

The NAIGT was launched in April 2008, to facilitate a collective strategic view from the automotive industry on the innovation and growth challenges that it faces. This is the second review of the sector, the first being in 2002. It is an industry-led project facilitated by BERR's Automotive Unit. The NAIGT's work will be delivered through an industry led Steering Group, which first met in May 2008 and is chaired by Richard Parry-Jones (former Group Vice President and CTO, Ford).

Progress to date

The NAIGT and its Expert Groups have met a number of times and significant progress has been made on its work plan. The Steering Group is now developing its final report which will contain a number of recommendations for action. A cross-Whitehall Group has also been set up to engage key Government policy makers in the NAIGT process.

Stakeholder Event — 5th February 2009

A stakeholder event was hosted by the SMMT at which the NAIGT's emerging thoughts were presented and discussed by 51 delegates from a wide range of organisations.

Richard Parry-Jones set out the challenges the industry was facing (global overcapacity, CO2 regulation risks, changing consumer demand) but also the significant future opportunities that existed within the UK (potential for low carbon vehicle development, excellence in R&D and an attractive design environment).

This was followed by presentations from each of the Expert Groups who set out their work to date and their emerging findings. These have been rationalised under 3 key themes and are set out in more detail overleaf.

Richard Parry-Jones then set out the NAIGT's two 'big ideas' which will be used to deliver the recommendations:

- Test-Bed UK - a demonstrator to act as a powerful catalyst for change through demonstrating, experimenting and building the new low-carbon personal transportation system including its infrastructure; and
- An 'Automotive Council' to take an overarching strategic role as change champion.

These issues were then discussed in 2 workshop sessions and the event ended with a Q&A session.

The presentations and a note of the meeting are available on the BERR website at:

<http://www.berr.gov.uk/whatwedo/sectors/automotive/naigt/page45547.html>



NAIGT Steering Group

Chair: Richard Parry-Jones

Expert Groups

Supply Chain Development
Chair:
Bob Gibbon (NSA-M)

Technology & Low Carbon Product Development
Chair:
Jerry Hardcastle (Nissan)

Technology & Low Carbon Infrastructure
Chair:
Jerry Hardcastle (Nissan)

Business Environment
Chair:
David Smith (Jaguar Land Rover)

Key Performance Indicators
Chair:
Matthias Holweg (Cambridge University)

Emerging recommendation themes

There was significant synergy between the Expert Groups and their recommendations have been rationalised and grouped together under three key themes:

1. A supportive business environment
2. A competitive supply chain
3. Low carbon & technology

The final report will set out in more detail the key actions to enable delivery of these.

Two 'big ideas'

These will be further developed and tested by the NAIGT as a means of delivering the recommendations:

- Test-Bed UK - a demonstrator to act as a powerful catalyst for change; and
- An 'Automotive Council' to take an overarching strategic role as change champion

1. A supportive business environment

The key emerging recommendations are:

- Create a 'National Automotive Council'
- Improve the UK investment offer
- Promote a positive automotive industry image
- Widen cross-sector collaboration
- Address skills issues

2. A competitive supply chain

The key emerging recommendations are:

- Establish a continuous national strategic supply chain development programme
- Industry and Government should review ways to increase supplier competencies
- A joined up strategy should be developed through the creation of a 'UK Automotive Supply Chain Council'
- A single framework for industry-university collaboration should be introduced

3. Low carbon & technology

The key emerging recommendations are:

- Establish 'Test Bed UK' to demonstrate, experiment and build the new low-carbon personal transportation system including its infrastructure
- Release and maintain technology roadmaps and research agendas to focus funding and collaboration
- Establish a Government funding mechanism to support product development and the industrialisation phase of R&D
- Evaluate new test procedures based on 'well-to-wheel' methodology, and energy focused rather than current 'tank-to-Wheel' CO2

Key Performance Indicators (KPIs)

KPIs will be set out under 3 main headings

- Growth - output, labour force, trade
- Competitiveness - at a national, firm, plant and product level
- Innovation - market, carbon, innovation-related measures

Next steps

The emerging recommendations and two big ideas will be further developed and tested within the NAIGT. In May 2009 the NAIGT will publish a final report which will set out a strategy for sustained success for the UK automotive sector to 2025 and beyond, in the context of the identified twin challenges of low cost competition and the transition to lower-carbon transport, building on the UK's particular industrial, commercial and technological strengths.