

# PRIVATE SECTOR PARTNERS IN ELECTRIC MOBILITY

## THE EVUE EXPERIENCE

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The URBACT LSG model provides a mechanism to bring together stakeholders around a common aim in the hope that incorporating all potential interests and perspectives in the planning process will lead to more sustainable outcomes. In the case of electric vehicles (EV) this is a crucial element of strategies for the first phase of market development. The EVUE (Electric Vehicles in Urban Europe) Baseline Report provides an analysis of the various drivers and actions for each of the key groups involved. It states “the successful deployment of electric vehicles will require the close cooperation of all stakeholders, including public authorities and policy makers from all around Europe, the car industry, infrastructure and energy suppliers.” “Leading and managing the multi stakeholder process will be key to success.”<sup>1</sup>

## Unlocking potential

It is clear that joint working with private sector companies is the most efficient way to unlock the greening potential of electric vehicles in European cities. But how can this be achieved? How do we best understand the perspectives of each stakeholder and create structures to attract and sustain the active participation of potential industry partners and investors?

A survey of stakeholders in **EVUE** Support Groups in 2010 showed that the great majority of our ULSGs have private sector partners mostly from utility companies, carmakers, infrastructure providers, car clubs, small business networks and consultancies. It has not been difficult to engage these partners. They have a commercial interest in the rollout of electro mobility. They see opportunities, and need to work with public authorities to get into supply chains and influence how strategies are delivered.

We asked both city administrations and private sector partners about the benefits and challenges of working together. First we report on the public sector perspectives.

## Making Business Sense in Beja

**Marcos Nogueira**, Consultant for the Municipality of Beja, gives a view from this medium sized city in the Alentejo region of Portugal. The ULSG has several private sector stakeholders, and this reflects the municipality's wider efforts to engage business.

"For the municipality the key goal is to attract investment and accelerate growth. This can only be done working with the private sector. We need to get them involved to build the right strategies."

Beja has three important principles for its general engagement with the private sector.

### ● Integration

The municipality tries to provide a seamless service across departments to accommodate the range of issues that concern local businesses. "The local market is small, so companies can't grow by focusing on one product or service. They often operate in several sectors. **We find that business representatives like to cover many subjects in one meeting, for instance parking,**



**land use and recruitment.** The municipality structure is also integrated so we can help businesses move from one sector to another easily. **We try not to be too formal or bureaucratic.**"

### ● Consensus

The municipality strives to create consensus and ensure that business interests are aligned with local policy.

"Our strategic thinking has to be transparent. We can't impose policies. We try to involve the private sector in developing our vision. The Mayor was elected here in an area where traditionally support for his party isn't great because he is able to build consensus."

### ● Continuity

"In order to build trust and confidence with investors and local businesses we have to have continuity. We can't stop and start all the time."

One way in which the Mayor of Beja, Jorge Pulido Valente, maintains private sector engagement is through a council of 30 to 40 people that meets twice a year for information exchange. It is not an official body

and participants are selected on an individual basis, because they are active in the community, not because they represent an institution.

**The meetings are designed to be "light and lively". They are hosted in a neutral venue, not municipal buildings, and organisers invite other speakers and intermediaries, not just politicians.**

"The advantage for businesses to engage with us is that they get early information on local opportunities. This is a reward for their time investment."

## City Council challenges

Beja is a small city where the Mayor is a prominent figure. He meets local people frequently and is able to drive progress. For other partners, especially in larger cities with multi-level governance and a myriad of agencies, this win-win situation can be harder to achieve.

**Matthew Noon**, Project Coordinator of **EVUE** and the Lead Partner from Westminster City Council in London, has found ULSG engagement to be more challenging. "Council

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officers are generally focused on developing and achieving the policy aims and objectives adopted by elected representatives and regional/national government or responding to constituent concerns. Individual private sector engagement can be seen as a “vested interest” or they are unwilling to engage as it is not a “core” business activity. Through self-selection businesses may preclude themselves.”

“The private sector takes a more direct approach and is not necessarily as holistic as public sector engagement. As such, consultative activities can be seen as irrelevant and time consuming. **The biggest challenge is getting the private sector to recognize the longer timeframes, approval or other bureaucratic processes that are imposed upon public sector activities that can slow things down considerably.**”

As a result, Matthew has found that the main benefit of the ULSG is in broadening the range of views and providing a mechanism for each sector to better understand the other. An additional advantage is that private sector stakeholders, such as Charging Point suppliers, bring technical expertise. “Public officials can’t be expected to know all the details like AC/DC, or charging standards. **Private sector stakeholders also raise questions that help us all think and consider more solutions and options.**”

## Clean vehicle collaboration

For **Eva Sunnerstedt**, Head of the Clean Vehicles Team in the City of Stockholm, many years of experience have led to good collaboration. “We actually have engaged with the private sector quite often on the issue of bio-gas (methane) as a fuel for vehicles. In order for it to be successful everyone has to see the need to act together and the benefit this can bring. It is important that all stakeholders **take the time to listen to each other and that good suggestions or decisions are actually achieved or carried forward – otherwise the forum will stop**”.

**“It is much better if you can identify the problems and challenges together and divide the work between you in order to make progress.”**

Stockholm is selective with its private sector partners. “When we prepared for the Local Action Plan we interviewed almost every organisation in Stockholm and Sweden that had demonstrated any interest in EVs. The ones that showed great interest in Stockholm were the ones we invited to the LSG”.

Eva’s conclusion is that this investment in time and preparation is worthwhile. “It is much better if you **can identify the problems and challenges together and divide the work between you in order to make progress.**”

## Building more than the bottom line?

So how does it feel on the other side of the table? What do the private sector partners think about this cooperation with cities?

## An injection of energy

**Andrzej Szyp** is E-mobility Project Manager in Vattenfall Distribution Poland S.A., Vattenfall’s representative in the Local Support Group for the City of Katowice in the **EVUE** project. Vattenfall is one of Europe’s largest generators of electricity and the largest producer of heat. It is committed to making electricity production cleaner and to seeing this contribute to sustainable transport. The company was pleased to accept the invitation to join the ULSG when Katowice joined **EVUE**.

“In our opinion cooperation is the key success factor in making progress towards sustainable urban transport and electric mobility. We would like to act as the e-mobility enabler. **If we see cities working in a holistic way in order to develop their approach and strategies – we would like to be a part of it and support such activities.** Being a part of the **EVUE** network we have a unique opportunity to gain knowledge and experience from cities being the early movers in this area.”

Andrzej makes the point that Poland is a few steps behind in e-mobility. **Market models are not yet clear and this knowledge helps them to prepare for the market opening.** The **EVUE** network meeting held in Madrid in 2010 came to the same conclusions that business models for Emobility are still emerging. All partners value the opportunity provided by URBACT transnational exchange to explore the different approaches, investment strategies and potential solutions.

Andrzej’s advice for ULSGs is to develop a close and honest cooperation between the partners, **sharing not only the best practices and successes but also mistakes and lessons to be learned.** “Good project management, a multi-purpose and highly



## It is useful to see the difficulties that some cities face when there is not much public financing available for big projects, and to see how this market could evolve in future.

flexible project team, good understanding of market differences – these are, in my opinion, the most important success factors for reaching the **EVUE** objectives.”

As for the benefits to his company Andrzej adds “the process of developing the e-mobility market has a number of stakeholders of existing and future industries. All the parties can gain more than they otherwise would have gained – it can be the win-to-win scenario”.

And on a personal level - “my participation in **EVUE** transnational meetings gave me the most extraordinary and exciting opportunity to meet and work with very knowledgeable and experienced experts.”

### Leading the charge

By contrast MOBI.E<sup>2</sup> in Portugal is one of the more advanced national e-mobility programmes, and **Pedro Moreira da Silva** plays an important role in it. Pedro is a Director of EFACEC<sup>3</sup>, the largest Portuguese group providing electricity energy transport and logistics solutions and part of a consortium of companies implementing the pilot phase of MOBI.E, putting charging infrastructure into

25 cities. It has also been involved in advising government on technical issues, business models and legislation. Pedro is a member of the Lisbon ULSG.

“**We need to work with cities. There is no single recipe for putting in public charging infrastructure.** For example, in Lisbon there are a lot of car parks, so the solution is not just on-street. But in a small town putting a charging point in a prominent on-street position is good for visibility and public awareness. It’s very important to discuss the location strategy together with the bus company, utilities, petrol stations, car parks and shopping centres and to adapt solutions to each city.”

Within the **EVUE** network cities are taking a variety of approaches to charging infrastructure, from low-tech simple key operation in Oslo to the sophisticated integrated RTD system that EFACEC is delivering. Cities discuss together how to procure charging points, which technology to use, where to locate them and how to communicate about them to potential EV drivers to overcome range anxiety.

Pedro is clear that there are benefits in the ULSG networking as all the stakeholders are potential customers. A bus company might develop an EV car sharing scheme, for instance.

EFACEC does not always find it easy to work with public administrations and the culture and bureaucracy vary from city to city. “In some places everyone has something to say about where a charging point is going and that takes time”.

In Pedro’s opinion the Lisbon ULSG is very effective. He presented the MOBI.E model at the **EVUE** Expert Seminar in Poland and found it useful to see the difficulties that some cities face when there is not much public financing available for big projects, and to see how this market could evolve in future.

“We are at the very beginning in this sector, not even in the development phase and it’s very important to get to know people, to understand their thinking. Unless you do that and have a profile you will not be able to be

successful in the market. **EVUE** ULSG and transnational activities help us with that.”

Back in Beja **Vitor Luzia**, member of the ULSG, sees the issue from the standpoint of running a small business, Irmaos Luzias, supplying agricultural equipment. He says: “At first I wasn’t sure that this was a topic that concerned me, but now I am glad that being involved in **EVUE** has made me think about what opportunities electric mobility might bring for my business, and I am developing plans that help position me better for this future market”. Vitor is an active member of the business community and this is a good example of the mutual benefits brought about by close contact between the administration and local entrepreneurs.

### Sustainable Success

It seems from these examples that the URBACT LSG model can support a sustained engagement of private sector partners in EV plans in **EVUE**.

Clearly the motivations and cultures of public and private sector stakeholders are different, and part of the challenge for the ULSG is to accommodate these differences, to find a style of meeting and communicating that works for everyone. Partnerships need to be robust enough to thrash out conflicts and find solutions to complex situations.

The benefits reported by private sector stakeholders are improved market intelligence, profile, relationship building with potential customers and ultimately winning contracts. For cities the benefits include the investment and technical expertise brought by business to achieve urban policy. This convergence of interests around electric vehicle strategies can be used as a binding force to create real long term partnerships to get more green cars on the ground in cities. The insights described here confirm the need for URBACT type dialogue and action planning at both city and European level. ●

(1) [http://urbact.eu/fileadmin/Projects/EVUE/outputs\\_media/2010-05-21\\_Final\\_EVUE\\_Baseline\\_study.pdf](http://urbact.eu/fileadmin/Projects/EVUE/outputs_media/2010-05-21_Final_EVUE_Baseline_study.pdf)

(2) <http://www.mobie.pt/en/homepage>

(3) [http://www.efacec.pt/PresentationLayer/efacec\\_ctexto\\_00.aspx?idioma=2&local=5&area=1](http://www.efacec.pt/PresentationLayer/efacec_ctexto_00.aspx?idioma=2&local=5&area=1)

### Top Tips for cities to engage the private sector

Keep up a good pace

Be professional and consistent: businesses don’t like to see politicians fighting

Recognise the very different realities

Make the activity focussed and relevant

Understand the value of a forum like the ULSG to listen and question

Be open, honest and transparent

Promote neutrality, use non municipal venues, speakers, inputs

Invite experts to fill the knowledge gaps

Find time to get together in between meetings and build relationships



#### MORE INFORMATION

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