, credit purchases from rivals, or exorbitant compliance payments to Government.

“A successful mandate that drives decarbonisation needs flexibilities that recognise volume growth is more important than market share.

“Workable regulation – backed with incentives – will set us up for success and green growth over the next decade.”

A [Department for Transport](#) spokesperson said: “The flexibilities included in the zero-emission vehicle mandate

mean we expect all manufacturers will meet their targets for 2024.

“As more people make a switch to electric vehicles, they’ll see the benefits of cheaper motoring, lower emissions, and we’ll drive growth and jobs in the industries of the future.

“We are investing £2.3 billion to boost the uptake of electric vehicles, and our measures are working, with EVs making up one in four of all cars sold this November.”