



## **Electric Vehicles**



## What's happening

- Global electric car sales continuing to increase but at slower rate than policymakers planned
- EV demand may be insufficient to meet public and private electrification targets
- U.S. policy is shifting away from electrification, including ending federal tax incentives and dramatic changes in emissions stringency rules
- · Discussion of easing EV rules in EU
- Supply chains of critical minerals and metals underpinning EV technologies, including battery technologies, are increasingly impacted by escalating geopolitical competition
- In 2024, China accounted for more than half of global EV sales, 70% of global EV production, and 40% of global EV exports
- US, EU and others, imposed tariffs on Chinese EV imports due to government subsidies

# Why

- EV demand hurt by long battery charging times, range anxiety, high prices, and lack of charging infrastructure
- China has long subsidized EV manufacturing and incentivised EV sales
- The critical minerals and metals used in EVs, and EV batteries are largely controlled by China
- Other jurisdictions worried about harm to domestic auto industry and loss of competitiveness on critical technologies

# Why it matters

- Government policy shifts in response to geopolitical competition are creating uncertainty
- Supply chains are undergoing fundamental realignment of cost and risk
- Huge impact on automotive sector product plans, investment decisions and manufacturing locations

## How we can help

- Strategically analyze global developments to help companies evaluate risk to their business and get ahead of it while seeking opportunities for advantage
- Rapid response to changed rules and regulations, including developing appropriate global compliance strategies

### What we do

#### **Supply Chain Management**

- Evaluate supply chains to develop durable global strategy
- Advise on drafting and negotiating contracts with suppliers to mitigate risks and ensure reliability

### **Corporate Structure and Financing**

- Advise on corporate structure to align with regulations and maximize operational efficiency
- Advise on vertical integration, JVs and offtake arrangements
- Provide strategic tax planning to optimize financial benefits

### **Regulatory Compliance**

- Ensure compliance with environmental and other regulations
- Represent clients in negotiations and disputes with regulatory bodies

### **Automotive and Mobility Sector**

A global team of over 400 lawyers advising a broad range of automotive clients, including manufacturers, suppliers, mobility firms, and new entrants.

#### www.hoganlovells.com

"Hogan Lovells" or the "firm" is an international legal practice that includes Hogan Lovells International LLP, Hogan Lovells US LLP and their affiliated businesses. The word "partner" is used to describe a partner or member of Hogan Lovells International LLP, Hogan Lovells US LLP or any of their affiliated entities or any employee or consultant with equivalent standing. Certain individuals, who are designated as partners, but who are not members of Hogan Lovells International LLP, do not hold qualifications equivalent to members. For more information about Hogan Lovells, the partners and their qualifications, see <a href="https://www.hoganlovells.com">www.hoganlovells.com</a>. Where case studies are included, results achieved do not guarantee similar outcomes for other clients. Attorney advertising, Images of people may feature current or former lawyers and employees at Hogan Lovells or models not connected with the firm. ©Hogan Lovells 2025. All rights reserved.