Supporting Regional Cooperation through a Global Initiative on Zero Emission Vehicles

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Overview

- A faster and more equitable transition to ZEVs – across all regions – is crucial to keep 1.5°C within reach.
- However, a lack of equitable access to resources, including financial and technical assistance, presents a significant barrier to achieving this.
- The barriers and challenges faced can also vary at the local, national, regional and international levels.
- In recognition of this, the ZEV Transition Council (ZEVTC) Ministers mandated – as part of their 2022 Action Plan – the ZEV Regional Dialogues to ensure ZEVTC conversations reflected the experiences and views of non-ZEVTC countries across regions.
- The ZEVTC also mandated the establishment of a new International Assistance Taskforce to help turn the recommendations and outputs from the Regional Dialogues into tangible actions.
- The following presentation will outline:
  1. What the ZEVTC is
  2. A recap of the ZEV Regional Dialogue discussions to date, including in the Asia and Pacific region
  3. What we are doing to address the issues raised
In November 2020, a Ministerial Dialogue between most of the world’s largest global automotive markets (based on new car sales) – the ZEV Transition Council (ZEVTC) – was launched.

The Council’s purpose is to accelerate the global transition to ZEVs, in line with the Paris Agreement.

Co-chaired by the US and UK, the ZEVTC’s membership also includes California, Canada, Denmark, European Commission, France, Germany, India, Italy, Japan, Mexico, Netherlands, Norway, South Korea, Spain and Sweden.

Through collaboration, the ZEVTC aims to shift the entire global market and support an accelerated global transition to ZEVs. Its work therefore has broad and wide-reaching implications, including on affordability and investment.

To date, ZEVTC Ministers have met five times, with each meeting focusing on a particular aspect of the transition.

In November, the ZEVTC launched its first ever Action Plan, setting out its priorities for 2022. An Action Plan for 2023 will be launched at COP27.

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<th>Timing of ZEVTC Ministerial Meetings</th>
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In 2021, the ZEVTC had their fourth meeting – coinciding with COP26 – which primarily focused on supporting the global transition.

To reflect non-ZEVTC member experiences/perspectives into this discussion, we organised the first set of Regional Dialogues in September 2021.

These politically-focused meetings convened approximately 50 countries across four regions, including the Asia and Pacific.

To ensure future ZEVTC discussions continued to reflect non-ZEVTC experiences, the Regional Dialogues were mandated to continue as part of the ZEVTC’s 2022 Action Plan.

There have since been two further Regional Dialogues in 2022 (see below).

A key output from each set of Regional Dialogues – a paper summarising key recommendations – is presented to the ZEVTC Ministers for discussion at their meetings.

### The Regional Dialogues: Overview

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<th>Meetings</th>
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The Regional Dialogues: Overview

The purpose of the **ZEV Regional Dialogues** is to convene a range of working-level partners – including country governments, international organisations and multilateral development banks – across four geographical regions* to:

- Share **experiences** and **best practice**, including highlighting/signposting to existing support and resources;
- Identify **opportunities to collaborate**, whether in areas of shared interest and/or to address gaps;
- Enable the wider international community to hear **first-hand about the experiences of countries and regions**, including the challenges and barriers faced;
- Based on this, **develop recommendations** on how and where greater support – including international financial and technical assistance – could be helpful and impactful.

*Current groupings: (i) Africa; (ii) Asia and the Pacific; (iii) Latin America and the Caribbean; (iv) Eastern Europe, West Asia and the Middle East.

For Asia and the Pacific, the following countries were invited: Bangladesh, Cambodia, Fiji, India, Indonesia, Laos, Malaysia, Maldives, Marshall Islands, Nepal, Pakistan, Philippines, Sri Lanka, Thailand, and Vietnam.
As these were the first-time convening countries, the **Regional Dialogues in September 2021** were broad in scope. Recommendations were fed back to the ZEVTC at the Ministerial in November 2021.

The key barriers raised by countries in Asia and the Pacific included:

1. **Incentives**: High upfront costs of ZEVs, financial incentives to narrow the price gap, access to international financial and green financing instruments

2. **Infrastructure**: Adequate availability of charging stations and establishing a nation-wide network, renewable energy and innovative business models

3. **Demand-based policies**: Prioritising shared mobility and public transport, and public awareness raising campaigns

4. **Supply-based policies**: International ZEV manufacturers and component producers incentivised to set up production in the region, localization of the entire ZEV value chain, training and capacity building focused on upskilling

5. **Targets and regulations**: Creating a conducive ecosystem for the proliferation of clean technology, leveraging best practice from countries to develop clear roadmaps, harmonising policies and regulations at the region level

6. **Business models**: Innovative business models to ensure the transition to ZEVs is sustainable and cost-effective, and business solutions that ease use of ZEVs (such as battery swapping etc.).

The key areas countries felt international collaboration could be helpful included:

- **International financial support** dedicated to the ZEV transition and the development of bankable projects.
- Regional and international collaboration to form coordinated efforts for **leapfrogging to electrification across the areas outlined above**.
Asia and Pacific Regional Dialogue, March 2022

- Asia and Pacific countries then convened again for the Regional Dialogue meeting in March 2022, which focused on Heavy Duty Vehicles and particularly public transport. Recommendations were fed back to the ZEVTC at the Ministerial in May.

- The key barriers raised by countries in Asia and the Pacific included:
  1. **Roadmaps and regulations**: Developing and implementing clear roadmaps and regulations to guide the transition toward ZE-HDVs
  2. **Greater international support and collaboration**: Including for financing the transition and attracting further investment by international manufacturers in the region
  3. **Energy and infrastructure**: Development, implementation and running of low carbon technologies, including for the manufacturers and operators of electric public transport
  4. **Fiscal incentives**: Challenges of designing and implementing fiscal incentives to reduce the high price of electric buses and electricity
  5. **Knowledge and expertise**: Ensuring access, including for identifying and implementing appropriate business models, procuring electric buses, and technical skills

- The key areas countries felt international collaboration could be helpful included:
  - Developing more effective sharing of knowledge and technology by reinforcing, consolidating, and plugging gaps in current collaboration efforts.
  - Making technology for effective ZEV deployment affordable by coordinating existing and new programs and by facilitating regional and international collaborations.
Regional Dialogues, June 2022

- Asia and Pacific (and wider) countries then convened for the Regional Dialogue meeting in June 2022, which focused on charging infrastructure. Recommendations will be fed back to the ZEVTC at the Ministerial in September.

- The key barriers raised by countries included:
  1. **Strategies and roadmaps**: Developing and implementing these, ensuring relevant stakeholders are unified under a long-term vision for the deployment of charging infrastructure
  2. **Attracting and mobilizing private sector investments**: This includes to overcome the high upfront cost barrier (e.g., level 2, fast, and ultra-fast chargers).
  3. **Business models**: Designing and implementing these to help address unique, local challenges
  4. **Standards and regulations**: Establishing and enforcing effective standards and regulations for charging infrastructure hardware and software that improves drivers’ safety and makes charging experiences user-friendly
  5. **Timely investments**: For example, towards grid upgrades that are future-proof and ensure continuous progress in the ZEV transition
  6. **Technical capacity**: Including in areas related to building and maintaining charging infrastructure

- The key areas countries felt international collaboration could be helpful included:
  - Leverage international forums to provide technical assistance and facilitate knowledge sharing.
  - Establish a mechanism(s) and/or platform(s) to mobilize financial resources to support demand-driven infrastructure development.
Addressing the issues raised

1. 2021-2022 Regional Dialogues (country experiences and recommendations)

2. Country experiences and recommendations (shared via wider initiatives)

3. Glasgow Breakthrough on Road Transport (see here for further information. Has also included mapping exercises)

Suggested actions and recommendations from countries and initiatives

ZEV International Assistance Taskforce
(which convenes governments, international organisations and multilateral development banks, amongst others)

Where not feasible to action at working-level, is escalated to ZEV Transition Council Ministers for consideration

Where feasible, Taskforce members action (on own or in collaboration with others)

Inclusion in the strengthened support offer that will be initially launched at COP27

ZEVTC Ministers could mandate Taskforce members to action

ZEVTC Ministers could ask for additional actions to be addressed via the strengthened support offer
Thank you for listening!

Please contact Naomi.White@beis.gov.uk if any questions/to find out more