

Mr Dan Tomlinson

Exchequer Secretary to the Treasury
HM Treasury
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Mr Keir Mather MP

Minister for Aviation, Maritime and Decarbonisation
Department for Transport
Great Minster House
33 Horseferry Road, London
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Mr Chris McDonald MP

Minister for Industry
Department for Business and Trade
Old Admiralty Building
Admiralty Place, London
SW1A 2DY

Dear Exchequer Secretary and Ministers,

12th March 2026

Re: Imminent Expiry of Plug-in Motorcycle Grant

We, the undersigned organisations, representing manufacturers, logistics providers, retailers, road safety experts, and clean transport advocates are writing to express our serious and immediate concerns regarding the expiry of the Plug-in Motorcycle Grant (PiMG), with no successor scheme in place.

In a matter of weeks, L-Category vehicles – including mopeds, motorcycles, tricycles and light four-wheeled vehicles – will become the only personal road transport segment without any form of purchase support for zero emission uptake. This is a clear and avoidable policy cliff edge.

At a time when the Government is prioritising transport decarbonisation, congestion reduction and economic growth, allowing this segment alone to fall outside the incentive framework risks an abrupt contraction in demand, undermining investor confidence and creating visible policy inconsistency. This uncertainty directly affects UK retailers, supply chains and skilled employment across manufacturing, distribution and servicing.

Market Impact

The market response to previous reductions in support has been immediate and significant. Following the reduction in grant value in 2023, registrations of L1 and L3 electric mopeds and motorcycles declined by 38.6%. After the withdrawal of the PiMG for electric mopeds in 2024, registrations fell by a further 39.2%. This demonstrates a direct and measurable link between policy support and consumer uptake. On this evidence, allowing the remaining grant to expire is highly likely to trigger a further sharp decline, with a predicted c.50% reduction in sales between now and 2027.

Economic and Transport Implications

L-Category vehicles provide space-efficient, lower-energy mobility that supports congestion reduction, last-mile delivery and SME productivity. For many small businesses and self-employed operators, these vehicles represent the most affordable entry point into zero emission transport.

Suppressing uptake at this stage risks slowing electrification within urban logistics, increasing reliance on larger vehicles and weakening modal shift towards smaller low and zero emission transport.

There are also road safety implications. If regulated electric mopeds and motorcycles become comparatively less accessible, unregulated and illegally modified e-bikes operating at moped-equivalent speeds (and higher) are likely to proliferate further. This carries clear risks in terms of lack of training, licensing, insurance and protective equipment standards.

Our Calls to Action

Given the rapidly approaching deadline, we urge Government to:

- Extend the PiMG for at least 12 months to prevent an abrupt market shock
- Revise the £10,000 price cap to reflect market realities and enable genuine consumer access
- Reintroduce mopeds and expand eligibility to include L6 and L7 vehicles to ensure policy consistency across the full L-Category spectrum

A short-term extension would provide necessary market stability while allowing the Government, alongside industry, to consider longer-term, evidence-based fiscal reform for this segment, reflecting the diverse nature of L-Category vehicles, their varied engine/Kw capacities and use cases, and their role in the journey to net zero by 2050.

The cliff-edge is imminent. Decisive action now can prevent a predictable contraction in uptake and investment while maintaining momentum toward net zero, economic growth, and road safety targets.

We stand ready to engage constructively and urgently.

Yours Sincerely,



Tony Campbell
Chief Executive
MCIA



Craig Carey-Clinch
Executive Director
NMC



Symon Cook
Head of Operations
NMDA



Anna Zee
Political and Technical
Services Director
BMF



Graeme Collins
Chief Executive
Trail Riders
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Ross Moorlock
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Nicholas Lyes
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IAM RoadSmart



Jamie Hassall
Executive Director
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Road Safety GB



Steve Cole
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Carl Lomas MBE
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Chris Floyd
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Jonathan Murray
Acting Managing
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Carly Brookfield
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Mark Jaffe
Chief Motorcycle
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