## CMA to examine electric vehicle charging sector

Traditional cars are a major source of greenhouse gas emissions and as part of its "green industrial revolution", the Government has brought forward the ban of new petrol and diesel vehicles to 2030. This makes the switch to electric vehicles more imminent for UK drivers. The Competition and Markets Authority (CMA) is therefore taking a close look at the electric vehicle charging sector, which is crucial to the roll-out of electric vehicles, as part of its commitment on climate change.

This sector is still in the early stages of development but is growing quickly. The UK currently has almost 20,000 chargepoints, up from around 1,500 in 2011 — although more will be needed in the future as this is the only way to power electric vehicles. The CMA is therefore considering how to ensure the sector works well for people now and in the future, which will help to build trust in the service and address any competition issues.

Research shows that "range anxiety" or not being able to recharge while out and about is a key concern for many consumers — so it is essential that drivers can access a chargepoint when they need one. If people can see that the service will work for them, they are more likely to make the switch to electric vehicles, which is crucial to achieving the government's long-term ambition for a net zero economy by 2050.

The CMA's work will centre on 2 broad themes:

- how to develop a competitive sector while also attracting private investment to help the sector grow
- how to ensure people using electric vehicle chargepoints have confidence that they can get the best out of the service

The CMA intends to conclude its market study well within the 12-month deadline, so that it can help shape competition and boost consumer confidence in this developing sector.

Andrea Coscelli, Chief Executive of the CMA, said:

Making the switch to electric vehicles is key to helping the UK become greener, which is why it's so important that everyone has the confidence to get behind the move. Being able to easily stop off at a petrol station is a standard part of a journey and consumers must trust that electric chargepoints will provide a similarly straight-forward service.

By getting involved early as electric vehicles and chargepoints are still developing, the CMA can make sure consumers are treated

fairly now and in the future.

Market studies can make recommendations to government or other bodies, and issue guidance to businesses and consumers as needed, among other options.

Views are welcomed on any of the issues raised in the <u>Invitation to Comment</u> by 5 January 2021.

All updates on the CMA's work in this area can be found on the <u>Electric</u> <u>vehicle charging market study case page</u>.

- 1. The scope of this market study is the supply of chargepoints for plug-in hybrid and all-electric 'passenger' electric vehicles, comprising cars and light vans. It will look at charging in a range of different settings including home and off-street parking; on-street parking; workplace; hub and destination; and en-route charging.
- 2. Transport is the largest emitting sector of the UK economy, accounting for 28% of UK greenhouse gas emissions in 2017, with road traffic accounting for around 20%. Read more: <a href="Electric Vehicles: driving the transition">Electric Vehicles: driving the transition</a> (BEIS Select Committee, October 2018, P7) and <a href="Road Transport">Road Transport</a> and air emissions (ONS, September 2019).
- 3. Read more about 'range anxiety' (P12)
- 4. Read more about how the CMA is supporting the transition to a low carbon economy in its 2020/21 Annual Plan and read more about its misleading environmental claims work. The CMA will publish its consultation of the 2021/22 annual plan on 3 December.
- 5. Media gueries should be directed to: <a href="mailto:press@cma.gov.uk">press@cma.gov.uk</a> or 020 3738 6460.