



Living Mobility

Objective. Inclusive. Unifying. Sustainable.

## *Living Mobility is Sustainable* Spotlight on climate change and EVs

In conversation with Mary Anne Sullivan, senior counsel

Environmental sustainability is a primary goal of the mobility future many envision. To reduce the environmental impact of transportation, sustainable energy sources are needed and transportation modes need to minimize GHG production. Electric Vehicles (EVs) are a significant aspect of this effort as they are a focus of policy-makers and the industry. Market predictions forecast over half of all passenger vehicle sales to be electric by 2040. But the success of these electrification efforts depends on complex factors like policy, cost parity, consumer trust and charging point availability. Mary Anne Sullivan discusses a few of these factors impacting EV development worldwide.

*How is electrification impacting the mobility and transportation industry?*

**Sullivan:** Some rail has long been electric. Other sectors are behind the automotive industry when it comes to electrification. The aviation and

maritime industries are facing pressure to reduce their carbon emissions. So I expect changes will be coming, but they are not commercially viable yet.

*How will the pandemic impact EV development?*

**Sullivan:** Electric vehicle (EV) development is experiencing the same COVID-19 pandemic-related market slowdowns as the rest of the transportation industry. But there is no reason to think that the impact will persist in the long term. Lots of new vehicle models are ready to be rolled out.

*Will energy efficiency regulations accelerate or impede EV adoption?*

**Sullivan:** In the U.S., fuel efficiency standards have historically been the primary driver of EV adoption. In Europe, concern about climate change has been behind the growth of EVs. In China, fuel efficiency, air quality, and climate change all support EV deployment. Going forward, I expect to see more emphasis on climate change rather than fuel efficiency standards driving EV adoption in the U.S.

*What is range anxiety?*

**Sullivan:** In the context of EVs, range is the distance an EV can travel before recharging. Range anxiety refers to concern that an EV has insufficient battery power to reach its destination – or the next charging point. Range anxiety is a significant deterrent for many consumers to take the plunge on an EV.

*To overcome range anxiety, how can industry work with government to build out EV infrastructure?*

**Sullivan:** State-by-state in the U.S. and at the national level around the world, both governments and individual companies are increasingly focused on reducing carbon emissions. That creates a shared interest in developing charging infrastructure. For example, New York recently approved a more than \$700 million request by utilities in the state for funding to build out charging infrastructure.

*What can be gleaned from jurisdictions around the world about facilitating EV adoption?*

**Sullivan:** The main message is that policy matters. The technology is ready; the infrastructure appears when the demand is there. But the places where EVs are most common are where government policy – either mandates or incentives – has been supportive. California and Norway see the highest EV penetration. Both were early adopters of strong climate policies. A recent study by the International Energy Agency showed that aggressive policies supporting EVs could almost double the level of EV sales by 2030, compared to more modest policies.

*How can industry promote ethical sourcing in EV battery supply chains?*

**Sullivan:** Cobalt is an essential mineral used in lithium-ion batteries. More than half of the world's cobalt comes from mines in the Democratic Republic of Congo. Because independent miners sell cobalt to bigger mining companies before it gets to OEMs, it can be hard to know if the cobalt is ethically sourced. One potential solution could be for manufacturers and suppliers to agree to track sourcing across global supply chains. It is important that OEMs work closely with suppliers to monitor materials going into the lithium-ion batteries.

## Featured Speaker



**Mary Anne Sullivan**

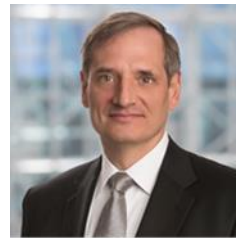
Senior Counsel, Washington D.C.  
+1 202 637 3695  
[maryanne.sullivan@hoganlovells.com](mailto:maryanne.sullivan@hoganlovells.com)

## Contact Us



**Patrick Ayad**

Partner, Sector Group Leader  
Mobility and Transportation, Munich  
and Berlin  
+49 89 290 12 236  
[patrick.ayad@hoganlovells.com](mailto:patrick.ayad@hoganlovells.com)



**Lance Bultena**

Senior Counsel, Director of Thought  
Leadership Mobility and  
Transportation, Washington D.C.  
+1 202 637 5587  
[lance.bultena@hoganlovells.com](mailto:lance.bultena@hoganlovells.com)

Follow us on [LinkedIn](#) 

<https://www.hoganlovells.com/en/industry/mobility-and-transportation>