# Starmer to announce changes to EV regulations amid US tariffs



Sir Keir Starmer, the Prime Minister of the United Kingdom, is poised to announce significant changes to environmental regulations aimed at facilitating electric vehicle (EV) ownership amidst the backdrop of newly imposed tariffs by the United States. In his first comprehensive address regarding the 25 per cent tax on UK car exports to the US, Starmer is expected to unveil measures designed to bolster the British car industry, which is already feeling the impacts of these heavy tariffs.

The announcement is scheduled to take place in the West Midlands, a region that is central to the UK's automotive manufacturing. Starmer's comments come as Jaguar Land Rover, one of the nation's largest car manufacturers, revealed plans to suspend its exports to the US due to the tariff ramifications. In an article published in The Times, Starmer stated, “The world has fundamentally changed,” emphasising the need for British industry to adapt to the new economic reality set by President Trump’s administration.

Speaking to The Times, Starmer plans to introduce a relaxation of the current electric vehicle mandate, which dictates that a certain percentage of a manufacturer's sales must consist of EVs. Under the new proposals, the fine associated with non-compliance is set to decrease from £15,000 to £12,000 per non-compliant vehicle sold. This move seeks to alleviate concerns that these penalties, coupled with the US tariff, could severely threaten the viability of the UK's car manufacturing sector.

In addition, he intends to extend the allowance for hybrid vehicles—those not requiring a plug-in—to continue being sold until 2035, despite Labour's previous commitment to cease sales of all internal combustion engine vehicles, including hybrids, by 2030. The relaxation aims to provide further flexibility to manufacturers under the EV mandate, ensuring that British carmakers will not have to pay for EV credits from foreign companies such as Tesla or BYD if they fall short of domestic EV sales targets.

Currently, UK regulations require that 28 per cent of all new cars sold in the country be electric, with this figure set to escalate to 80 per cent by 2030 and 100 per cent by 2035. The proposed changes would enable manufacturers to balance their annual sales targets against each other through to 2030, allowing flexibility in meeting these standards.

Starmer also seeks to reassure British drivers that the transition to electric vehicles will ultimately be financially beneficial despite the higher initial purchase costs. Recent statistics indicate a notable increase in electric car sales, with 69,313 units sold last month alone—a 43 per cent year-on-year growth—according to the Society of Motor Manufacturers and Traders.

The Prime Minister also highlighted a commitment of £2.3 billion towards providing tax breaks for electric vehicle purchases and enhancing charging infrastructure, noting that one new public charging point is being installed every half hour. Officials have indicated that charging an electric vehicle at home overnight can yield savings of £1,100 per year compared to the operating costs of a petrol car.

As Starmer moves to protect the automotive sector from the ramifications of US tariffs, Chancellor Rachel Reeves is expected to engage in discussions with Indian officials this Wednesday to expedite trade negotiations, with further trade agreements anticipated with Australia.

Recent developments in the global trade landscape have suggested a divide within the White House concerning the economic strategy, particularly following comments from Elon Musk, who has been vocal in his criticism of the tariffs, advocating for a potential zero-tariff scenario between Europe and North America. Furthermore, Starmer dismissed Trump's assertion that being subjected only to a baseline 10 per cent tariff was advantageous, emphasising that such tariffs do not bode well for the UK.

Starmer's communications indicate an ongoing effort to maintain trade discussions with the US, stating, “I will only sign deals, with the US or anyone else, that are in our national interests.” Meanwhile, Trump’s economic adviser Kevin Hassett noted that over 50 nations have expressed interest in initiating trade discussions with the White House, amidst concerns from various countries regarding retaliatory measures in response to the tariffs.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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2. <https://www.itv.com/news/2025-04-06/pm-announces-measures-to-support-uks-car-industry-after-trumps-tariffs> - Supports the announcement of changes in electric vehicle regulations and the support package for the UK car industry to mitigate the impact of US tariffs. It mentions Starmer's promise of 'bold changes' to ensure British carmakers can export globally.
3. <https://www.independent.co.uk/news/uk/politics/starmer-trump-tariffs-electric-vehicles-b2728419.html> - Details Starmer's plan to adjust regulations for electric and hybrid vehicles in response to Trump's tariffs, including allowing hybrid sales until 2035. It also mentions Jaguar Land Rover's export suspension and Labour's commitments to supporting the industry.
4. <https://bmmagazine.co.uk/news/starmer-eases-green-rules-to-shield-uk-carmakers-from-trump-tariffs> - Provides context on the relaxation of EV targets and the reduction of fines for non-compliance to £12,000 per vehicle. This includes allowing manufacturers to bank and borrow EV sales across years.
5. <https://www.independent.co.uk/news/uk/politics/starmer-trump-tariffs-electric-vehicles-b2728419.html> - Mentions the UK's existing EV sales targets, such as 28% of new cars being electric this year, and the challenge posed by the US tariffs to the automotive sector.
6. <https://bmmagazine.co.uk/news/starmer-eases-green-rules-to-shield-uk-carmakers-from-trump-tariffs> - Discusses Starmer's commitment to investing in charging infrastructure and offering tax incentives for EV adoption. It also touches upon the global trade dynamics, including Starmer's stance on negotiating in the UK's national interest.
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