DECEMBER 2020

MARKET MONITOR

EUROPEAN PASSENGER CAR REGISTRATIONS: JANUARY–NOVEMBER 2020

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THE INTERNATIONAL COUNCIL ON CLEAN TRANSPORTATION

In November, the new car registrations in Europe were 14% lower than one year ago. Year-to-date (YTD) registration numbers for 2020 were about one quarter lower than in 2019. The market-wide share of electric vehicles increased to 16% in November and 10% YTD. Daimler performed particularly strongly, with 36% of its vehicles being registered in November as plug-in hybrid or full battery-electric vehicles. Daimler (18%) and BMW (16%) were the two large manufacturers with the highest YTD electric vehicles share. The YTD fleet average CO_2 emissions for all manufacturers decreased to an estimated level of 99 g/km (in NEDC) by November, being 3 g/km within reach of the average target level for 2021. Daimler made notable progress towards compliance, going from an estimated gap of 19 g/km by June 2020 to 7 g/km by November. The FCA-Tesla-Honda pool is now the furthest away from its target (8 g/km). It is still possible for all manufacturer pools to meet their respective 2020 CO_2 targets and avoid penalties, as the values in Table 3 provide a conservative estimate of actual market performance. With the announced merge of the FCA and PSA groups to form the new Stellantis group, the two manufacturer pools with the lowest and highest CO_2 target gap will join forces from 2021 onwards.

Table 1. New passenger car registrations, by manufacturer.

New car registrations				
	Nov 2020	Nov 2019	YTD 2020	YTD 2019
VW Group	260,105	-15%	2,659,921	-24%
PSA-Opel	151,079	-14%	1,563,036	-33%
Renault	100,507	-15%	1,066,654	-28%
Ford-Volvo	82,533	-21%	860,924	-29%
BMW	75,416	-9%	734,370	-20%
FCA-Tesla-Honda	73,844	-8%	755,354	-28%
Toyota-Mazda	73,005	-12%	744,563	-22%
Daimler	72,462	-16%	676,069	-26%
Kia	31,622	-15%	385,140	-16%
Hyundai	31,079	-27%	370,527	-27%
Nissan	22,243	-14%	254,627	-28%
Other	40,912	-9%	451,680	-30%
ALL	**1,014,807**	**-14%**	**10,522,865**	**-26%**

Table 2. Share of electric vehicles, by manufacturer.

Share of electric vehicles			
	Nov 2020	YTD 2020	YTD 2019
Daimler	36%	18%	3%
BMW	23%	16%	9%
Kia	23%	17%	6%
Other	22%	12%	8%
Hyundai	20%	14%	6%
VW Group	16%	9%	2%
AVERAGE	**16%**	**10%**	**3%**
Renault	14%	9%	3%
Ford-Volvo	13%	11%	2%
Nissan	13%	11%	9%
FCA-Tesla-Honda	12%	10%	8%
PSA-Opel	9%	6%	0%
Toyota-Mazda	5%	2%	0%

Table 3. New passenger car fleet average CO_2 emission level, by manufacturer.

	Target gap	New car fleet average CO_2 (in g/km)									
		Nov 20		YTD 2020		Compliance credits			Status 2020	Target 2020	Target gap
		WLTP	NEDC	WLTP	NEDC	PI	EC	SC	NEDC	NEDC	NEDC
PSA-Opel	-2%	120	96	123	98	3.0	0.1	5.1	90	92	-2
BMW	0%	124	102	138	114	3.0	0.9	7.5	102	103	-1
Kia	0%	108	94	120	105	3.0	0.0	7.5	94	94	0
Renault	0%	115	97	122	103	3.0	0.2	7.5	93	92	1
Toyota-Mazda	1%	113	92	123	100	3.0	0.1	1.4	95	95	0
Nissan	1%	126	100	134	107	3.0	0.1	7.5	96	95	1
Hyundai	1%	109	96	121	106	3.0	0.0	7.5	95	94	1
AVERAGE	**3%**	**121**	**100**	**131**	**109**	**3.0**	**0.2**	**6.6**	**99**	**96**	**3**
Ford-Volvo	3%	129	108	135	113	3.0	0.1	6.4	104	101	3
VW Group	6%	127	104	139	114	3.0	0.0	7.5	103	97	6
Daimler	7%	114	97	142	120	3.0	0.7	7.5	109	102	7
FCA-Tesla-Honda	8%	124	104	133	112	3.0	0.1	7.5	102	94	8

Notes: PI = phase-in, EC = eco-innovations, SC = super-credits; all CO_2 values are estimates, see methodology section.

The YTD share of electric vehicles was the highest in Norway (73%), with two-thirds of those being battery electric vehicles. Iceland (44%), Sweden (30%), Finland (17%), the Netherlands (18%), Denmark (14%), Germany (12%), and Portugal (11%) also currently have electric vehicle registration shares above the European average of 10%. In Germany, the monthly market share of electric vehicles reached another all-time high in November, with 21% of all new cars being electric.

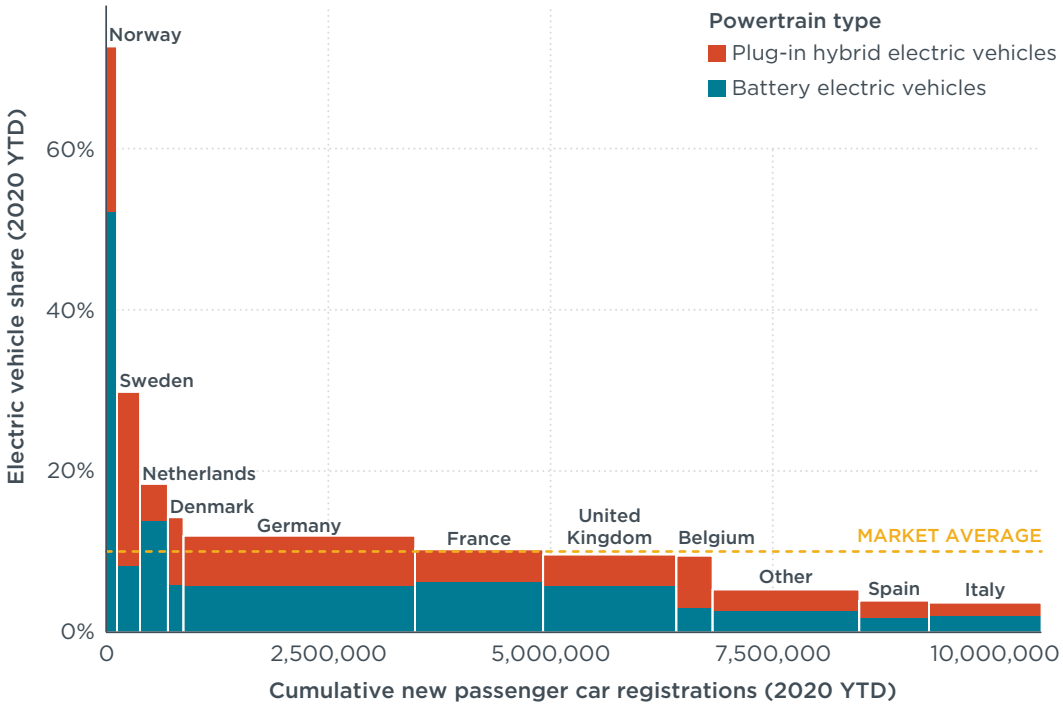

Figure 1. Share of electric vehicles, by country, including information on market size (cumulative car registrations).

Table 4. New passenger car registrations, by country.

New car registrations				
	Nov 2020	Nov 2019	YTD 2020	YTD 2019
Germany	290,150	-3%	2,606,284	-22%
Italy	138,426	-8%	1,264,080	-29%
France	125,478	-27%	1,441,234	-28%
United Kingdom	113,781	-27%	1,498,382	-31%
Spain	80,723	-18%	785,334	-35%
Poland	41,677	-8%	376,912	-25%
Netherlands	33,499	-14%	313,501	-22%
Belgium	29,340	-15%	406,713	-22%
Sweden	26,659	-13%	258,874	-16%
Austria	20,253	-13%	227,748	-26%
Other	114,821	-15%	1,343,803	-24%
ALL	**1,014,807**	**-14%**	**10,522,865**	**-26%**

Table 5. Share of electric vehicles by country.

Share of electric vehicles			
	Nov 2020	YTD 2020	YTD 2019
Sweden	39%	30%	12%
Netherlands	29%	18%	11%
Belgium	21%	9%	3%
Germany	21%	12%	3%
Other	17%	13%	7%
United Kingdom	16%	10%	3%
AVERAGE	**16%**	**10%**	**3%**
Austria	15%	8%	3%
France	15%	10%	3%
Italy	7%	4%	1%
Spain	6%	4%	1%
Poland	2%	2%	0%

In France, the sales share of electric vehicles increased strongly in January 2020, going from 3% to 11% within one month. Throughout the year 2020, the electric vehicle share remained at about 8-11%, climbing to an all-time-high of 15% in November. A strong driver of electric vehicles in France is the bonus-malus taxation system. In January 2020, the malus for vehicles with CO_2 emission levels of 185 g/km (in NEDC) and above was raised to €20,000, while the maximum bonus for battery electric vehicles remained at €6,000. In summer 2020, the maximum bonus was increased to €7,000, as part of the French COVID-19 recovery package.

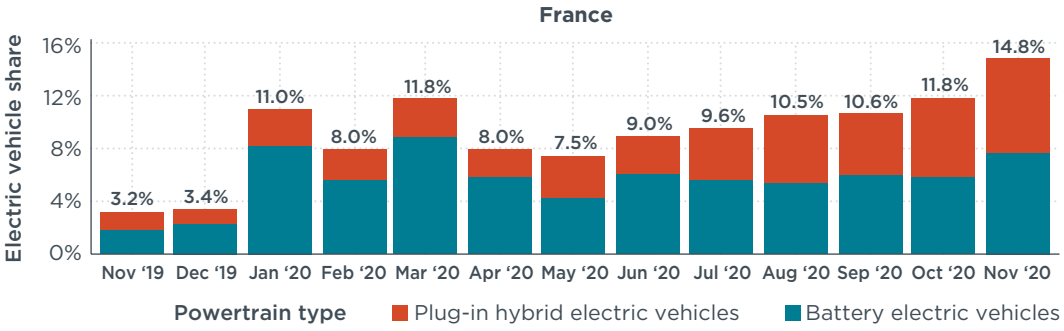

Figure 2. Share of electric vehicles in France (spotlight of the month).

DEFINITIONS, DATA SOURCES, METHODOLOGY, AND ASSUMPTIONS

Manufacturer pools: Automakers are allowed to form pools to jointly comply with CO_2 targets. For this factsheet, the definition of pools according to the European Commission, "M1 pooling list", version of 30 October 2020 applies (main brands listed here): VW Group (Audi, MG, Porsche, SEAT, Škoda, VW), PSA-Opel (Citroën, DS Automobiles, Opel, Peugeot, Vauxhall), Renault (Dacia, Renault), FCA-Tesla-Honda (Alfa Romeo, Fiat, Honda, Jeep, Lancia, Tesla), BMW (BMW, Mini), Toyota-Mazda (Lexus, Mazda, Toyota), Daimler (Mercedes-Benz, Smart), Ford-Volvo (Ford, Volvo), Hyundai (Hyundai), and Kia (Kia). In addition, one manufacturer not forming a pool (Nissan) is included for this factsheet.

Abbreviations: CO_2 = 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 CO_2 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 CO_2 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 CO_2 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 CO_2 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 CO_2 targets, manufacturers can make use of a number of compliance mechanisms: (1) For 2020, the top 5% of new car registrations with the highest CO_2 emission level will be omitted from the calculation of a manufacturer's average CO_2 emissions (**phase-in** provision). We estimate this to lower each manufacturer's 2020 CO_2 level by approximately 2-5 g/km, on average by approximately 3 g/km, (2) Manufacturers can reduce their CO_2 level by up to 7 g/km by deploying **eco-innovation** technologies. As a conservative estimate, we apply the 2019 level of eco-innovation CO_2 emission reductions per manufacturer[2], (3) New registrations of vehicles with less than 50 g/km CO_2/km (NEDC) in 2020 are counted twice (**super-credit** multiplier of 2.0). The impact of super-credits for complying with the CO_2 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 CO_2 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" CO_2 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 CO_2 standards*, (ICCT: Washington, DC, 2018), https://theicct.org/publications/eco-innovations-european-passenger-car-co2-standards.

3 Uwe Tietge, Peter Mock, and Jan Dornoff, *CO_2 emissions from new passenger cars in Europe: 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

icct
THE INTERNATIONAL COUNCIL ON CLEAN TRANSPORTATION