

MARKET MONITOR

EUROPEAN PASSENGER CAR REGISTRATIONS: JANUARY-JULY 2020



New car registrations continued to increase in July, going from 1.1 million in June 2020 to almost 1.3 million in July 2020—about the same level as in July 2019. Year-to-date (YTD) new car registrations remain 36% below 2019 levels. Focusing on the larger manufacturer pools, BMW is currently in the best position, with new car registrations in July 2020 being 18% higher than in July 2019, and with YTD registrations 28% below 2019 levels. On the other side of the spectrum, FCA-Tesla is currently struggling the most with a 44% decline in YTD new car registrations compared to 2019. The market-wide share of electric vehicles in July increased to 9%. Volvo had the highest share of electric vehicles at 31%, all of which were plug-in hybrid electric vehicles. Daimler and BMW saw a strong increase from 11% in June to 15-16% in July. At the same time, the electric vehicles share for FCA-Tesla dropped from 11% in June to 2% in July. The average CO₂ emission level for all manufacturers decreased slightly in July and is now about 7 g/km away from the 2020 target level.

Table 1. New passenger car registrations, by manufacturer.

New car registrations				
	July 2020	July 2019	YTD 2020	YTD 2019
VW Group	329,479	-5%	1,596,256	-33%
PSA-Opel	178,753	-17%	936,678	-42%
Renault	132,880	6%	642,065	-37%
BMW	89,425	18%	434,246	-28%
Toyota-Mazda	84,877	-2%	434,898	-29%
Daimler	80,458	-4%	382,291	-35%
Ford	78,864	-6%	362,567	-41%
FCA-Tesla	70,571	-20%	392,921	-44%
Kia	48,806	14%	230,249	-24%
Hyundai	46,694	-7%	216,589	-34%
Nissan	28,680	-11%	153,476	-38%
Volvo	28,039	8%	147,304	-25%
Other	61,711	-14%	323,529	-39%
ALL	1,259,237	-5%	6,253,069	-36%

Table 2. Share of electric vehicles, by manufacturer.

Share of electric vehicles			
	July 2020	YTD 2020	YTD 2019
Volvo	31%	26%	9%
Kia	17%	14%	6%
Daimler	16%	11%	2%
BMW	15%	14%	7%
Hyundai	14%	11%	6%
Other	11%	10%	7%
Nissan	9%	11%	8%
AVERAGE	9%	8%	3%
Ford	9%	4%	0%
VW Group	8%	7%	1%
Renault	7%	7%	3%
PSA-Opel	6%	6%	0%
FCA-Tesla	2%	10%	7%
Toyota-Mazda	0%	0%	0%

Table 3. New passenger car fleet average CO₂ emission level, by manufacturer.

	Target gap	New car fleet average CO ₂ (in g/km)									
		July 2020		YTD 2020		Compliance credits			Status 2020	Target 2020	Target gap
		WLTP	NEDC	WLTP	NEDC	PI	EC	SC	NEDC	NEDC	NEDC
PSA-Opel	0%	125	100	124	99	3.0	0.1	4.5	92	92	0
Volvo	2%	139	116	146	122	3.0	0.0	7.5	111	109	2
Nissan	2%	135	108	135	108	3.0	0.1	7.5	98	95	3
Renault	3%	123	105	125	106	3.0	0.2	7.4	95	92	3
BMW	3%	138	114	142	117	3.0	0.9	7.5	106	103	3
Toyota-Mazda	5%	128	104	126	103	3.0	0.1	0.2	100	95	5
Kia	5%	121	106	126	110	3.0	0.0	7.5	99	94	5
Hyundai	6%	121	106	126	110	3.0	0.0	7.5	100	94	6
AVERAGE	7%	134	111	136	112	3.0	0.2	5.9	103	96	7
Ford	9%	128	108	134	113	3.0	0.1	3.1	107	98	9
VW Group	12%	142	117	144	118	3.0	0.0	6.2	109	97	12
FCA-Tesla	12%	151	128	138	117	3.0	0.1	7.5	106	94	12
Daimler	16%	144	122	153	130	3.0	0.7	7.5	119	102	17

Notes: PI = phase-in, EC = eco-innovations, SC = super-credits; all CO₂ values are estimates, see methodology section.

Monthly new car registrations for most large European markets have returned to pre-COVID-19 levels, with the exception of Italy where July 2020 registrations were 20% below July 2019 numbers. YTD values range from -22% (Sweden) to -47% (Italy) compared to 2019 levels. The YTD share of electric vehicles was the highest in Norway (68%), with two thirds of those vehicles being battery electric vehicles. Iceland (39%), Sweden (26%), Finland (16%), the Netherlands (14%), Portugal (11%), Denmark (10%), France (9%) and Germany (9%) also currently have electric vehicle registration shares above the European average. In Germany, the monthly market share of electric vehicles strongly increased from 9% in June to 12% in July.

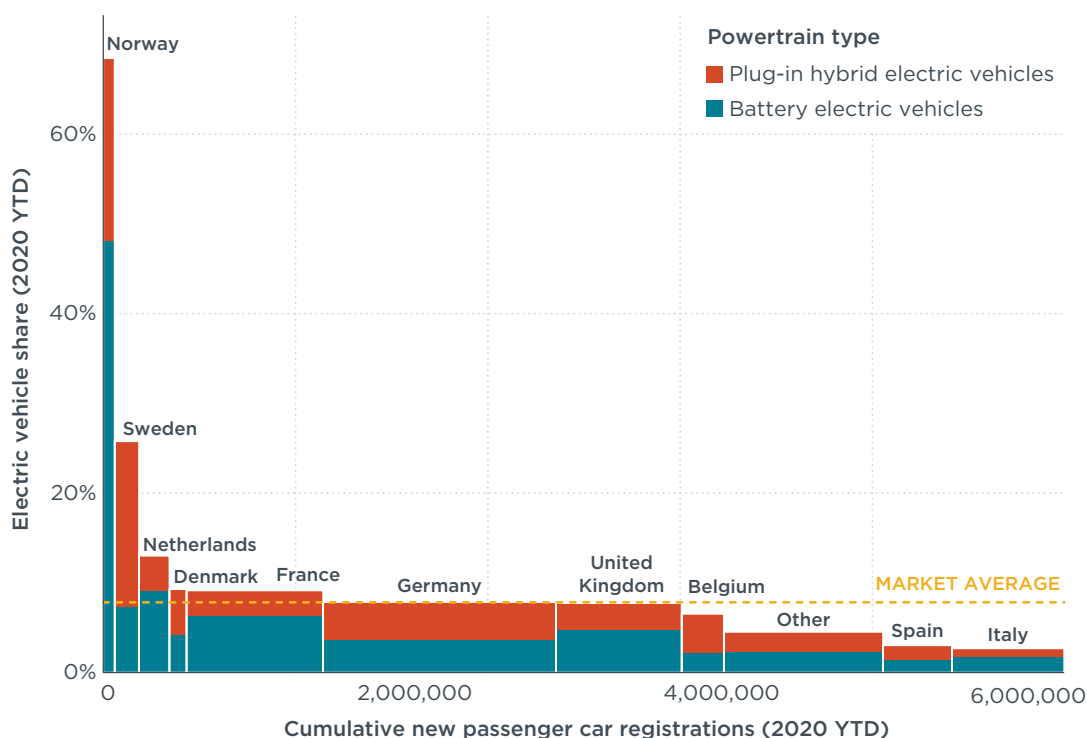


Figure 1. Share of electric vehicles, by country, including information on market size (cumulative car registrations).

Table 4. New passenger car registrations, by country.

New car registrations				
	July 2020	July 2019	YTD 2020	YTD 2019
Germany	314,938	-5%	1,525,560	-30%
France	176,254	2%	874,766	-35%
United Kingdom	174,887	11%	828,389	-42%
Italy	136,620	-20%	721,196	-47%
Spain	123,664	1%	481,494	-43%
Belgium	45,388	-1%	264,769	-26%
Poland	42,433	-14%	222,294	-32%
Netherlands	34,885	4%	192,900	-26%
Austria	25,273	-20%	139,210	-33%
Sweden	22,833	-4%	149,530	-22%
Other	162,062	-15%	852,961	-30%
ALL	1,259,237	-5%	6,253,069	-36%

Table 5. Share of electric vehicles by country.

Share of electric vehicles			
	July 2020	YTD 2020	YTD 2019
Sweden	29%	26%	11%
Netherlands	16%	14%	9%
Germany	12%	9%	3%
Other	11%	11%	6%
France	10%	9%	2%
AVERAGE	9%	8%	3%
United Kingdom	9%	8%	2%
Belgium	8%	7%	3%
Austria	7%	7%	3%
Spain	3%	3%	1%
Italy	3%	3%	1%
Poland	1%	1%	0%

In the Netherlands, the taxable income rate for the private use of battery electric company cars was 4% until December 2019 but then doubled to 8% from January 2020 onwards. As a result, the Netherlands saw a strong increase in electric vehicle registrations in December 2019, when it jumped to 54%, and afterwards a drop to 8% in January 2020. Since then, the share of electric vehicles remained consistently close to 15%. The majority of those vehicles are battery electric vehicles, with plug-in hybrid electric vehicles accounting for only about 4% of the market. The success of battery electric vehicles in the Netherlands is linked to exemptions from the one-time vehicle registration tax and annual ownership tax, as well as a significant discount on the company car tax compared to non-zero-emission vehicles. Battery electric vehicles purchased from June 2020 onwards benefit from an additional one-time bonus of up to 4,000 Euros, however this is capped at a total of about 2,500 new and 3,600 used vehicles. Meanwhile, plug-in hybrid electric vehicles are subject to the vehicle registration tax, with a gCO₂/km tax rate that is higher than for conventional combustion engine vehicles.

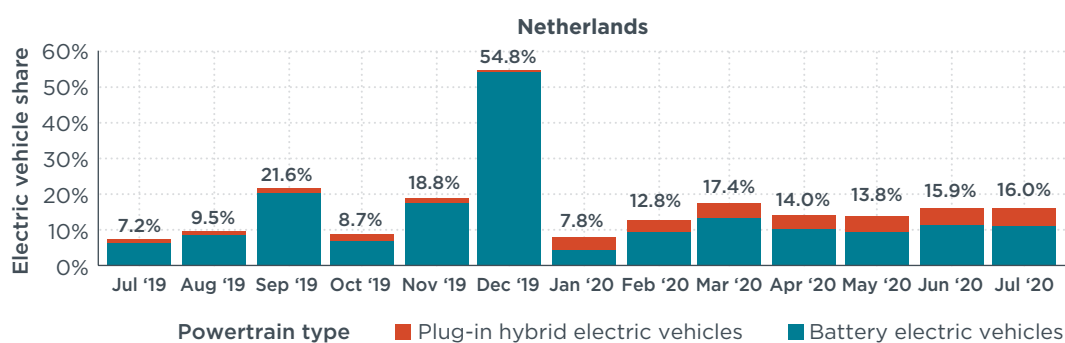


Figure 2. Share of electric vehicles in the Netherlands (spotlight of the month).

DEFINITIONS, DATA SOURCES, METHODOLOGY, AND ASSUMPTIONS

Manufacturer pools: Automakers are allowed to form pools to jointly comply with CO₂ targets. For this factsheet, the definition of pools according to the European Commission, “M1 pooling list”, version of 3 April 2020 applies (main brands listed here): VW Group (Audi, Porsche, SEAT, Škoda, VW), PSA-Opel (Citroën, DS Automobiles, Opel, Peugeot, Vauxhall), Renault (Dacia, Renault), FCA-Tesla (Alfa Romeo, Fiat, Jeep, Lancia, Tesla), BMW (BMW, Mini), Toyota-Mazda (Lexus, Mazda, Toyota), Daimler (Mercedes-Benz, Smart), Ford (Ford), Hyundai (Hyundai), and Kia (Kia). In addition, two manufacturers not forming pools (Nissan, Volvo) are included for this factsheet.

Abbreviations: CO₂ = carbon dioxide emissions; g/km = grams per kilometer; YTD = year to date.

Technical scope: This factsheet focuses on new **passenger car** registrations of category M1. Light commercial vehicles are not included. **Electric vehicles** here include battery electric, plug-in hybrid electric, and fuel cell vehicles.

Geographic scope: The European CO₂ regulation for vehicle manufacturers applies to all countries of the European Economic Area (EEA). This includes the 27 member states of the European Union, plus Iceland, Liechtenstein, Norway, and the United Kingdom (UK). Data for new car registrations and shares of electric vehicles in this factsheet cover all of these countries, with the exception of Bulgaria, Liechtenstein, and Malta. Data for CO₂ emission levels additionally omit Hungary, Lithuania, Poland (until April 2020), Portugal, and Romania (together less than 10% of the total market).

Data sources: AAA DATA (France), SMMT (UK), Dataforce (all other markets).

Results may change over time: Registrations and/or CO₂ data may be retrospectively updated by some of the national type approval authorities. YTD values are regularly updated to reflect all latest data available.

Test procedures: For the conversion of CO₂ values from the New European Drive Cycle (**NEDC**) to the Worldwide harmonized Light vehicles Test Procedure (**WLTP**), manufacturer-specific factors based on 2019 market data are applied.¹

Flexible compliance mechanisms: To facilitate meeting their CO₂ targets, manufacturers can make use of a number of compliance mechanisms: (1) For 2020, the top 5% of new car registrations with the highest CO₂ emission level will be omitted from the calculation of a manufacturer’s average CO₂ emissions (**phase-in** provision). We estimate this to lower each manufacturer’s 2020 CO₂ level by approximately 2-5 g/km, on average by approximately 3 g/km, (2) Manufacturers can reduce their CO₂ level by up to 7 g/km by deploying **eco-innovation** technologies. As a conservative estimate, we apply the 2019 level of eco-innovation CO₂ emission reductions per manufacturer,² (3) New registrations of vehicles with less than 50 g/km CO₂/km (NEDC) in 2020 are counted twice (**super-credit** multiplier of 2.0). The impact of super-credits for complying with the CO₂ targets is capped at 7.5 g/km per manufacturer for the years 2020-2022 together.

Mass-based targets: For each manufacturer pool, a specific **2020 CO₂ target value** applies, depending on the average mass of the new cars registered. For this factsheet, we assume the average mass per manufacturer pool to remain constant with respect to the market situation in 2019.³

- 1 Applying the methodology outlined in: Jan Dornoff, Uwe Tietge, and Peter Mock, *On the way to “real-world” CO₂ values: The European passenger car market in its first year after introducing the WLTP*, (ICCT: Washington, DC, 2020), <https://theicct.org/publications/way-real-world-co2-values-european-passenger-car-market-its-first-year-after>
- 2 Applying the methodology outlined in: Uwe Tietge, Peter Mock, and Jan Dornoff, *Overview and evaluation of eco-innovations in European passenger car CO₂ standards*, (ICCT: Washington, DC, 2018), <https://theicct.org/publications/eco-innovations-european-passenger-car-co2-standards>.
- 3 Uwe Tietge, Peter Mock, and Jan Dornoff, *CO₂ emissions from new passenger cars in the European Union: Car manufacturers’ performance in 2019*, (ICCT: Washington, DC, 2020), <https://theicct.org/publications/co2-new-passenger-cars-europe-aug2020>

Contact: Peter Mock, +49 30 847129-102, peter@theicct.org

www.theicct.org

communications@theicct.org

[twitter @theicct](https://twitter.com/theicct)


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