



## **FLEETCOR® Embraces Growing Electric Vehicle Adoption in Europe**

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Source: Alan King, Group President, Global Fleet

On Global EV Day, we celebrate the growing number of electric vehicles (EVs) joining commercial fleets, especially in Europe, including the UK. To support this accelerating trend, FLEETCOR EV products are now in the hands of more than 5,000 clients across Europe as a whole, and they are accepted at about 190,000 charge points across Continental Europe and 6,500 in the UK. Crucially, our EV acceptance networks cover the vast majority of 'fast' and 'rapid' chargers that allow drivers to re-charge as quickly as possible.

The rate of EV adoption across the world varies, but [FLEETCOR's understanding of why Europe is leading the charge has allowed us to help commercial fleet operators and managers make the transition.](#) This unique experience and know-how will also allow us to help customers in other countries transition to mixed commercial fleets that include EV. So, what is driving the EV evolution in Northern and Western Europe that hasn't yet reached the rest of the world?

### **Europe's government mandates and incentives key to EV adoption**

Governments across Europe have made ambitious and legal commitments to reduce carbon emissions significantly over the mid-term and phase out the sale of new petrol/diesel vehicles completely by 2030-2035. These mandates, coupled with regulation on vehicle manufacturers that force them to comply with carbon emissions limits, mean that governments need to do more to encourage significant EV growth.

The powerful tools that governments have to help include attractive tax breaks and incentives. With a large population of company car drivers in Europe, it is often companies themselves that are forcing the switch to EVs because of incentives they receive for promoting greener energy, including direct rebates off the upfront cost of EVs. In the UK, the government also allows a so-called 'salary sacrifice' scheme for the leasing of EVs, which means an employee can pay for the lease directly from their gross salary, saving up to 48% for the very highest earners.

In some countries in Western Europe, you cannot purchase an internal combustion engine (ICE) vehicle unless you also buy a parking spot worth tens of thousands of Euros. But if you buy an EV, you automatically get the parking space for free. In addition, drivers of ICE vehicles must pay sizable congestion charges if they drive into city centers, whereas EV drivers are exempt. Parking is often free or at vastly reduced prices for EV as well. London and Amsterdam are great examples of these trends.

### **ESG agenda also driving change**

More scrutiny on companies' ESG initiatives by investors, shareholders, customers and employees alike is encouraging large corporations especially to move to greener sources of energy, including greater adoption of EVs. Companies in the US and Europe are following this path, especially with ESG reports needing to be published and often including carbon-neutral targets. For firms with large fleets, for example in transportation or logistics, the benefits of moving to EV therefore become more than just financial.

### **TCO makes EVs the ideal long-term choice**

Total cost of ownership (TCO) and uncertain residual values associated with battery degradation can deter the move to EVs. However, with improving battery technology, government incentives, and the high cost of conventional fuel, we're now seeing TCO come down and become much less of a barrier. While an individual consumer may be hesitant to pay the upfront premium to own an EV outright, attractive private leasing deals coupled with fleet-wide benefits for companies mean that more drivers and businesses can reap the benefits of lower fuel and maintenance costs over time.

While the US has lagged Europe in EV adoption, several trends point toward an acceleration. For example, as more Americans enter the gig economy, the use case for an EV often beats ICE vehicles. When routes are less than 100 miles and the stop and go patterns at every crossing or light mean poor fuel economy, there are a lot of efficiencies you can gain by driving an electrical vehicle.

The availability of vehicles is also reducing friction to fleet EV adoption as more fleet appropriate models hit the market. Ford announced earlier this year it would nearly double the production of its all-electric F-150 Lightning pickup truck, a favorite among small and medium-sized construction contractors. Chevy is set to start shipping its competing electric Silverado pickup truck next year.

Finally, the EV charging network is growing rapidly in the US, too. Often seen as a "chicken & egg" dilemma for large-scale EV adoption, we're now seeing a point in certain states and travel corridors, where charging availability is more prevalent and reliable and so-called "range anxiety" is reduced. Seeing this network continue to grow and diversify in terms of geography will drive faster growth, as we've seen in Europe.

That said, there are still many barriers to EV adoption in many vehicle segments, especially when it comes to trucks and heavy vehicles, specialized vehicles (such as refrigerated vans, dump trucks etc) and of course where "time on the road" means everything to a company's business model. We are many years away from having large-scale mass-market EV solutions for these types of vehicles, and the inability to recharge in a few minutes as with conventional fuel will still put many businesses off EVs because of lost productivity. Most fleets can also not switch completely to EV, meaning they'll be operating mixed fuel vehicles for some time to come, adding complexity for the fleet operations – something FLEETCOR is helping solve so

they do not shy away from getting on the EV journey in the first place.

FLEETCOR has fully embraced the high-speed EV evolution in Europe and is prepared to do the same for customers worldwide. In fact, we recently strengthened our global EV capabilities with the acquisition of Plugsurfing, a leading European EV charging app and software management provider, and an investment in Zap-Map, a leading mobile application for EV charger mapping and payment in the UK. These, along with previous [investments in Motorq and Mina](#), which allow drivers who charge their vehicles at home to get reimbursed without having to file an expense report, are helping us offer a full suite of products for commercial fleets with electric vehicles by simplifying the charging and payment process.

The dedicated organization we've built, led by [Global Managing Director of EV Solutions Tom Rowlands](#), is advancing our EV efforts and will continue to support our fleet customers as they migrate to EVs in the UK, Europe, US, and eventually worldwide, helping to deliver a greener future for everyone.