

Zero Emission Vehicles Emerging Markets Initiative (ZEV-EM-I) Concept Note

Overview

Although ZEV deployment is accelerating in several developed countries, many Emerging Markets and Developing Economies (EMDEs) continue to experience a slower uptake of ZEVs, deployment of the necessary infrastructure and lack of policies for future ZEV growth. As countries and companies announce plans to deploy ZEVs, there is a growing gap between ambitions and actions. To help accelerate the global transition to ZEVs, the ZEV Transition Council (ZEV-TC) was formed ahead of COP 26 as the world's first political forum to convene government ministers and representatives from most of the world's largest and most progressive automotive markets. Collectively, the Council represents more than half of all new car sales globally and also consists of some of the world's largest Official Development Assistance (ODA) donors, providing a unique position to accelerate a global transition where no country or community is left behind.

At COP27, the ZEV-TC will play a central role in launching – and, through its wider structure, primarily lead on delivering – support for EMDEs. As part of this support, a new initiative will be launched to address the growing gap between commitments and deployments in EMDE countries, highlighting private sector contributions and seeking specific policy announcements by countries as well as investments by companies.

This year-long initiative will foster dialogue between EMDEs and companies to accelerate private investment and public policies, enabling both companies and governments to achieve their ambitious ZEV deployment goals. Convening regional dialogues with industry throughout 2023, the initiative will facilitate partnerships between companies prepared to invest in ZEV deployment with EMDE governments prepared to enact and implement enabling policies. The US and UK governments, as co-chairs of the ZEV-TC, will participate to ensure high-level participation on both sides and facilitate meaningful exchanges. The initiative will be launched at COP 27 with the aim of finalizing agreements by COP 28 that outline planned policies and levels of investments.

Challenge

While ZEV deployment is growing exponentially in select countries, several EMDEs have not begun to lay the foundation needed to meet government and private sector medium- to long-term deployment goals. Studies show that Developing Economies in particular need policies that [lower ZEV import tariffs, reduce ZEV charging rates, and support the buildout of charging infrastructure](#). Moreover, vehicle exhaust leads to [nearly 400,000 premature deaths](#) every year and gasoline consumption requires expensive oil imports, demonstrating that adopting ZEVs has significant benefits for public health and energy security. Several large, EMDE [countries have set goals](#) to deploy ZEVs but [uptake has been limited](#). Private companies as well are developing ambitious goals, but they are largely reliant on ZEV uptake in EMDE countries.

Initiative

This initiative will help both countries and companies achieve their ambitious ZEV deployment goals by fostering communication of potential private sector investment targets and private sector advocacy for planned policy measures that will enable their achievement. Working through the ZEV-TC structure, including with its partners, the US State Department will help bring together groups of companies prepared to undertake ZEV-related investments in given countries and will facilitate their engagement with respective governments with the aim of producing country and company announcements by COP 28.

Company Recruitment: As official supporters and partners of the ZEV-TC, the [World Business Council for Sustainable Development](#) (WBCSD), in coordination with its partners, will lead in convening one or multiple virtual roundtables prior to COP 27 to explain the initiative concept and solicit company interest. The US State Department, Environmental Protection Agency, and United Kingdom Department for Business, Energy, and Industrial Strategies, as co-chairs of ZEV-TC, will join in these roundtables and encourage company participation.

COP 27 Launch: At COP 27, interested members of the ZEV-TC and its partners will announce a number of initiatives, including this initiative, as part of strengthened support for EMDEs. The United States government will work with the UK government to both arrange a high-level event to launch this initiative and will support company participation.

Initial Goal-Setting Meeting: Soon after COP 27, the WBCSD will convene interested companies to discuss what countries they are most interested in engaging and what local policies are most likely to speed up the ZEV transition. This discussion will inform the locations and topics that are included in the 2023 dialogues.

2023 Dialogues: Throughout 2023, WBCSD will host a series of regional dialogues, bringing interested companies and political leaders together to discuss both existing investment plans and ways to encourage additional ZEV deployment growth. These dialogues may be a mix of virtual and in-person events.

End of Initiative: At COP 28, ZEV-TC will announce the end of the initiative by showcasing the various announcements made through the dialogue process.

Proposed Timeline:

- Company Recruitment – September to October 2022
- Official Announcement of Initiative – COP 27, November 2022
- Initial Goal-Setting Meeting – Soon after COP 27
- Company-Country Dialogues – January-October 2023
- End of Initiative – COP 28, November 2023

Integration with ZEVTC

All initiative activities will be integrated into the larger ZEVTC structure, with a summary of the goals and ambitions of private sector participants being presented to ministers, government officials, and wider relevant stakeholders involved in the ZEVTC's global transition workstream. The initiative will also look to work closely with the ZEVTC's International Assistance Taskforce, which will develop comprehensive recommendations based on individual EMDE countries' individual needs and requirements.