

What we can expect from the UK EV industry in 2023

2022 was a year like no other for the EV industry. In the first half of the year global sales grew by 62%, setting into motion the massive sea change that McKinsey had forecast the year before. Despite widespread supply chain issues, investment in hardware installation has also seen a steady growth as demand grows for sustainable transport options.

What, then, can we expect from 2023? Despite global uncertainty following the pandemic years, as well as the looming prospect of a UK recession, there is hope for the EV industry across the board.

Consumers will continue to become more tech savvy

In doing so, they will demand more of employers, as well as the government, as EVs become more widespread. Mainstream understanding of EV tech is growing rapidly as manufacturers widen their portfolios, with consumers able to discriminate between, and demand, better options.

As EV usage grows, with demand for employer charging points rising as a result, we can also expect many more workplaces to offer EV charging points. This raises an interesting question when it comes to expensing vehicle charge to the company – which, for tax reasons, must be done accurately.

In many EU countries, such as Germany, hyper-accurate home chargers are a legal requirement. This is in order for companies to be properly and efficiently taxed when employees expense the cost of charging their car. As UK adoption increases, we are very likely to see this come into law in the UK, if not in 2023 then certainly soon after.

A common method of increasing accuracy into chargers is to build in a certified MID metre, something we at Charge Amps have done with our latest wall charger, Dawn, in anticipation of these measures being put in place in the upcoming years.

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[We must address the urban equality gap among EV users to ensure people without private driveways don't get left behind](#)

EVs will become more affordable as the market grows

As well as lower costs on premium models, we can expect the second hand EV market to increase through 2023, which will in turn bring down costs for first-time users.

In addition, destination charging – charging away from home – will become much more prevalent across the country as the infrastructure grows in tandem with consumer uptake. The proportion of EV owners who also own houses (with space for private chargers) has always been high, because of the previously prohibitive cost of EVs.

However, as the cost of EVs is decreasing, this will also mean that those who do not own houses with driveways – as-to-now a near-prerequisite for owning a private charger – will be able to make the switch from ICE vehicles. In 2023 and beyond, destination charging will grow significantly, as more people who live in

residences with shared or no private parking spaces move to EV transport options.

Vehicle-to-grid tech will create profound behavioural change and moral dilemmas soon

The EV industry is, like most, subject to the influence of exterior geopolitical forces, and this has never been more true than in 2022 as the geopolitical situation in Europe and consequent energy crisis caused EV tech to develop much faster than expected.

As a result, vehicle-to-grid technology adoption – selling energy from individual vehicles back to the national grid in order to alleviate demand peaks – is likely to become far more prevalent in 2023, having initially been expected to become mainstream in 2025.

Therefore many new EVs sold in 2023 will have V2G functionality, which will create profound new behaviours. This may lead, however, to so-called ‘charging abuse’ – taking energy from free charging points, such as at work, to use at home.

Currently, there are few targeted laws in place to mitigate this, so both lawmakers and regulators will need to decide how to marshall this inevitable behaviour.

Further geopolitical challenges to the EV industry are a possibility

Russia’s invasion of Ukraine disrupted supply chains and shattered European energy markets. The impact is expected to reach far into 2023, but the true extent cannot be predicted with any certainty so far.

Additionally, the potential of a US-China trade war could have severe implications for the EV industry if it results in a lack of access to sensitive technology. We have already seen Russia limit exports in retaliation to political friction with the West, and if China were to adopt the same approach in response to perceived US tensions then the industry could be decimated.

The timing for this could not be worse, as the EU has agreed to be 100% fossil fuel-free by 2050, with a 55% reduction by 2030. To meet this 55% target, the EU has introduced a plan that by 2035, 100% of all new vehicles that are put to

market need to be fossil fuel-free.

This will, of course, affect the EV charging market as more chargers and more EVs will be needed to fulfil demand. As the industry is already somewhat reliant on Chinese labour and innovation, a different industrial approach may be needed to meet the needs of consumers.

The implications of disrupted supply chains reach far beyond the EV industry, however, and there is much to be positive about. In response to increased government incentives and consumer awareness, the massive growth of the market should continue throughout 2023 and beyond; this is indeed the beginning of an electric revolution.

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