



Informing Progress - Shaping the Future

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E-Transport: Driving Sustainable Solutions

Transportation has undergone a seismic shift in recent years, with electric vehicles (EVs) leading towards a greener, more sustainable future. Electric transport, referred to as e-transport, plays a pivotal role in progressing environmental, social, and governance (ESG) targets, with the transition towards electrification reducing carbon emissions while enhancing societal benefits by promoting sustainable practices and fostering a greener economy.

As the transport sector addresses the need to integrate ESG principles, innovations in EV technology and infrastructure continue to evolve rapidly. Partnerships between public and private sector organisations enable the development of charging networks and intelligent logistics systems, essential developments for achieving net-zero goals while meeting the challenges posed by climate change.

The evolution of e-transport is driven by a combination of technological advancements, regulatory changes, and growing environmental concerns. The journey began as far back as the late 19th century with the introduction of electric trams and vehicles. Oil crises in the 1970s sparked renewed interest (in EVs), but it was not until the late 1990s and early 2000s that companies began to invest in e-transport significantly.

Current Landscape

The adoption of EVs has accelerated at an unprecedented rate. New EV registrations in the UK have increased dramatically, with the Society of Motor Manufacturers and Traders (SMMT) recording that pure electric vehicles account for 16.8% of the total so far in 2024. This surge is driven by improved battery technology, expanded charging infrastructure, and growing environmental consciousness among consumers.

The sector has gained considerable momentum by several key developments, which include:

- **Extended Range:** Modern EVs now boast ranges of more than 300 miles on a single charge.
- **Faster Charging:** Rapid charging technologies mean EVs can reach 80% capacity in as little as 20 minutes.
- **Vehicle-to-Grid (V2G) Technology:** This innovation allows EVs to draw power from the grid and feed it back.

Data from the International Energy Agency highlights that EV sales exceeded 14 million units globally in 2023, a significant increase from previous years. Governments are promoting charging infrastructure using grants and regulations, and companies are committing to sustainability goals, recognising that transport is responsible for a significant percentage of global carbon dioxide emissions. Urban sustainability is also being enhanced through the integration of electric vehicles into public transport systems.

Emerging Technologies

The pipeline of innovations under review promises even more transformative changes.

- **Solid-state batteries:** Promising improved safety and efficiency and longer lifespans, many manufacturers and tech companies are investing heavily in this technology, with some projecting commercial availability by 2025.
- **E-fuels:** These synthetic fuels, produced from renewable electricity, offer potential solutions to decarbonise sectors where electrification is challenging, such as the aviation and marine industries.
- **Wireless Charging Roads:** This concept, under trial in many countries, including the UK, involves wireless charging pads under road surfaces that charge cars as they drive.
- **Autonomous EVs:** Electric and autonomous technologies could come together to make this a reality, with driverless taxis introduced in some US cities. However, cybersecurity continues to be a major concern in this area.
- **Hydrogen Fuel Cell EVs:** These are gaining traction in long-haul and public transport due to quick refuelling times and long ranges, which make them an attractive option for heavy-duty applications.
- **AI:** The integration of AI is transforming e-transport systems in many areas, such as optimising routes for EVs to reduce energy consumption or integrating smart traffic lights to prioritise non-motorised traffic and increase safety.

ESG and E-Transport

E-transport integrates ESG criteria to create a sustainable transport sector, ensuring initiatives not only reduce emissions but also support social equity and comply with regulatory frameworks.

- **Environmental Impact:** Promoting EVs minimises our carbon footprint and reduces our reliance on fossil fuels. EVs significantly lower greenhouse gas emissions compared to conventional petrol and diesel vehicles, and integrating renewable energy sources into the charging infrastructure can enhance the overall sustainability of e-transport, further mitigating environmental impacts.
- **Social Considerations:** These factors can help build public trust and facilitate a smoother transition to electric mobility. E-transport solutions can lead to improved air quality and public health, particularly in urban communities, while providing employment within the sector can contribute to local economies. Access to public charging infrastructure is also vital to ensure all users, regardless of socioeconomic status, can access EVs.
- **Governance and Regulation:** Effective implementation of e-transport initiatives relies on strong governance, with incentives crucial for boosting adoption and regulations needed to safeguard compliance with environmental standards.

Challenges and Opportunities

The transition to e-transport presents challenges and opportunities within the scope of ESG considerations.

- **Infrastructure Barriers:** A primary challenge is the infrastructure to support EVs and other e-transport solutions, as insufficient charging stations will impede adoption. Investment is, therefore, crucial, and a significant increase in charging points is required to meet future demand. Additionally, upgrades to the electrical grid will be necessary to handle increased loads from widespread EV usage.
- **Innovation and Collaboration:** Developing new technologies can improve the sustainability of e-transport schemes and collaboration between various stakeholders is vital in driving these innovations forward. Shared initiatives that address common goals can help to amplify the impact of innovation and accelerate implementation.

As more e-transport innovations move from concept to reality, they promise to transform how we travel forever. The move towards electrification is well underway and arriving fast, ensuring the future looks brighter and cleaner than ever.

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