

Technology Strategy Board

Driving Innovation

PRESS RELEASE

TECHNOLOGY STRATEGY BOARD

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£100 MILLION GOVERNMENT INVESTMENT TO SPEED UP INTRODUCTION OF LOW CARBON VEHICLES

- **Low Carbon Vehicle Integrated Delivery Programme will accelerate the decarbonising of road vehicles**
- **Government investment will be matched by private sector funding**

A new £200 million investment programme, jointly funded by Government and business, will help to speed up the introduction of new low carbon vehicles onto Britain's roads.

The Low Carbon Vehicle Integrated Delivery Programme will co-ordinate the UK's low carbon vehicle activity from initial strategic research through collaborative research and development, leading to the production of demonstration vehicles.

The Technology Strategy Board will manage the five-year programme through its Low Carbon Vehicles Innovation Platform, and it will be guided by an industry-led advisory panel. The Department for Transport, the Engineering and Physical Sciences Research Council (EPSRC), Advantage West Midlands and One NorthEast have agreed to invest in the programme, while further support will be sought from other Regional Development Agencies and the Devolved Administrations.

Speaking at the launch of the programme today, Secretary of State for Innovation, Universities and Skills, John Denham said: "The programme is a major step towards securing the long-term future of the British car industry – the people who work in it and the places whose wider economies hinge on attracting international R&D and proving their capacity to add value. And it underlines Government's determination that UK industry should achieve a large stake in the emerging green collar sector."

Transport Minister Andrew Adonis said: "The Government is committed to reducing the impact of travel on the environment. A key part of this is encouraging world-class research and helping to bring fresh ideas to manufacture. Not only is this good for the environment, it is also a tremendous opportunity for our businesses and our country. This exciting programme will play a key role in the development of low carbon technologies."

Alan Clarke, One NorthEast Chief Executive, said: "One NorthEast's planned significant investment into this innovative project demonstrates our commitment to the region's automotive and process industries. It is vitally important that the North East is in the vanguard of developments in these sectors, to safeguard and create new jobs and

opportunities in the future. Our investment will allow us to work with business and university partners on projects in the region, to pioneer research and development.

“The low carbon vehicle delivery programme is a priority for Government and I am determined to ensure that North East business and academia shares in the economic benefits this programme will bring.”

Mick Laverty, Chief Executive of Advantage West Midlands, said: “The West Midlands is embracing the opportunities of the new low carbon era and Advantage West Midlands takes a regional lead role on the national low carbon vehicle platform. The proposed Low Carbon Vehicle Integrated Delivery Programme brings with it huge opportunities for the West Midlands and we have therefore made available up to £30 million to support our industry led projects and our region’s needs.”

John Wood, Managing Director of MIRA and chair of the Integrated Delivery Programme’s Advisory Panel said: “The UK automotive sector fully recognises the importance of this exciting initiative. Co-ordination of the UK’s low carbon vehicle activity, from initial research through to the production of full demonstration models, is vital if we are to speed up the introduction onto our roads of low carbon vehicles. We are keen to work closely with government, universities and the research institutions to achieve this goal and we are looking forward to playing a full part in many exciting research and development projects.”

A key goal of the programme - for which funding will be available from April 2009 – is to integrate university and industry research and development activity in order to accelerate the exploitation of more radical approaches to decarbonising road vehicles. The programme will feature:

- A strategic programme of university based research targeted towards future technologies for which there are good prospects of commercialisation in the long term;
- An industry led advisory panel that will help shape the technological direction and priorities for the programme. It will be composed of representatives of leading elements of the UK automotive industry and low carbon vehicle technology developers, as well as relevant academic experts;
- Flexible rolling opportunities for industry to seek support for high quality collaborative research and development proposals which take technology through to system or vehicle concept readiness;
- Funding to support trialling and demonstration of particularly innovative lower carbon vehicle options.

The launch of the programme is the second major initiative of the Low Carbon Vehicle Innovation Platform, which in May announced investment of £23 million in 16 innovative research, development and demonstration projects, involving 75 business and academic partners. The projects, which have a total value including contributions from businesses of £52m, cover technology areas such as hybrids, lightweighting, energy storage, hydrogen fuel cells, aerodynamics and engine efficiency.

Notes to Editors

1. The **Low Carbon Vehicles Innovation Platform** was launched by the Technology Strategy Board in 2007 with the aim of accelerating the market introduction of low carbon road vehicles and maximising the benefit to UK business, thereby responding to the societal and business challenge posed by the need to reduce transport CO₂ emissions. It brings together and enhances Government support mechanisms for technology development within the wider market transformation context of the Low Carbon Transport Innovation Strategy.
2. With an initial investment totalling £100m, the **Low Carbon Vehicles Integrated Delivery Programme** is jointly supported by the Technology Strategy Board, Department for Transport, Engineering and Physical Sciences Research Council, Advantage West Midlands and One North East. Further financial contributions from these and other public sector organisations may be made during the 5 year period of the programme. With matching funding from industry, it is anticipated that the Programme's budget for its first 5 years will be in the region of £200m.
3. The programme will cover all in-vehicle technologies relevant to the decarbonisation of passenger cars, commercial vehicles and public service vehicles. Initially only vehicle-centric technologies and applications will be covered, for example R&D on low-carbon powertrain, lightweighting, battery technology or fuel cell development, system and vehicle design and integration. Alternative fuel production and distribution is out of scope whereas in-vehicle technologies related to alternative fuel use or containment, are within scope. Niche vehicle options (eg off-road vehicles) may be in-scope if the application is considered likely to lead to significant total CO₂ reduction or the technologies are potentially transferable to other road vehicle categories.
4. The Technology Strategy Board is a business-led executive non-departmental public body, established by the government. Its role is to promote and support research into, and development and exploitation of, technology and innovation for the benefit of UK business, in order to increase economic growth and improve the quality of life. It is sponsored by the Department for Innovation, Universities and Skills (DIUS). For further information please visit www.innovateuk.org.

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