

MARKET MONITOR

EUROPEAN PASSENGER CAR REGISTRATIONS: JANUARY-JUNE 2020



In June 2020, new car registrations in Europe (1.1 million) returned to pre-COVID-19 levels of January and February 2020. In comparison with 2019, however, year-to-date (YTD) new car registrations remain 40% lower. FCA-Tesla was hit hardest of all manufacturer pools, registering 47% fewer new vehicles YTD than during the same time period in 2019. In contrast, Volvo's registrations in June 2020 were slightly higher than in June 2019 and YTD were 30% below last year's volume. The average share of electric vehicles in June increased to 8%. Volvo had the highest share of electric vehicles with 30%, all of which were plug-in hybrid electric vehicles. FCA-Tesla also saw a strong increase, going from 6% in May to 11% in June.

With this edition of the Market Monitor we have updated our methodology to reflect the 2019 performance of manufacturers with respect to average vehicle mass and the application of eco-innovations, and improved correlation factors between NEDC and WLTP CO₂ emission levels for some vehicles. The last in particular has a strong influence on our monitoring of average CO₂ levels with respect to manufacturers' 2020 regulatory targets. With the updated methodology, PSA-Opel remains well on track to meet its target. Nissan, Volvo, Renault, BMW and Toyota-Mazda YTD 2020 are within 5% of their respective regulatory targets. Daimler, VW Group and Ford are currently the furthest away from their targets, up to 18% in the case of Daimler. Results can still change significantly in the second half of the year, especially in light of the expected roll-out of new electric vehicle models, as is the case for VW Group.

Table 1. New passenger car registrations, by manufacturer.

	New car registrations			
	June 2020	June 2019	YTD 2020	YTD 2019
VW Group	262,936	-27%	1,275,450	-37%
PSA-Opel	164,946	-31%	756,451	-46%
Renault	148,367	-19%	507,886	-43%
Toyota-Mazda	73,047	-22%	349,422	-34%
FCA-Tesla	70,889	-33%	321,730	-47%
BMW	70,798	-28%	344,183	-35%
Ford	65,215	-26%	283,343	-47%
Daimler	64,192	-21%	300,720	-41%
Kia	35,685	-19%	181,220	-31%
Hyundai	33,620	-29%	169,486	-39%
Volvo	28,993	2%	120,927	-30%
Nissan	23,104	-32%	124,510	-43%
Other	53,738	-27%	261,685	-42%
ALL	1,095,530	-26%	4,997,013	-40%

Table 2. Share of electric vehicles, by manufacturer.

	Share of electric vehicles		
	June 2020	YTD 2020	YTD 2019
Volvo	30%	25%	9%
Kia	15%	13%	6%
Hyundai	12%	10%	6%
BMW	11%	13%	7%
Daimler	11%	9%	2%
FCA-Tesla	11%	11%	7%
Other	10%	10%	7%
Nissan	8%	11%	8%
AVERAGE	8%	8%	3%
Renault	7%	7%	3%
VW Group	7%	7%	1%
Ford	6%	3%	0%
PSA-Opel	6%	6%	0%
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)									
		June 2020		YTD 2020		Compliance credits			Status 2020	Target 2020	Target gap
		WLTP	NEDC	WLTP	NEDC	PI	EC	SC	NEDC	NEDC	NEDC
PSA-Opel	0%	123	99	124	99	3.0	0.1	4.6	92	92	0
Nissan	2%	137	110	135	108	3.0	0.1	7.5	98	95	3
Volvo	3%	142	118	147	122	3.0	0.0	7.5	112	109	3
Renault	3%	123	104	125	106	3.0	0.2	7.4	95	92	3
BMW	4%	144	119	143	118	3.0	0.9	7.5	107	103	4
Toyota-Mazda	5%	128	104	126	103	3.0	0.1	0.2	99	95	4
Kia	7%	123	107	128	111	3.0	0.0	7.5	101	94	7
Hyundai	7%	124	108	127	112	3.0	0.0	7.5	101	94	7
AVERAGE	7%	134	111	136	113	3.0	0.2	5.8	104	96	8
FCA-Tesla	10%	135	114	135	114	3.0	0.1	7.5	103	94	9
Ford	11%	131	110	136	114	3.0	0.1	2.2	109	98	11
VW Group	12%	143	117	145	119	3.0	0.0	6.1	109	97	12
Daimler	18%	150	127	156	132	3.0	0.7	7.5	121	102	19

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

In June 2020, new car registrations in France and Belgium returned to June 2019 levels. Italy and Spain registration volumes remain 51% lower than in 2019 YTD. In most other markets, the gap compared with January-June 2019 is at around 30%. The YTD share of electric vehicles was the highest in Norway (68%), with two thirds of those being battery electric vehicles. Iceland (44%), Sweden (26%), Finland (16%), the Netherlands (14%), Portugal (10%), and France (9%) are currently the other above-average electric vehicle markets in Europe.

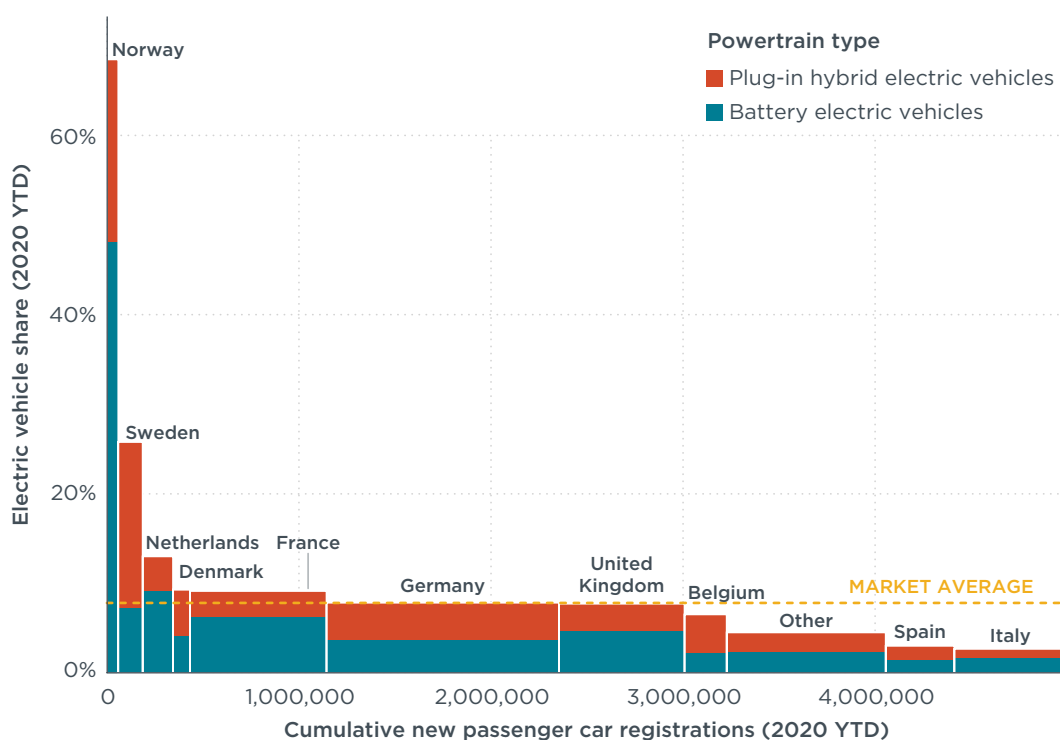


Figure 1. Share of electric vehicles by country, including information on market size (cumulative car registrations).

Table 4. New passenger car registrations, by country.

New car registrations				
	June 2020	June 2019	YTD 2020	YTD 2019
France	231,304	0%	710,433	-39%
Germany	220,272	-32%	1,210,622	-35%
United Kingdom	145,377	-35%	653,502	-49%
Italy	132,641	-30%	584,277	-51%
Spain	87,025	-36%	357,828	-51%
Belgium	50,145	-1%	219,381	-30%
Poland	35,804	-21%	179,861	-35%
Austria	27,053	-17%	113,937	-36%
Netherlands	24,926	-39%	158,187	-30%
Sweden	24,889	-22%	126,697	-25%
Other	116,094	-32%	682,288	-33%
ALL	1,095,530	-26%	4,997,013	-40%

Table 5. Share of electric vehicles by country.

Share of electric vehicles			
	June 2020	YTD 2020	YTD 2019
Sweden	26%	26%	11%
Netherlands	16%	13%	9%
Other	11%	11%	6%
United Kingdom	10%	8%	2%
France	9%	9%	2%
Germany	9%	8%	3%
AVERAGE	8%	8%	3%
Belgium	7%	7%	3%
Austria	6%	6%	3%
Italy	3%	3%	1%
Spain	3%	3%	1%
Poland	1%	1%	0%

Electric vehicle market shares in Finland have remained consistently above 10% throughout the first half of 2020. In June, nearly 15% of new car registrations in Finland were electric vehicles. Most of those vehicles (80%) were plug-in hybrid electric vehicles. Finland applies a car registration tax that is based on CO₂ levels as well as vehicle price. For high-emitting vehicles, the tax can be as high as 50% of the vehicle price. For plug-in hybrid electric vehicles, the tax rate is around 5% of the vehicle price, depending on the specific model. Finland has a €2,000 purchase incentive for battery electric vehicles, which is smaller than in many other European markets.

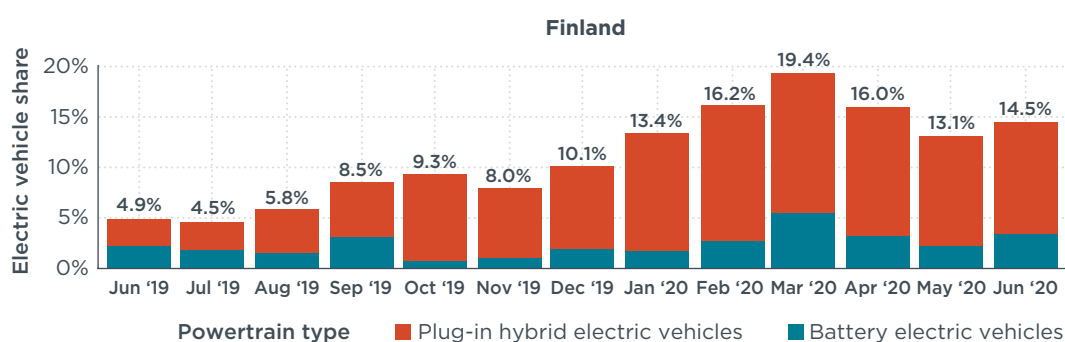


Figure 2. Share of electric vehicles in Finland (spotlight of the month).

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*, in print.

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