

Carbon Trust provide £2m boost to UK fuel-cell technology

Carbon Trust has given support to two UK fuel cell pioneers who are working to deliver a step change reduction in the cost of the technology. Carbon Trust will support Runcorn-based ACAL Energy and Sheffield-based ITM Power by providing £1.95m of investment, with the ambition that the fuel cell technology could be used in hydrogen-powered cars by 2017-2020. Carbon Trust analysis identifies challenges around the costs of manufacturing fuel cell vehicles and states that production of state of the art fuel cell systems currently under development are forecast to cost approximately \$50/kW at mass manufacture volumes. The Carbon Trust indicates that for future fuel cell vehicles to compete with internal combustion engine cars, the cost of fuel cell systems must be reduced to about \$35/kW. Significant additional technological breakthroughs are needed to achieve this target of a 30% cost reduction, with the analysis identifying that the innovative technologies being developed by ITM Power and ACAL Energy have the potential to reach this automotive cost target if significant technological hurdles can be overcome. The two investments come from the Carbon Trust's Polymer Fuel Cells Challenge (PFCC) which was launched in 2009 to support the Department for Energy and Climate Change's objectives to develop lower cost fuel cells. The support also follows this year's launch of the government-industry UKH2Mobility consortium that is tasked to ensure the UK is well positioned for the commercial roll-out of hydrogen fuel cell vehicles. Commenting on the news, Energy and Climate Change Minister, Greg Barker, stated: "Driving down costs is essential to help fuel cells reach their potential in today's market place. These exciting Carbon Trust investments, supported by government funding, should help to do just that, opening up new mass markets and securing major carbon savings. I look forward to seeing the results from these two innovative companies". (Source: Carbon Trust) <http://www.carbontrust.com/about-us/press/2012/08/carbon-trust-2million-boost-to-uk-fuel-cell-technology>

Global Investment Conference held at Lancaster House

The Global Investment Conference took place at the British Business Embassy, Lancaster House on Thursday 26 July, opening the largest set of trade and investment events ever held in the UK. The event was held in front of an audience of international government representatives and the world's leading financial and business figures. A further 16 business summits for over 4,000 UK and international business delegates will be held at the British Business Embassy during the Olympic and Paralympic Games, with the events aimed at showcasing the UK's capabilities across a wide variety of sectors, in addition to two country summits focussing on trade with China and Brazil. The programme, organised by UK Trade & Investment, is expected to generate £1 billion in future benefit for UK businesses, and UK and international firms will use this platform as an opportunity to announce deals worth more than another £1 billion in total. Commenting on the conference, Deputy Prime Minister Nick Clegg stated: "The Olympics presents us with a once in a lifetime opportunity to boost the UK's growth potential. Our world-beating innovation in green technology and advanced manufacturing are on show for a vast global audience, and today we can be proud of those achievements. (Source: BIS) <http://news.bis.gov.uk/Press-Releases/Billions-of-pounds-of-UK-investment-announced-as-the-Global-Investment-Conference-opens-for-business-at-the-British-Business-Embassy-67da0.aspx>



July brings third consecutive month of contraction in UK manufacturing

The latest Markit/CIPS figures for manufacturing PMI, show the UK at a 38 month low in July 2012. At 45.4 in July, down from a revised reading of 48.4 in June, the seasonally adjusted index fell to its lowest level since May 2009, with operating conditions having deteriorated in each of the past three months. Output and new orders both contracted sharply during July, as companies faced weaker demand from domestic and export clients. The decline in production was the steepest for 40 months, with contractions recorded in both the intermediate and investment goods sectors. In contrast, output rose slightly at consumer goods producers. The level of new export business declined for the fourth month running and at the fastest pace since February 2009. The ongoing weakness of the Eurozone market remained the principal drag on new export orders, although there were also some reports of a decline in new business received from Asia. (Source: CIPS)

<http://www.markiteconomics.com/MarkitFiles/Pages/Vi-ewPressRelease.aspx?ID=9893>

Carbon Trust identify up to £11 million of savings for Ford dealerships

Ford and the Carbon Trust have announced a new collaboration designed to deliver energy efficiency services across Ford's network of over 550 dealerships throughout the UK. Based on pilot assessments the Carbon Trust have identified savings of up to £11 million that could be made just with improvements in site operation, as well as through upgrading internal and external lighting. A co-branded energy efficiency implementation service is being offered to all Ford dealer sites to help them reduce costs, improve environmental performance and enhance the customer experience. This new initiative builds on Ford's continuing work to reduce the environmental impact of its vehicles and manufacturing sites, which includes the introduction of wind turbines at Ford's Dagenham plant and solar panels at the Bridgend plant in Wales. Working with SMMT, the Carbon Trust have identified that most car dealerships can make savings on their energy bills of up to 10% through zero-cost activities, and with

modest investment those savings can exceed 25%. (Source: Carbon Trust)

<http://www.carbontrust.com/about-us/press/2012/07/carbon-trust-identify-up-to-11-million-of-savings-for-ford-dealerships>

UK to be centre of European production for next MG Supermini from 2013

MG Motor UK, the West Midlands-based automotive manufacturer of parent company, SAIC Motor, will be the centre of European manufacturing for its MG3 Supermini from 2013. The global car manufacturer already bases its European design and technical centre at its Birmingham site and is expected to inject further capital to create state-of-the-art R&D facilities as part of a worldwide £4.5 billion investment programme. The majority of engineering and design work for the global manufacturer takes place in the UK, benefiting from world-class engineering capability and expertise. As momentum grows for the MG brand, it plans to introduce vehicles in additional markets, including Egypt and Uruguay. (Source: SMMT)

<http://www.smmt.co.uk/2012/08/uk-centre-of-european-production-for-next-mg-supermini/>



Week ahead

House of Commons

The House of Commons is in recess until Monday 3 September

House of Lords

The House of Lords is in recess until Friday 1 September