Zero Emission Vehicle mandate review

Submission from Unite the Union, Automotive Sector

Des Quinn Steve Bush
National Officers, Automotive Sector
Unite the Union

October 2026

In summary:

- As the trade union for automotive workers, Unite believes the Zero Emission Vehicle (ZEV) mandate must be **adjusted to support the government's target of increasing UK industry production volumes** by 2035, and to support investment. The mandate must become one part of a wider industrial policy, coordinated across government departments, to achieve the goal of affordable ZEV production in the UK at sustainable volume to defend jobs.

- The UK electric vehicle and zero emission segments markets are growing and if judged by this metric alone the ZEV mandate would be considered successful. However as currently constituted, the ZEV mandate is **focused on sales rather than production** and a focus on sales alone does not increase demand. While OEMs are meeting targets (when use of credits and trading is included), this is driven by and incentivises imports of ZEVs. This is suppressing production volumes within UK sites and threatening jobs.

- This flaw undermines the wider government objective for the sector – outlined in DRIVE35 – to increase net industry production volumes from their current historic low to over 1.3 million by 2035.

- Ban dates and regulating sales will not by themselves result in the required ZEV transition but nor will repeatedly changing them as this disrupts decade-long investment cycles. Industry must also recognise its responsibilities as UK consumers cannot buy what is not made here. **The lack of affordable UK-made ZEVs on the market must be the focus of industrial policy and a shared goal of both government and industry.**

- Unite points to examples of European industrial policy, most notably in France, where domestic ZEV production is supported and ZEV market share is outstripping the UK.

Introduction:

Unite is the trade union for workers in the automotive industry, ranging from final assembly plants and OEMs to the components and logistics supply chain. As outlined in the sector's *Road to 2035* industrial strategy, the union's focus is the jobs, pay and conditions of members in the context of the industry's low volume crisis. Unite sees the development of a domestic ZEV industry as critical for the future of the industry to sustain jobs, be globally competitive, and to avoid a scenario where low volumes and low job numbers become a permanent mode of production.

ZEV mandate in context:

The submission on the ZEV mandate represents the concerns raised by convenors and senior workplace representatives who are supporting members in the teeth of a prolonged industrial crisis which has already closed plants and continues to cost jobs. In 2026 the industry stands at a dangerous midpoint. Sites such as Ellesmere Port are entirely reliant on electric vehicle production, while job-securing investment has been won at companies including Cummins in Darlington, which is developing internal combustion HGV engines which run on zero carbon hydrogen fuel, and Ford which produces E-Drive units at Halewood. The majority of UK OEMs have at least one electric vehicle – including Nissan, JLR, Bentley, and Rolls Royce. However, other sites, such as the BMW "Oxford Triangle" (Oxford, Swindon, Hams Hall) are entirely reliant on ICE production and Toyota and Nissan's UK plants produce hybrids.

Maintaining ambitious targets:

The ZEV mandate represents one of the world's most ambitious clean-transport policies, but this is disconnected from an equally ambitious industrial policy. The initial ban on internal combustion engine sales was announced in 2017, and the ZEV mandate came into effect in 2024. The government's automotive sector strategy DRIVE35 was not published until 2025, and the Advanced Manufacturing Jobs Plan is not scheduled for publishing until October 2026. To paraphrase Professor David Bailey, University of Birmingham,[1] the world's most ambitious transport transition target is a "moonshot" which requires a NASA-level of industrial planning. This is the disconnect which must be addressed.

Unite is concerned that the ZEV Mandate remains the jurisdiction of the Department for Transport, the Minister of which has refused to engage with automotive workers even within her own constituency. Wider automotive policy is being directed by the Department for Business, Industry, Science and Trade, and occasionally the Treasury. Unite sees a role for the Cabinet Office and the First Secretary of State, who should be directed by Downing Street to coordinate a cross-departmental strategy for the industry.

ZEV mandate relationship with UK plants:

UK automotive is an exporting industry. The majority of vehicles built in the UK are exported and the majority of those driven in the UK are imported. The ZEV mandate sits atop this dynamic with the focus on sales meaning OEMs have met 2024 and 2025 targets via imports, along with use of credits, trading and flexibilities.[2] Unite seeks the full disclosure of compliance information from the Department of Transport to confirm how OEMs are complying and which are benefitting from the trade in credits. Anti-union companies which compete with the UK industry such as Tesla should not be benefitting from a potentially lucrative secondary credit market.

The situation facing the BMW 'Oxford triangle' of plants demonstrates the flaw in the current mandate. It is clear that at the multinational corporate level BMW is complying with the

[1] https://www.am-online.com/news/ev-transition-needs-policy-overhaul-amid-struggles-to-compete-with-china
[2] https://uploads.transportenvironment.org/production/files/2025-TE-UK_-ZEV-Mandate-Compliance-Briefing.pdf

mandate, however this is being met through imports. BMW Plant Oxford produces ICE variants of the *MINI* for the domestic market and export. Up to 40% of Hams Hall's engine production supplies Plant Oxford. The pressing plant at BMW Swindon is entirely reliant on Oxford. Production volumes at Plant Oxford have plummeted in recent years, resulting in over 800 job losses to date. Further falls in volume jeopardise the ability of BMW UK plants to sustain shift patterns and employment. All three plants are now waiting on the allocation of an electric *MINI* in 2030. The ZEV mandate is a factor (but not the only factor) which is suppressing production volumes at Plant Oxford. Even if an EV *MINI* is allocated to Oxford, the workforce must have a pathway through the bridging years to 2030 before production begins to contribute to ZEV targets.

- 2023: 184,996 (-0.7%)
- 2024: 110,742 (-40%)
- 2025: 124,271 (12% +)
- 2026: 120,000 (Unite forecast)
- 2027-2029: TBC
- 2030: New model

Is the ZEV mandate closing UK plants?

Unite Convenors, senior workplace representatives and officers are working tirelessly to help positively shape investment decisions which will impact thousands of workers. This includes the allocation of the EV *MINI* by 2030 at BMW Plant Oxford, a model to replace the existing *Corrolla* at Toyota Burnaston, confirmation that the EV *Vivaro* will begin production at Vauxhall Ellesmere Port in 2027, and the long-term future of Ford's Dagenham Engine Plant.

In each of these cases it is clear boardroom-level decision makers in Munich, Tokyo or Detroit consider the broader 'investment environment' of the UK. This includes the industry's ubiquitous term 'competitiveness,' as well as structural issues such as industrial energy prices, the UK's trading arrangements (especially with the European Single Market, the United States and China), and the UK's regulatory framework. It is true that these multinationals can, and largely do, meet[3] ZEV Mandate targets from their global production (via imports). This does not mean perceived punitive regulation is not a factor when considering investment in the UK and allocation of production.

The mandate has not been the decisive factor in recent closures, but nor is it helping to secure investment to keep plants open. When Stellantis announced the closure of Vauxhall Luton in 2024 following a 'strategic review' of both UK plants, the ZEV mandate was named[4] as a decisive factor. This was later undermined by Stellantis meeting ZEV mandate targets during the consultation period (again via imports) and comments by then Stellantis's chief financial officer Natalie Knight confirming that the company would continue to avoid ZEV mandate fines.[5]

It is true that concerns about government policy and regulations are often foregrounded in closure announcements while broader corporate strategies (from the impact of price on demand to off-shoring production to low-cost countries) are downplayed. That does not mean it is not a factor in imminent investment decisions. Navigating how the mandate, combined with wider industrial policy, can help secure such investment must be a priority.

---

[3]https://storage.googleapis.com/public_download_assets/reports/20261008%20Built%20Here%20Sold%20Abroad.pdf

[4] https://www.media.stellantis.com/uk-en/corporate/press/stellantis-announces-proposed-plan-to-invest-50-million-to-strengthen-the-ellesmere-port-plant-as-its-uk-commercial-vehicle-manufacturing-hub

[5] https://www.theguardian.com/business/2024/nov/27/vauxhall-owner-was-confident-about-meeting-ev-rules-before-factory-shutdown

The mandate should be a tool for making investment in Oxford, Dagenham or Sunderland more, not less, likely. To reverse this situation, Unite proposes that amendments to the ZEV mandate and its trajectory should be made conditional on industry investing in UK production and the use of UK-content.

Unite's preference would be for UK government to engage each of the major OEMs to develop and agree joint plans towards the shared goal of developing affordable ZEV production in the UK. Flexibilities and timelines can be considered against commitments to invest and can be further supported through action on structural issues such as energy costs, and by demand-raising measures such as Social Leasing and improving access to charging infrastructure. Through joint planning, agreed trajectories to 2035 can be connected to the domestic volume objective of DRIVE35 and the employment objectives of the Advanced Manufacturing Jobs Plan. Unite, supported by the TUC, would be a valuable social partner in supporting such industrial planning.

Trajectory options:

Unite is aware that industry is concerned the ZEV mandate targets exceed the current maturity of the UK ZEV market for both cars and vans, and that the trajectory should keep pace with that market. Unite considers there to be a disconnect between the current trajectory and the market and that the ZEV mandate is flawed in attempting to regulate supply without considering demand. Barriers to demand include price and access to charging infrastructure. Unite believes the role of government policy should be to proactively shape the market by addressing these barriers rather than focusing on sales alone. The ZEV trajectories should be amended if there is a corresponding plan to achieve domestic ZEV production by 2030 and rapidly increase production and market share by 2035.

Of the options presented in this consultation, Unite conditionally supports Option 3 for cars, 50% ZEV sales in 2030 which increases to 100% ZEV sales in 2035. Unite does not support diluting the 2035 target.

For passenger vehicles, an amended trajectory must be used to secure affordable EV production in the UK by 2030. This is most pressing at BMW Plant Oxford where a decision on the allocation of the next generation electric MINI is imminent. In addition to Oxford, this objective can also be achieved with ZEV investment at Nissan Sunderland, Toyota (Burnaston and Deeside) and by securing a new OEM, ideally into a large and underutilised site such as the estate at Ford's Dagenham Engine Plant. Having secured this investment and production, the 2035 trajectory can be used to rapidly increase UK-made EV market share and raise production volumes at UK plants in-keeping with the DRIVE35 target of 1.3 million.

For vans, Unite supports a 40% target for 2030, increasing to 100% in 2035. Again, Unite does not support diluting the 2035 target.

For vans, BEV market share accounts for 10.8% year to date (as of September 2026), significantly below the ZEV mandate target.[6] It is clear significant work is required to hit a 40% target by 2030.

The UK's lone van plant at Ellesmere Port is 100% reliant on electric vehicle production. The plant awaits confirmation that the electric *Vivaro* – currently manufactured in France since the closure of Vauxhall Luton in 2025 – will be produced at Ellesmere Port from 2027 onwards. A supported target must be used to incentivise reshoring of this model and the rapid build-up of production volumes to sustainable levels.

[6] https://www.smmt.co.uk/septembers-record-electric-van-uptake-still-less-than-half-mandated/

It is important to note that the ZEV mandate trajectory will not achieve this alone. Without wider supportive policy any movement towards a 2030 target will be met with imports. For example, the new Ford *Transit City* which is made in China, while Chinese OEM SAIC will benefit via imports of its *MAXUS* brand.

Wider industrial policy:

There are clear precedents for using industrial policy to achieve both transport and manufacturing transition objectives, as demonstrated in France. In the UK, BEV market share stands at 26.2% in September 2026. In France BEV registrations rose to 41.7%, continuing a trend of the year with BEV market share rising to 35% in July and 38% in August. Across Europe's 12 markets of battery-electric vehicle sales have grown by 62%, reaching an overall market share of 33%.[7]

The French automotive industry not only benefits from European-level industrial policy of the Industrial Accelerator Act, but also French government policy to proactively support small, affordable domestic electric vehicle production. Incentive policies such as 'Social Leasing'[8] make EVs affordable for key workers and boost domestic production volumes. European-level regulation is pushing the industry to revive the now growing small and mini segments.[9]

Unite is calling for government to:

- Disclose ZEV mandate compliance and credit trading data.
- Direct the Cabinet Office to coordinate automotive policy across departments and align the ZEV mandate with DRIVE35 and other government sector strategies.
- Amend 2030 trajectories, while recommitting to 2035 target. These targets must then be linked to the government aim of increasing UK sector net production to 1.35 million by 2035.
- Secure affordable electric vehicle production in the UK through joint industrial planning to remove barriers to investment, with conditionality based on investment and use of UK-content attached to any public funding, subsidy or flexibilities to the ZEV mandate trajectories.
- Rapidly grow market share of UK EV production by focusing Electric Car Grant (ECG) and other financial incentives on vehicles which are produced in the UK or contain high UK-content.
- Look to positive precedents and develop measures such as a 'Social Leasing' scheme to support demand for an additional 50,000 UK-made EVs per round, on top of growing private market demand and exports.
- Secure UK participation in *Made in Europe* and develop industrial policy to mirror the ambition of the Industrial Accelerator Act.

[7] https://www.autonews.com/ev/ane-ev-sales-surge-on-fuel-price-hikes-1005/
[8] https://www.transportenvironment.org/articles/social-leasing-how-low-price-evs-can-help-transport-vulnerable-drivers
[9] https://www.autonews.com/europe/ane-minicars-gain-ev-hybrid-shift-0513/