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EU to 'push back petrol car sales ban to 2040'

Oliver Gill

The EU is set to push back its ban on the sale of new petrol and diesel cars by five years to 2040, putting pressure on the UK to rethink the sector's net-zero commitments.

Senior industry leaders have confirmed that Brussels will revise its 2035 ban, although the timing of the announcement is yet to be confirmed.

"I have it on good authority that the EU is going to add five

years onto the current 2035 ... [So] January 1, 2040, is the date from which all new vehicles would need to be pure electric," said Tim Tetter, UK chairman of the insurers and roadside assistance firm Allianz Partners, and former country head of Zurich, Munich and Mitsui.

Another leading executive said large carmakers have had it confirmed to them that the ban will be pushed back.

A third industry source said they were expecting a

shift in the 2035 deadline, with manufacturers already gearing up to roll out a new generation of petrol and diesel cars, which were originally scheduled to be phased out later this decade.

The UK, however, has committed to outlawing the sale of new petrol and diesel cars in 2035.

The prospective EU move comes just days after US President Donald Trump reversed policies brought in by predecessor Joe Biden to

encourage Americans to switch to electric vehicles. Brussels has been under huge pressure to revise the timeline for banning petrol vehicle production – from Germany, in particular. Chancellor Friedrich Merz has been pushing Brussels to ease the crackdown.

"Our goal should be ... flexible and realistic CO2 regulation that meets the EU's climate protection goals

without jeopardising innovation and industrial value creation," Merz wrote in a letter to von der Leyen on November 26. The European Commission declined to comment.

Merz's statement originally announced plans to outlaw the sale of new petrol and diesel cars by 2035, only for the deadline to be delayed until 2035 under Rishi Sunak. Labour withdrew the deadline back to 2035.

Earlier this year, ministers

watered down a mandate stipulating the minimum proportion of sales that must be zero-emission vehicles. Officials from the Department for Transport have told UK car manufacturers that they would not be adjusting the zero-emission vehicle sales mandate or the 2035 deadline. They have pledged to review progress in 2027, however.

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UK's party capital faces rates crisis

DANIEL WOOLFSON

Oliver Woolfson has run pubs in Newcastle for three decades. He is deeply proud of the city's reputation for independent pubs, bars and restaurants.

"Newcastle's had an identity because it's been run by independents," he said. "But, chains don't care about the region. They don't care about what happens here. I care because I live here, my kids live here, my home is here, and the supply chain that I've been involved in for years is here."

Woolfson Group has about 15 sites in the area, including the Sandhill Arms and Beehive, and he is one of hundreds of business owners facing a shock rise in their rate bills that raises questions about the future of the city's formidable nightlife.

Almost 1,500 of the 1,341 firms in Newcastle's city centre are set for a tax increase next April following changes to the rateable value of business properties, data from the government's Valuation Office Agency (VOA) shows.

All businesses from banks to bakers to hairdressers will be affected. According to calculations by Newcastle NE1 Ltd, the city's business

improvement district, the total rateable value of the city centre will increase by 15 per cent to £211 million.

Even George, born in Newcastle in 1951, will not be spared the pain. All of its city centre shops will be taxed more. George was approached for comment.

However, it is the city's pubs, restaurants and hotels that face some of the steepest rises, at a time when they have already been forced to grapple with higher taxes, increases in the minimum wage, and ballooning energy bills, as well as food and drink inflation.

"We've got inflation, wages rampantly running out of control ... interest rates, Covid debt ... In my 30 years [in the industry], it is the hardest I've known," said Woolfson.

Some of the increases in rateable value are extreme: The Dog & Parrot, a longstanding music bar near Newcastle railway station, is in line for a 40 per cent rise in its rateable value, from £22,500 to £32,000.

The Lowther, owned by Sincere Group, is facing a 245 per cent rise. David McDowell, Sincere's chief executive, said: "The real-life implications of the rateable value changes and the budget for hospitality are becoming stark by the day."

"It's a disaster," agreed Neil Mallon, chief

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Airbus to save 3,000 UK jobs in Boeing deal

Future of aerospace works in Belfast and Prestwick secured

Oliver Gill

Airbus is to announce the rescue of 2,700 UK engineering jobs after striking a long-awaited deal with rival Boeing.

The world's largest aircraft maker will confirm as early as tomorrow that it is taking on 1,550 people at a factory in Belfast and 1,200 roles at Prestwick in Scotland, according to sources familiar with the situation.

The deal is a carve-out of Boeing's takeover of Spirit AeroSystems, which owns the former Short Brothers factory in Belfast as well as a plant in Prestwick that it acquired from BAE Systems in 2006.

It will come as a huge relief to thousands of UK aerospace workers, whose futures had been uncertain since Boeing announced plans to acquire Spirit for \$4.7 billion last year. A series of short-term deals have kept staff in work while the various parties thrashed out a deal.

Sources said that Boeing is expected to retain the 2,000 staff not taken on by Airbus at Belfast, and those at Prestwick whose employment is not transferred.

The Belfast works, which dates back to a joint venture between Short Brothers and Titanic shipbuilder Harland & Wolff in 1936, produces wings and fuselages for the Airbus A220, as well as parts for Boeing and other aircraft makers. It posted a \$670 million loss in 2024. Boeing is to fund Airbus a downy worth hundreds of millions of pounds to offset future losses.

Airbus will take sole control of a dedicated wing facility in Belfast and co-locate with Boeing in a separate building that produces the fuselages. The aerospace giant is looking to expand the wing factory, with planning understood to be

under way. Prestwick produces leading and trailing edges of wings for the company's larger A350 and A330 aircraft.

Boeing took the decision to re-acquire Spirit after the mid-air blowout of a door plug on an Alaska Airlines Boeing 737 Max aircraft in January last year. The 737 Max programme was also rocked by two fatal crashes of the plane six months apart in late 2018 and 2019.

Spirit was spun out of Boeing in 2005 and makes fuselages for the 737 Max at its global headquarters in Wichita, Kansas, before transporting them by train nearly 2,000 miles to Boeing's works in Seattle.

As Boeing struggled after the 737 Max crashes, parts-based Airbus took its place as the world's biggest aircraft maker. Airbus has not been immune to difficulties of its own, after a systems glitch at the end of last month forced airlines into hastily arranged software updates.

The UK was a founding member of the original Airbus consortium, alongside France and Germany, in the 1960s. On privatisation in 2000, its stake moved to what would become BAE Systems, which sold its 20 per cent holding in 2006.

British aerospace expertise persists, however. Over the 2,700 staff from Spirit are centred in Airbus employees, the total UK headcount across the company's civil and defence divisions will reach 14,000. The UK remains a centre of expertise in wingmaking, with design and research centres in and around Bristol and a big Airbus production factory in Broughton, north Wales.

Boeing said on Wednesday it would close its acquisition of Spirit by the end of the year after the US Federal Trade Commission gave the deal the green light.

Airbus said the FTC decision marked "a significant milestone that formalises the pathway for Airbus to acquire the Spirit capabilities that are essential to our commercial aircraft programmes."

A spokesman declined to comment on the timing of the deal announcement.

HSBC JAZZES UP ITS INVESTMENTS



Saxophonist Yolanda Brown is opening a new restaurant in Stratford's Westfield mall

Yolanda Brown, the award-winning saxophonist and broadcaster, is expanding her Soul Mama restaurant business following an investment from HSBC, writes Daniel Woolfson.

Brown, who received an OBE in 2023 for services to music, opened the first Soul Mama in Stratford, east London, last year. The 100-seater site serves African,

Caribbean and South American fusion dishes while doubling as a live jazz, R&B and reggae venue. She is opening a second venue in Westfield Stratford City mall next year, funded with a £750,000 cash injection from HSBC, and is considering opening a third in Newcastle.

"The vision has always been great food, great music," she said. "People don't want to

run to a bar, then to a restaurant, then to the theatre and back. They want an all-inclusive experience, an immersive experience, and that's what we're offering."

The investment from HSBC was arranged by Tony Dada of The Socially Conscious Entrepreneur, who links banks with founders from under-represented communities. Dada himself also invested.

FCA unveils changes to boost investment

Julie Treanor

The key regulator will this week unveil a "bigger" package of measures to underpin an investment culture in Britain, in a move that could boost the stock market and deliver Rachel Reeves's growth agenda.

The Financial Conduct Authority will tell firms that for warnings they issue to consumers when buying financial products can be taken to explain to customers their options when investing without having to pay for financial advice.

Sarah Pritchard, deputy chief executive of the FCA, said she hoped the changes "would build a greater culture of retail investment in the UK" and help explain to customers why keeping their savings in cash may not be in their best interests.

"Investing over the long term delivers better outcomes for people than returning assets to cash. We don't have a culture of retail investing in the UK," she said.

The introduction of

"targeted support" will require the government to push through legislation that, the FCA hopes, will allow the reforms to take place in April.

Under the current system, consumers pay for financial advice suited to individual circumstances; under the new regime, firms will be able to give recommendations to people who share common characteristics such as their savings, job situation and age.

The aim is to move away from the oft-cited warning to consumers that "your capital is at risk" to tailored warnings that encourage investment by the seven million people who hold more than £10,000 in "investable assets" but keep most of it in cash.

In addition, Simon Wallis, executive director of markets at the FCA, said other measures would be announced tomorrow. These include a revised definition of a professional investor – able to invest in a riskier set of assets – and a consultation on whether someone with £10 million can be presumed to be a professional investor.