

NEWS RELEASE

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Environmentalists and motor industry collaborate to introduce new 'green' label for cars

A new colour-coded environment label for all new cars will appear in UK car showrooms from July this year. The consumer-friendly label will help car buyers assess the climate change impacts of different cars. It will also emphasise that – increasingly - better environmental performance means lower road tax and lower running costs.

The new label - to be introduced years ahead of likely EU legislation - is the result of a voluntary agreement by car makers following discussions with environment groups and other road transport 'stakeholders' under the auspices of the Low Carbon Vehicle Partnership (LowCVP).

The LowCVP was established in 2003 with funding from the Department for Transport (DfT) and the Department of Trade and Industry (DTI) to help forge consensus-based solutions to the problem of carbon emissions from road transport. LowCVP already has over 150 members representing government, the motor and fuels industries, vehicle users, environmental groups, consumer representatives and other stakeholders.

The new fuel economy label is intended to be familiar to consumers as it mirrors important aspects of the design and colour-coding of the energy efficiency labels that now appear on most 'white goods', such as refrigerators.

The gradations on the label are also consistent with the CO₂ bandings used for Vehicle Excise Duty ('road tax') to ensure that the environmental message is backed up by a clear fiscal signal: *lower carbon emissions = lower road tax*. The label also

provides clear running cost information showing that *lower carbon, 'climate-friendlier' vehicles are cheaper to run.*

The label is to be launched by Secretary of State for Transport, Alistair Darling at the Low Carbon Vehicle Partnership annual conference at the Heritage Motor Centre, Gaydon, Warwicks. Mr Darling will arrive at the Conference on a zero-tailpipe-emission hydrogen fuel cell bus, on loan from Transport for London.

Commenting on the development, the Society of Motor Manufacturers and Traders (SMMT) chief executive Christopher Macgowan - whose organisation played a central role in LowCVP-facilitated discussions leading to the announcement - said: "By introducing this voluntary label the motor industry has shown its commitment to giving its customers clearer information on environmental performance. Model by model comparisons will be made easier for new car buyers as a result."

Tim Brown, Deputy Secretary of the National Society for Clean Air (NSCA), and a member of LowCVP, said: "It's good to see the UK motor industry taking the lead in providing environmental information to consumers. Motorists can help fight climate change by choosing lower-carbon models, and it will now be easy for them to avoid the real gas-guzzlers. Labelling has made a huge impact in the market for electrical goods; this is an important step towards lowering emissions from the transport sector, and reducing fuel costs for drivers."

Edmund King, Executive Director of the RAC Foundation (and LowCVP board member) said: "The new fuel economy label is a victory for the consumer. Motorists considering buying a new car will be able to see at a glance how green, clean and lean their potential new purchase is. Drivers on lower incomes spend 24% of their household budget on motoring so clear knowledge of fuel efficiency is essential."

David Motton, Editor of 'What Car?' magazine, the market-leading journal (a reference for 20% of all buyers of new cars) said: "The new labels are a big improvement and will help car buyers see which cars are cleanest and most economical, thereby saving them money in tax bills and at the fuel pump. The

previous labels were drab and complicated - the new ones are much easier to understand at a glance.”

LowCVP Chairman Graham Smith said: “This is just the type of initiative for which the Partnership was created. This agreement - which was reached between the motor industry and key environment and other stakeholder groups from the Partnership - demonstrates what can be achieved through working together.”

Attachment: A picture of the new colour-coded label is attached. Electronic versions are downloadable from the Low Carbon Vehicle Partnership website: www.lowcvp.org.uk

Pictures from the LowCVP conference, including the Secretary of State introducing the new label will be available on the LowCVP website **from 4pm on 10 February**: www.lowcvp.org.uk

Notes to Editors

1. The new colour-coded fuel economy label will be introduced across all 42 UK car brands between July and September 2005. The roll-out is scheduled to be completed by the September new registration deadline. The new label enhances the pre-existing statutory label by incorporating clear colour coding as well as tax and running cost information.
2. The Low Carbon Vehicle Partnership was set up in January 2003 with funding from the DfT and the DTI and a mandate to accelerate the shift to low carbon vehicles and fuels. The establishment of a stakeholder partnership was one of the central actions arising out of the Government’s ‘Powering Future Vehicles’ strategy that identified greenhouse gas emissions reduction as a priority of future transport policy. The Partnership already comprises over 150 members representing government, the motor and fuels industries, vehicle users, environmental groups, consumer representatives and others. The Partnership is coordinated by a secretariat based in central London.
3. The road transport sector is responsible for nearly a quarter of the UK’s emissions of carbon dioxide, the main cause of climate change.
4. The main objective of the LowCVP is to contribute to the achievement of UK targets for carbon reduction from the road transport sector by:
 - Providing a framework of communications to encourage stakeholders to engage proactively in the move to low carbon fuels and vehicles.
 - Facilitating a forum in which stakeholders can work together to overcome market barriers.
 - Enabling partners to initiate new policy ideas or discuss the feasibility of those already on the agenda

- To provide Government with independent feedback on the opportunities and obstacles in the move to new vehicles and fuels and on the progress and effectiveness of current Government programmes.

Through the partnership approach, UK vehicles, fuels and related industries should be better placed to seize market opportunities in a future in which environmental concerns are set to be a major priority.

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