

# Eliminate – Minimise – Offset

## The next steps to decarbonise the commercial vehicle fleet

### Executive summary

Decarbonisation is coming. The journey to achieving Net Zero by 2050 is exciting, and the RHA is committed to facilitating the introduction of zero tailpipe emission HGVs and coaches.

To ensure CO2 emissions are reduced from commercial vehicles successfully, we seek to inform and influence policy makers on the needs of haulage and coach operators and the practicalities to be addressed. Getting this right over the short, medium and long term is in the interest of the environment, the economy and society more broadly.

Whilst zero tailpipe emission vehicles are developed, low carbon fuels allow commercial vehicle operators to slash their CO2 emissions now. Hydrotreated vegetable oil (HVO) and gas trucks are available options which, whilst not completely zero emission, can reduce emissions by up to 90%. We also believe the Government should move long-term to reducing carbon emissions across the whole vehicle lifecycle.

### What are we asking for?

#### We ask that:

- I the UK Government:**
  - I supports unequivocally the use of low carbon fuels such as HVO as a positive interim step towards Net Zero;**
  - I looks again at the whole carbon lifecycle of a vehicle as we believe a focus solely on zero tailpipe emissions distorts accountability;**
- I commercial vehicle manufacturers work with the RHA and its members so that zero emission vehicles can be trialed in real-world conditions;**
- I fuel providers work with our sector to ensure the infrastructure is in place to power low and zero tailpipe emission commercial vehicles.**

### Why are we asking this?

Decarbonising the commercial vehicle sector is complex. Transport is an essential function of any economy. It allows people and goods to move, lives and livelihoods to flourish and society to prosper. The UK logistics and road passenger sectors are highly-advanced and specialised, enabling the public to enjoy exceptional levels of service.

We are focused on how commercial vehicle operators can switch to clean vehicles whilst sustaining the same high levels of service their customers demand. Much is underway to achieve this. We welcome the development of first-generation battery electric commercial vehicles. To address their operational limitations, we support the £200m investment by the Government into the research and development of zero tailpipe emission lorries – including the potential offered by hydrogen-powered vehicles.

We will encourage our members to invest in these vehicles where they can. We will work with our partners to ensure subsequent generations of vehicles can replicate the same range, payload and operational flexibility of the diesel vehicles they will replace. However, the risk of “stranded assets” is significant, and the Government must ensure that subsequent regulations allow operators to realise their return on investment in these vehicles.

We also seek to resolve the difficult policy and commercial decisions on how we phase out the existing diesel fleet fairly. Lessons should be learned from the well-intended but poorly designed Clean Air Zone policy so that small and medium-sized enterprises (SMEs) are not disadvantaged. Ensuring the existing fleet is phased out rationally whilst ensuring an adequate supply of new vehicles is essential. Driving this should be a national UK approach underpinned by clear vehicle and emission standards; by contrast, a patchwork of different and confusing local regulations that distort the vehicle market must be avoided.

Together with policies that recognise the distinct decarbonisation needs of coaches from buses, the Government must also recognise that measuring the reduction of carbon emissions by the “tailpipe” only does not achieve “zero emission” outcomes. The policy framework must evolve to measure CO2 reductions in the manufacture, transportation and disposal of vehicles plus production of fuel.

Meanwhile, action can be taken now to reduce carbon emissions from the commercial vehicle fleet. Supported by a lower fuel duty to incentivise uptake and reduce the price differential relative to diesel, appropriately sourced and regulated low carbon fuels such as HVO enable operators to reduce their emissions substantially. They also provide resilience where zero emission solutions can not be found.

In that spirit, we ask that the Government supports our members as they plan their vehicle replacement strategies.

**RHA Policy**