ELM and TOYOTA collaborate on micromobility vehicles

- A Toyota-led consortium including ELM Mobility Ltd has secured UK government funding to undertake a feasibility study for a lightweight Battery Electric Vehicle (BEV) passenger vehicle.
- ELM Mobility Ltd is developing its own novel purpose-built last mile delivery vehicle.
- ELM as part of the consortium, will work with Toyota to help maximise the number of shared components across the two vehicle platforms aimed at reducing the combined development costs and benefiting from the economies of scale the collaboration will bring.

15 October 2025 - The last mile logistics market is rapidly growing but has significant challenges in cities due to expanding clean air zones, operational complexity, vehicle efficiencies and reliability.

ELM Mobility is developing a purpose built electric urban last mile delivery vehicle. It is not much larger than a cargo bike, but with a load volume comparable to a compact van at half the kerb weight. The result is a step change in efficiency and environmental performance. Customer studies have shown reduced fleet costs of 21% and ELM vehicles are set to save over 1.2M Tonnes of CO_2 by 2035.

ELM realises that in order to take advantage of this significant market opportunity, it must do things differently, learning from the other commercial EV companies that have gone before it.

A key area of focus is reducing the development costs and ensuring access to high quality components from robust supply chains. This is particularly true for niche vehicles like the ELM offering which often require unique parts but are produced at much lower volumes than mainstream vehicles.

Collaboration is therefore a key ingredient to enable the use of any existing suitable components and share development costs where new components are required.

ELM is collaborating with the Toyota-led consortium following securing funding via the Advanced Propulsion Centre (APC) from the UK Government's DRIVE35 programme. DRIVE35 is a £2.5 billion programme of capital and R&D funding for the automotive industry.

Toyota, who is the lead partner in the project, will be studying a next generation micromobility passenger car aimed at the European market. The Toyota vehicle whilst very different to the ELM solution, has the potential to enable considerable component commonisation.

This project will enable ELM and Toyota to work together through detailed design activities to identify component sharing opportunities and co-developing components with a view of them being used across both platforms. The result will be reduced development cost and lower parts prices due to the increased combined volumes.

Iain Roche, ELM's CEO said, *"The cost of developing a modern vehicle is significant. Our customers expect high quality components and its critical we access stable supply chains to meet the significant demand we are seeing from the market. Working with Toyota is a perfect solution; they are global leaders in manufacturing quality and the parts volumes from the two niche vehicles when combined together give both parties significant economies of scale"*

About the Advanced Propulsion Centre

Advanced Propulsion Centre UK is a non-profit organisation established in 2013 as a joint initiative between the UK government and the automotive industry. Its primary missions include accelerating the development and commercialisation of low-carbon propulsion technologies for vehicles, bridging the gap between industry, academia, and government to foster innovation and build a sustainable supply chain for the automotive sector.

About Toyota Motor Manufacturing UK (TMUK)

TMUK produces Corolla Hatchback, Touring Sports and Commercial models at its production centre in Burnaston, Derbyshire, and hybrid engines at its facility in Deeside North Wales. TMUK began production in 1992 as Toyota's first fully owned manufacturing business in Europe and went on to become the company's first location for hybrid electric vehicle manufacturing outside Japan. To date, Toyota has invested more than £2.82 billion in its UK manufacturing operations; TMUK currently employs more than 3,000 people and supports many further jobs in its extensive UK supplier network.

About ELM Mobility Ltd

ELM Mobility Ltd was established in 2023 by its founding partners Prodrive (motorsport and Advanced Engineering company) and Astheimer Design (a design studio focussed on mobility solutions) and is backed by Barclays Climate Ventures. It is the designer and producer of purpose-built last mile delivery vehicles