

13th April 2021

FAO: Infrastructure Committee

Many thanks for your letter to Logistics UK on 25th March 2021 seeking the views of stakeholders involved in road transport on the decarbonisation of road transport. In particular, the Committee sought feedback from Logistics UK on the move to electric and/or hydrogen vehicles.

The below points are questions that the Committee asked us along with our feedback on those questions.

What are the main challenges to the uptake of ULEV?

Logistics UK fully supports the switch to ultra-low and zero emission vehicles. At present, there is still significant uncertainty over which technologies will be the most commercially viable to deliver zero emission HGVs, with different views around the potential of hydrogen fuel cell, battery electric and electric road systems. Future certainty will be needed for vehicle manufacturers, infrastructure providers, and fleet operators before they can confidently invest in designing, building, and procuring these new vehicles.

For vans, electrification is accepted as the most likely solution for most to transition to zero emission. However, concerns over recharging infrastructure, grid capacity, vehicle availability, cost, mileage range and heavier vehicle model range exist.

What are the main benefits to the uptake of ULEV?

There are considerable benefits to switching to ULEVs. Both those that are ultra-low emission and zero emission can contribute to reducing CO₂ and other pollutant emissions, helping support the transition to all road vehicles being zero emission, and reaching net zero by 2050. However, as noted above, there are still significant barriers to adoption, alongside uncertainty over the viability of some technologies for HGVs, which need to be overcome.

What support to assist a move to ULEV would you like to see from the NI Executive?

Logistics UK believes the key barriers to adopting these new technologies will be the higher cost of the vehicles, concerns over the infrastructure required (both public and private), grid capacity, vehicle availability and ensuring the primary function of the vehicle is not compromised (e.g. payload). To be widely adopted, all new technologies must be able to deliver a commercial business case, which may need to be initially facilitated by government support.

To support the transition, we would like to see a clear policy framework from the NI Executive, including fiscal and financial incentives to help support businesses to switch to ULEVs. Because charging and refuelling infrastructure is critical to their adoption, a delivery plan must be developed to ensure it will be in place when it is needed, and a fair and equitable way of funding any necessary installation or upgrade is provided.

Logistics UK would also welcome a policy framework for alternative fuels that can deliver environmental benefits on the pathway to achieving net zero. The logistics industry operates across a wide range of business sectors, with a variety of operating models, and access to different fuel technologies is important to allow operators to decarbonise their fleets, while utilising the most appropriate solution for their business.

Do you believe there should be official targets for your sector and have you any views on the potential timescale this could take?

The logistics industry is fully committed to switching to ultra-low and zero emission vehicles, but this transition will be dependent on the availability of the vehicles, the required infrastructure, the cost of investment and the other barriers we have mentioned previously. We would therefore not support a sector-specific target but are keen to ensure the right policies and incentives are in place to ensure this transition can take place as quickly as possible.

Have you begun to plan for decarbonising your fleet and if so could you provide some detail on this?

Many Logistics UK members have begun decarbonising their fleets or are taking steps to ensure their fleets are operating as efficiently as possible. Members have cited the lack of refuelling infrastructure and electrical charging points for limiting this transition to date compared to progress in other parts of the UK and in Ireland.

Have you estimated the cost of decarbonising your fleet?

This will be a significant investment for any business, from those with a couple of vehicles to those with hundreds. The new technologies being developed are significantly more expensive than the conventional vehicle equivalents, and investment is often needed at depots into new infrastructure to support these new vehicles. This is especially relevant where electricity power supply upgrades are required to support full fleet electrification, where the cost of the upgrades can be in excess of £1million.

Logistics UK welcomes the Committee and Department for Infrastructure investigating the decarbonisation of transport in Northern Ireland and we look forward to supporting and working with you in delivering that objective.

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