

# £49 million uplift drives automotive industry towards green future

- Government announces £49 million for projects to create thousands of jobs, save millions of tonnes of CO<sub>2</sub> and lead charge towards a low carbon automotive future
- zero-emissions buses, retro electric motorcycles, and a scaled-up Scottish battery manufacturing facility are amongst concepts receiving funding
- investment will strengthen electric vehicle supply chains, pave the way for a UK 'Gigafactory' and drive forward green economic recovery

Retro electric motorcycles and high-power batteries to help electric vehicles travel longer distances are just 2 of the concepts receiving a share of £49 million government funding today (3 November 2020) – supporting the automotive sector's quest to go green and creating thousands of new jobs in the process.

31 projects are receiving a portion of £10 million from the government's Automotive Transformation Fund, to support to development of low carbon emission technologies for vehicles, such as state-of-the-art motors and high-performing batteries for electric vehicles. One winning project, Thurso+, will look at upscaling a battery cell production facility in Scotland – boosting UK battery manufacturing capability.

Meanwhile, £29 million is being awarded to 6 projects through the government's APC16 competition, with winners expected to create 2,880 jobs and save 15.8 million tonnes of CO<sub>2</sub>. One project, expected to create over 500 jobs, will develop infrastructure to collect and recycle electric vehicles and their batteries. This will boost UK capability to re-use materials from vehicles at the end of their life, namely electric vehicle batteries and the chemicals within them – with the potential to save vehicle manufacturers thousands of pounds shipping battery packs abroad for recycling.

Finally, 12 projects have been selected as part of the government's £10 million Advanced Route to Market Demonstrator (ARMD) competition, including a project led by Nissan – which will implement automation technologies to quickly charge electric vehicle batteries in the factory, increasing productivity and slashing costs on their electric vehicle production line.

Minister for Business and Industry Nadhim Zahawi said:

The UK is leading the global battle against climate change, and by developing cleaner vehicles, our automotive industry will help make our net zero ambitions a reality.

Backed by government funding, these trailblazing projects will help Britain to build back better by creating all-important green jobs,

ensuring the sector can make further strides towards an electrified automotive future and helping to address one of the biggest challenges of our time: making transport greener.

Transport Minister Rachel Maclean said:

Today's £49 million investment in projects from retro electric motorcycles to high-power batteries, will boost our transition to zero-emission vehicles, helping us meet our greenhouse gas reduction goals and driving growth by increasing skilled jobs in the UK automotive sector.

This funding comes hot on the heels of the £2.5 billion support we have announced to encourage the take-up of electric vehicles and enhance chargepoint infrastructure across the wider roads network.

By continuing to support vital research and development, these funding pots will assist the sector in its recovery in the face of the COVID-19 pandemic while further accelerating the transition to zero emission vehicles, help spread prosperity across the UK with the creation of thousands of new jobs, and continue to make the UK a competitive and attractive place to invest.

The UK has a proud history of automotive manufacturing success, and the government continues to support the industry as it develops greener manufacturing processes.

The government's ambition is for the UK to reach net zero emissions by 2050, and funding of this kind will ensure the UK continues to be a world-leader in securing a prosperous, zero-carbon future.

## **About the winners**

The funding streams are being delivered by the Advanced Propulsion Centre (APC), an organisation that has so far funded 113 low carbon projects in the sector to save over 225 million tonnes of CO<sub>2</sub>.

Of the 31 winners under the Automotive Transformation Fund, 14 will look at scaling up product manufacturing, 9 will assess the feasibility of large-scale manufacturing facilities in the UK and 8 will look at advanced manufacturing processes for electric vehicle technologies.

These projects include:

1. TALGA [Cambridge] – Ramping up the electric vehicle market relies heavily on improving the distance electric vehicles can travel. This can be boosted by improving the density of electric vehicle batteries – meaning how much of the chemical 'lithium' a battery can store. This project will increase battery density, enabling electric vehicles to travel significantly longer distances.

2. Thurso+ [Thurso, Scotland] – Noting a surge of demand from customers for battery cells for electric vehicles, AMTE Power is scaling up its battery cell production facility in Scotland, identifying opportunities to boost manufacturing productivity, and supply battery cells to specialist vehicle manufacturers. These learnings could be applied to future development and roll-out of a significant new UK facility.

Winners under the £29 million APC16 competition include:

1. BSA Company Ltd – The Electric BSA project [Banbury] – For the first time in history, a true retro motorcycle will be powered by a battery powered electric engine. This motorcycle being developed will have the best of both the worlds – old retro charm paired with futuristic, green technology. This project is expected to create 255 jobs.

2. European Metal Recycling Ltd – RECOVAS [Warrington] – As more vehicles become electrified, greater volumes of batteries are required – which eventually must be repurposed or recycled. Exporting these materials for recycling is unsustainable; this project, expected to create 535 jobs, will develop the infrastructure in the UK to collect and recycle electric vehicles and their batteries.

Winning demonstrators under the £10 million ARMD competition include:

1. Nissan – NABCO [Sunderland] – Nissan is the largest manufacturer of electric vehicles in the UK. In collaboration with Newcastle University this project will develop an automated process of battery charging in the factory, boosting efficiency on the production line and driving out the cost of electric vehicle manufacturing.

2. Bamford Bus Company Ltd [London] – This project will deliver a zero-emission electric single-deck bus that can either be powered by electric batteries or a hydrogen fuel-cell. The vehicle will test new technologies and help bus operators decide what blend of electric and fuel-cell buses are required in the zero-emission fleets of the future.

## **About the Advanced Propulsion Centre**

The Advanced Propulsion Centre (APC) accelerates the industrialisation of technologies which will help to realise net-zero emission vehicles. It is at the heart of the UK government's commitment to end the country's contribution to global warming by 2050.

Since its foundation in 2013, APC has funded over 113 low-carbon projects, involving more than 290 partners. The technologies developed in these projects are projected to save over 225 million tonnes of CO<sub>2</sub>, the equivalent of removing the lifetime emissions from 8.8 million cars.