

## MARKET MONITOR

### EUROPEAN PASSENGER CAR REGISTRATIONS: JANUARY-MAY 2020



As COVID-19 confinement measures were eased in most European markets over the past weeks, new car registrations more than doubled in May compared to the previous month. Registration numbers for FCA-Tesla, whose sales were hit especially hard in April, tripled within a month and bounced back to their March level. Nevertheless, on average for all manufacturers, year-to-date (YTD) new car registrations remain 44% below 2019 figures, and the share of electric vehicles dropped to 7% in May. Volvo is the only manufacturer that was able to maintain an electric vehicle share above 20% (all plug-in hybrid electric vehicles). The market-wide YTD electric vehicle share remains at 8%, more than twice as high as during the same months in 2019. Fleet average CO<sub>2</sub> emission levels stayed largely unchanged, with Daimler still being the manufacturer pool the furthest away from its 2020 regulatory target value (17 g/km) despite using almost its entire 2020-2022 super credit's volume of 7.5 g CO<sub>2</sub>/km, unlike VW Group and Ford, being second and third to last on the list. Among the manufacturer pools well in reach of their 2020 target, Toyota-Mazda and PSA-Opel stand out by hardly selling any, in the case of Toyota-Mazda, or comparably few, in the case of PSA-Opel, electric vehicles.

**Table 1.** New passenger car registrations, by manufacturer.

New car registrations				
	May 2020	May 2019	YTD 2020	YTD 2019
VW Group	150,911	-57%	1,011,870	-39%
PSA-Opel	94,525	-61%	590,635	-49%
Renault	68,815	-55%	358,721	-49%
FCA-Tesla	45,886	-59%	250,451	-51%
Toyota-Mazda	40,091	-57%	276,221	-37%
Daimler	38,179	-58%	236,180	-44%
BMW	37,564	-59%	272,496	-37%
Ford	33,231	-62%	217,997	-51%
Kia	21,311	-50%	145,440	-33%
Hyundai	20,449	-56%	135,725	-41%
Volvo	14,186	-52%	91,862	-36%
Nissan	10,447	-69%	101,222	-45%
Other	29,357	-59%	207,881	-46%
<b>ALL</b>	<b>604,952</b>	<b>-58%</b>	<b>3,896,701</b>	<b>-44%</b>

**Table 2.** Share of electric vehicles, by manufacturer.

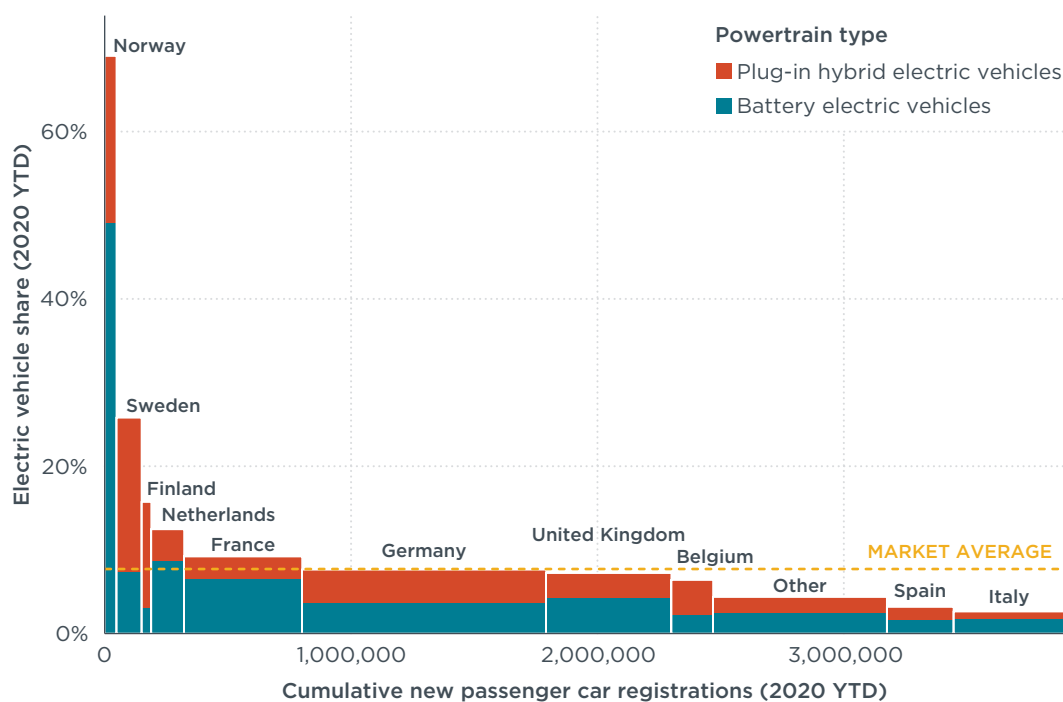
Share of electric vehicles			
	May 2020	YTD 2020	YTD 2019
Volvo	23%	23%	10%
BMW	14%	14%	8%
Kia	14%	12%	6%
Nissan	13%	11%	8%
Hyundai	13%	10%	7%
Daimler	10%	8%	2%
Other	8%	10%	7%
<b>AVERAGE</b>	<b>7%</b>	<b>8%</b>	<b>3%</b>
VW Group	7%	7%	1%
FCA-Tesla	6%	11%	6%
Renault	5%	7%	3%
Ford	5%	2%	0%
PSA-Opel	5%	6%	0%
Toyota-Mazda	0%	0%	0%

**Table 3.** New passenger car fleet average CO<sub>2</sub> emission level, by manufacturer.

New car fleet average CO <sub>2</sub> (in g/km)											
	Target gap	May 2020		YTD 2020		Compliance credits			Status 2020	Target 2020	Target gap
		WLTP	NEDC	WLTP	NEDC	PI	EC	SC	NEDC	NEDC	NEDC
Nissan	-6%	119	96	123	99	3.0	0.0	7.5	89	95	-6
PSA-Opel	-6%	119	96	116	93	3.0	0.0	4.2	86	91	-5
Volvo	-2%	142	116	142	116	3.0	0.0	7.5	105	108	-3
Toyota-Mazda	-2%	122	99	117	95	3.0	0.0	0.1	92	94	-2
BMW	-1%	138	113	136	112	3.0	0.3	7.5	101	102	-1
Renault	0%	123	104	121	102	3.0	0.0	7.3	92	92	0
FCA-Tesla	1%	139	118	122	103	3.0	0.0	7.5	93	92	1
<b>AVERAGE</b>	<b>3%</b>	<b>131</b>	<b>108</b>	<b>129</b>	<b>107</b>	<b>3.0</b>	<b>0.1</b>	<b>5.6</b>	<b>98</b>	<b>95</b>	<b>3</b>
Kia	3%	123	106	124	107	3.0	0.0	7.5	97	94	3
Hyundai	6%	121	105	125	109	3.0	0.0	7.5	98	93	5
Ford	6%	130	105	132	106	3.0	0.0	1.3	102	96	6
VW Group	8%	138	112	138	112	3.0	0.0	5.9	103	96	7
Daimler	17%	154	132	153	130	3.0	0.5	7.4	119	102	17

Notes: PI = phase-in, EC = eco-innovations, SC = super-credits; all CO<sub>2</sub> values are estimates, see methodology section.

New car registrations in Italy jumped from roughly 4,000 in April to roughly 100,000 in May, making Italy the second largest car market that month after Germany. Sweden and the Netherlands, having so far been less affected by COVID-19 confinement measures than other countries, were the only two large markets that experienced a drop in new car registrations in May compared to April. The YTD share of electric vehicles was the highest in Norway (69%), with two thirds of those being battery electric vehicles. Iceland (47%), Sweden (26%), Finland (16%), the Netherlands (12%), and France (9%) are currently the other leading electric vehicle markets in Europe.



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

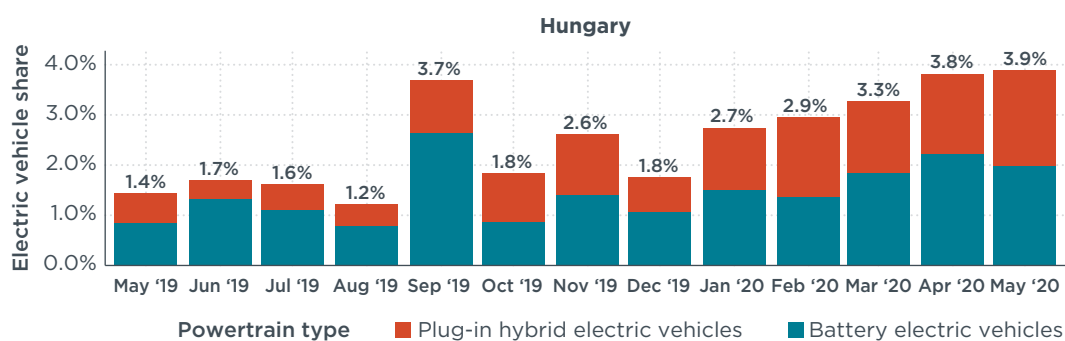
**Table 4.** New passenger car registrations, by country.

New car registrations				
	May 2020	May 2019	YTD 2020	YTD 2019
Germany	168,148	-49%	990,350	-35%
Italy	99,667	-54%	451,460	-55%
France	95,856	-51%	479,129	-49%
Spain	36,667	-72%	270,804	-54%
Belgium	35,228	-32%	169,236	-36%
Poland	21,154	-55%	144,057	-38%
Austria	20,564	-33%	86,884	-40%
United Kingdom	20,247	-89%	508,125	-51%
Sweden	15,974	-50%	101,808	-26%
Netherlands	14,934	-59%	133,344	-28%
Other	76,513	-58%	561,504	-34%
<b>ALL</b>	<b>604,952</b>	<b>-58%</b>	<b>3,896,701</b>	<b>-44%</b>

**Table 5.** Share of electric vehicles by country.

Share of electric vehicles			
	May 2020	YTD 2020	YTD 2019
Sweden	21%	26%	12%
United Kingdom	16%	7%	2%
Netherlands	14%	12%	8%
Other	11%	11%	6%
France	7%	9%	2%
<b>AVERAGE</b>	<b>7%</b>	<b>8%</b>	<b>3%</b>
Germany	7%	8%	3%
Belgium	7%	6%	3%
Austria	6%	6%	3%
Spain	3%	3%	1%
Italy	3%	3%	1%
Poland	2%	1%	1%

Among the Eastern European markets, Hungary stands out with a comparably high and growing share of electric vehicles. In May, about 4% of new car registrations in Hungary were electric vehicles. Approximately 1,500 electric vehicles were registered YTD, about half of which were battery electric vehicles. In Hungary, electric vehicles are exempt from the one-time property acquisition tax and registration tax, as well as annual ownership taxes. For a compact car segment electric vehicle model in 2019, these benefits amount to approximately 800 euros over a four-year holding period.



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

## DEFINITIONS, DATA SOURCES, METHODOLOGY, AND ASSUMPTIONS

**Manufacturer pools:** Automakers are allowed to form pools to jointly comply with CO<sub>2</sub> 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), Kia (Kia). In addition, two manufacturers not forming pools (Nissan, Volvo) are included for this factsheet.

**Abbreviations:** CO<sub>2</sub> = 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<sub>2</sub> 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<sub>2</sub> 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<sub>2</sub> 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<sub>2</sub> values from the New European Drive Cycle (**NEDC**) to the Worldwide harmonized Light vehicles Test Procedure (**WLTP**), manufacturer-specific factors based on 2018 market data are applied.<sup>1</sup>

**Flexible compliance mechanisms:** To facilitate meeting their CO<sub>2</sub> 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<sub>2</sub> emission level will be omitted from the calculation of a manufacturer’s average CO<sub>2</sub> emissions (**phase-in** provision). We estimate this to lower each manufacturer’s 2020 CO<sub>2</sub> level by approximately 3 g/km, (2) Manufacturers can reduce their CO<sub>2</sub> level by up to 7 g/km by deploying **eco-innovation** technologies. As a conservative estimate, we apply the 2018 level of eco-innovation CO<sub>2</sub> emission reductions per manufacturer<sup>2</sup>, (3) New registrations of vehicles with less than 50 g/km CO<sub>2</sub>/km (NEDC) in 2020 are counted twice (**super-credit** multiplier of 2.0). The impact of super-credits for complying with the CO<sub>2</sub> 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<sub>2</sub> 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 2018.<sup>3</sup>

1 Jan Dornoff, Uwe Tietge, and Peter Mock, *On the way to “real-world” CO<sub>2</sub> 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 Based on the methodology detailed in: Uwe Tietge, Peter Mock, and Jan Dornoff, *Overview and evaluation of eco-innovations in European passenger car CO<sub>2</sub> 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<sub>2</sub> emissions from new passenger cars in the European Union: Car manufacturers’ performance in 2018*, (ICCT: Washington, DC, 2019), <https://theicct.org/publications/CO2-emissions-PVs-Europe-2018>.

**Contact:** Peter Mock, +49 30 847129-102, [peter@theicct.org](mailto:peter@theicct.org)

[www.theicct.org](http://www.theicct.org)

[communications@theicct.org](mailto:communications@theicct.org)

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

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