

Britain's supply of electric cars at risk from Brexit: think-tank

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Because British sales of electric cars will no longer count towards carmakers' EU carbon dioxide targets after Brexit, manufacturers may choose to sell to other European countries instead

Britain risks a shortage of electric cars after Brexit as carmakers will lose an incentive to sell low-emission vehicles there, a Brussels-based think-tank warned.

Because British sales will no longer count towards carmakers' EU carbon dioxide targets, they may choose to sell to other European countries instead, the Transport and Environment (T&E) group warned.

Britain was the third largest market for zero emission vehicles in the EU last year and the largest for plug-in hybrids, the group said in the report obtained by AFP.

"Carmakers may simply opt to dump their less efficient models in the UK market," said Cecile Toubeau of T&E.

A shortage of electric and hybrid cars would be a blow to the British government's claims that it is aiming for a so-called "Green Brexit" with environmental standards equal to or higher than those in the remaining 27 EU nations, the group said.

Brexit also risks hitting the wider British car industry, the group warned.

Up to 6,700 British auto sector jobs—one tenth of the current workforce—could be lost if Britain leaves the EU without a full divorce deal, T&E said.

A so-called "Hard Brexit" would see cars manufactured in Britain becoming 10 percent more expensive if they had to be traded under World Trade Organisation (WTO) tariffs, it said.

Vehicle components would be 4.5 percent more expensive.

"This loss of competitiveness, along with the administrative burden and delays linked to increased customs checks, could be a strong incentive for relocating to the EU," it said.

The fate of British auto production after Brexit has been a major

concern for Prime Minister Theresa May, who has pleaded for certain economic sectors to be allowed to keep seamless trade links to Europe.

In March the European Automobile Manufacturers' Association (ACEA) said that Britain's biggest manufacturing sector—most of which is foreign owned—was at a serious risk of disruption with Brexit.

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