

Carmakers' anger over possible climate handbrake turn is not just hot air

Pushing back the ban on new petrol and diesel cars from 2030 to 2035 would be an unwelcome handbrake turn for an industry that has poured billions of pounds into preparing for a target that, until now, the government has insisted was non-negotiable.

Emergence of the [potential new plan](#) has certainly caught vehicle manufacturers by surprise.

It is only 10 days since Business Secretary Kemi Badenoch was at BMW's plant in Cowley writing a cheque for £75m of taxpayer support for electric Minis to continue to be built in the UK.

And as recently as Monday, Transport Secretary Mark Harper told an industry audience including senior executives from Ford, Toyota, BMW and Volkswagen that the government remained "fully committed" to 2030.

That is no longer the case and the anger and surprise in the industry is palpable.

Lisa Brankin, chair of Ford UK, which has already invested £430m in its UK transformation, said the government was undermining the sector.

"This is the biggest industry transformation in over a century and the UK 2030 target is a vital catalyst to accelerate Ford into a cleaner future," she said.

"Our business needs three things from the UK government: ambition, commitment and consistency. A relaxation of 2030 would undermine all three.

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BMW to build its new Mini in Oxford

“We need the policy focus trained on bolstering the EV market in the short term and supporting consumers while headwinds are strong: infrastructure remains immature, tariffs loom and cost-of-living is high.”

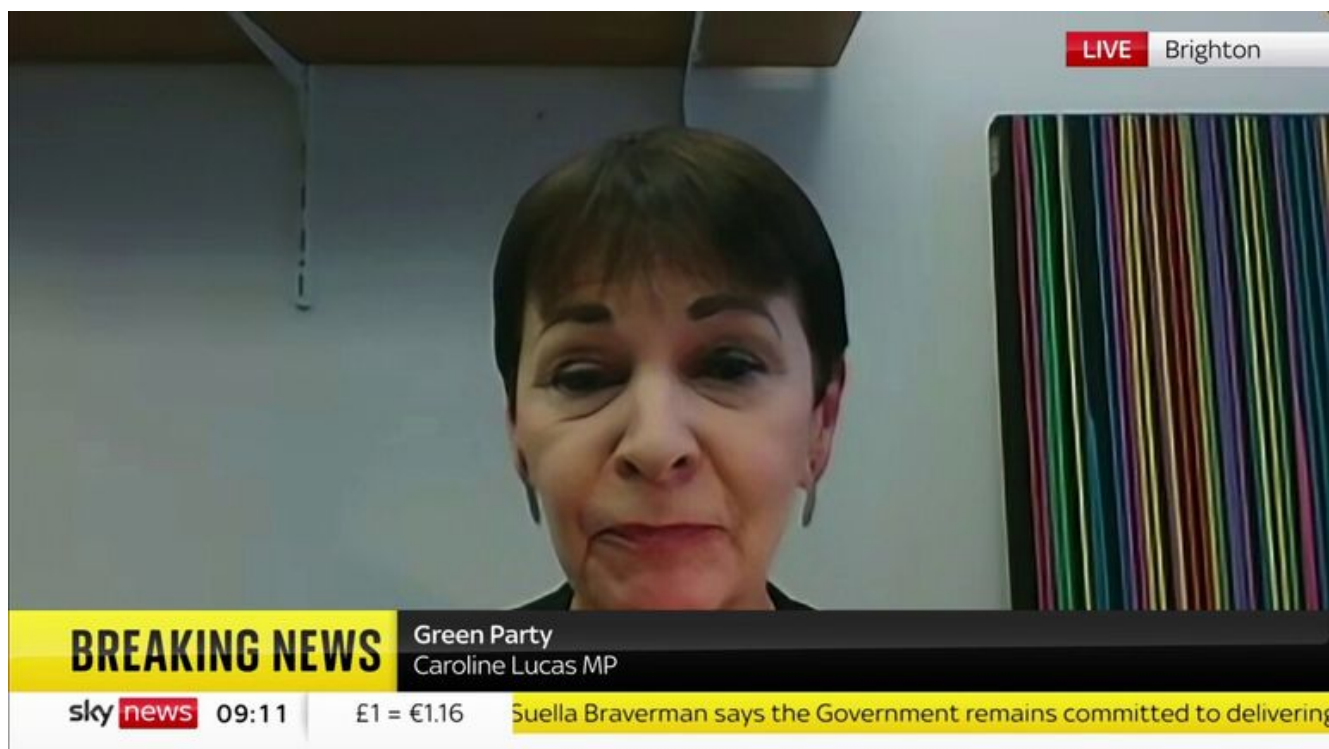
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That view was shared unanimously by car bosses Sky News spoke to at an industry conference on Monday, and this softening will add to existing frustration at the lack of incentives for consumers, potentially undermining demand for the vehicles the industry is geared up to produce.

All the major manufacturers are already committed to phasing out internal combustion engine (ICE) cars by 2030 or earlier.

Demand for battery electric vehicles has been flattening for some time, with manufacturers slashing prices to try and stimulate interest.

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'This would be the biggest misstep of any PM in the last 20 years'

Britain has, for now, the toughest vehicle decarbonisation target in Europe.

The 2030 ban on new ICE vehicles, with some hybrids allowed until 2035 – is five years faster than the EU.

Yet the UK is the only country in the continent where there are no incentives or subsidies for private buyers, in contrast to the tax incentives that exist for business fleets.

What the industry wanted to change that equation was more carrot for consumers, including a reduction in VAT on electric vehicles, ending plans to increase excise duty on them from 2025, and mandatory targets for improving the charging network.

Read more:

[Tory backlash as PM suggests delay to UK's switch to electric cars](#)

[Second-hand electric vehicle sales soar to record levels](#)

What it is getting instead, and did not expect, is a softening of the target itself, which it fears will have precisely the wrong effect on consumer sentiment.

The industry was already waiting for the formal “net zero mandate” from the Department of Transport, which will set out the interim targets it will have to meet on the road to 2030 – or beyond.

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Crucially the mandate is expected to set out what types of hybrid will be permitted. The current legislation says only those that can “drive a significant distance without emitting carbon” will be allowed to remain on the road, which suggested only plug-in hybrids would be allowed.

On that and so much else, the industry is waiting for detail that will shape the future on the road, and for net zero.