

Increased demand for EVs in 2020 contributed to a 12% fall in Europe's average CO₂ emissions

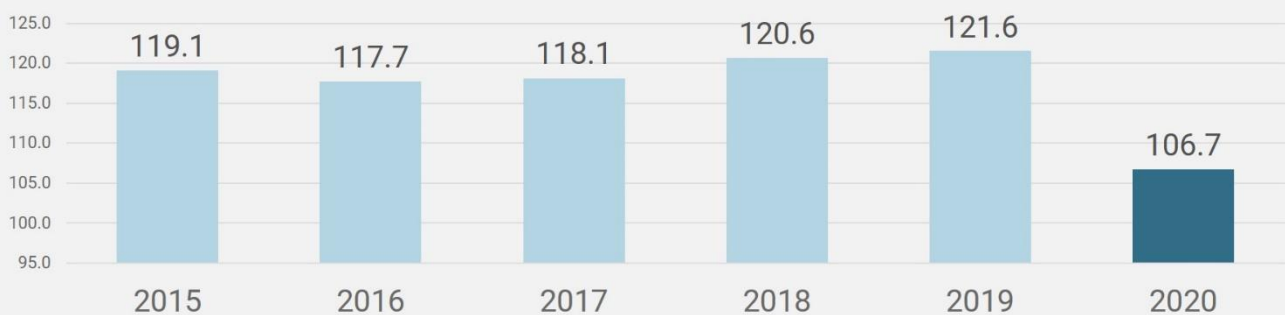
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- Six markets recorded emissions averages below 100g/km
- SUVs posted the highest average reduction in emissions
- Electrification continues to drive the fall in CO₂ emissions

2020 was a year of unexpected challenges and significant change for the automotive industry. Amid many difficulties posed by the Covid-19 pandemic, demand for electric vehicles increased and CO₂ emissions fell further than before. According to data collected by JATO Dynamics in 21 countries across Europe, the volume weighted average CO₂ emissions (NEDC) of vehicles registered in 2020 was 106.7 g/km – 12% lower than the average recorded in 2019.

This drop in CO₂ emissions can be attributed to tougher government regulations such as the enforcement of WLTP fuel economy rules and a shift in consumer attitudes in favor of electric vehicles. Felipe Munoz, JATO's global analyst, commented: "Although the industry still needs to do more to meet the European Commission's' CO₂ targets, manufacturers have demonstrated significant progress with their range and sales in 2020." Registrations of pure electric and plug-in hybrid vehicles totaled 1.21 million units last year – 10.6% of the total market. This is an increase from 2019, when volume totaled 466,000 units, accounting for just 3.1% of total registrations.

**Volume Weighted Average CO₂ emissions (g/km)
NEDC Correlated. Passenger Cars Registrations Europe-21**

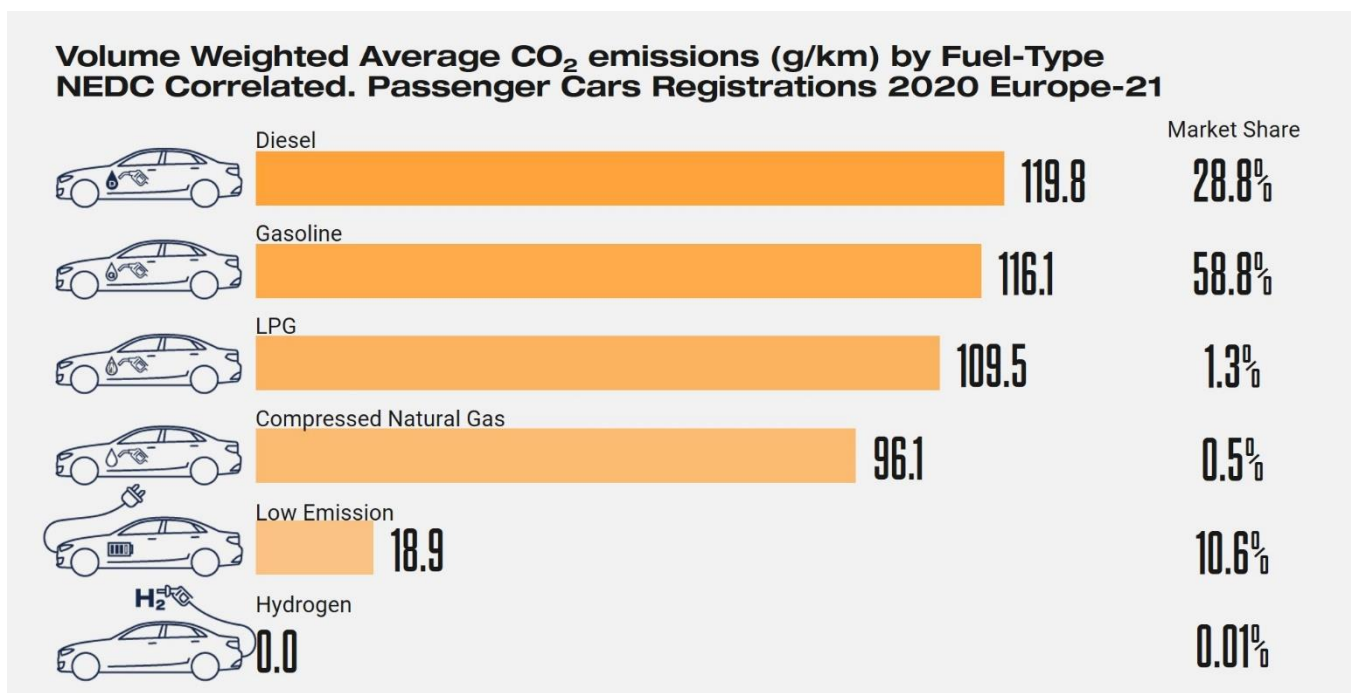


Push for sustainability heightened by the pandemic

The Covid-19 pandemic has supported the growth of EVs across Europe. Focussing on how to bring the automotive market back to full strength, European countries opted to promote a green, sustainable recovery, with some governments creating new purchase incentives within their economic-stimulus packages.

This resulted in many consumers moving away from traditional internal combustion engines (ICE) vehicles during the pandemic, instead purchasing low-emissions alternatives. Volume for ICE vehicles fell from 14.7 million units in 2019, to 8.6 million last year – accounting for 3 in 4 cars registered in Europe. This had an immediate effect on emissions levels. Munoz noted: “In a year when millions of potential buyers were not allowed to leave their homes, it is notable that total average emissions decreased by 15g/km. It signifies a fundamental change to our notion of mobility and a greater appetite for sustainable options.”

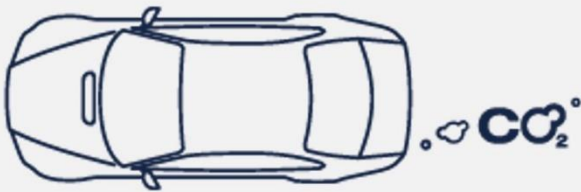
With lockdown restrictions imposed across Europe and many governments delivering incentives packages for zero and low emissions cars, OEMs have made changes to their offering and marketing in order to entice consumers towards EV and PHEV vehicles.



6 countries posted emissions averages below 100g/km

Six countries posted average emissions below 100g/km: the Netherlands, Denmark, Portugal, Sweden, France and Finland. This also reflects the ranking for countries with the highest registration of EVs, with Sweden (32%) and the Netherlands (25%) topping the list. Finland, Denmark and Portugal occupied the following positions. On the other side of the spectrum, the opposite trend can be seen in Slovakia, the Czech Republic and Poland – all of which registered the highest CO₂ averages and recorded low levels of EV penetration.

Volume Weighted Average CO₂ emissions (g/km) by Pool*. NEDC Correlated. Passenger Cars Registrations 2020 Europe-21



BMW Group	110.3
Daimler Group	117.0
Fiat-Chrysler	105.6
Geely Group	105.1
Hyundai-Kia	103.2
Jaguar-Land Rover	147.9
PSA Group	97.8
Renault-Nissan-Mitsubishi	104.2
Subaru	155.3
Suzuki	102.5
Toyota	97.5
Volkswagen Group	110.8

* Pools include BMW (BMW brand, Mini, Rolls-Royce), Daimler (Mercedes, Smart), Fiat Chrysler (Abarth, Alfa Romeo, Fiat, Honda, Jeep, Lancia, Maserati, Tesla), Geely Group (Ford, Lotus, Polestar, Volvo), Hyundai-Kia (Hyundai, Kia), PSA (Citroen, DS, Opel, Peugeot, Vauxhall), Renault-Nissan-Mitsubishi (Alpine, Dacia, Infiniti, Lada, Mitsubishi, Nissan, Renault), Subaru (Subaru), Suzuki (Suzuki brand), JLR (Jaguar, Land Rover), Toyota (Lexus, Mazda, Toyota), Volkswagen Group (Audi, Bentley, Cupra, MG, Porsche, Seat, Skoda, Volkswagen)

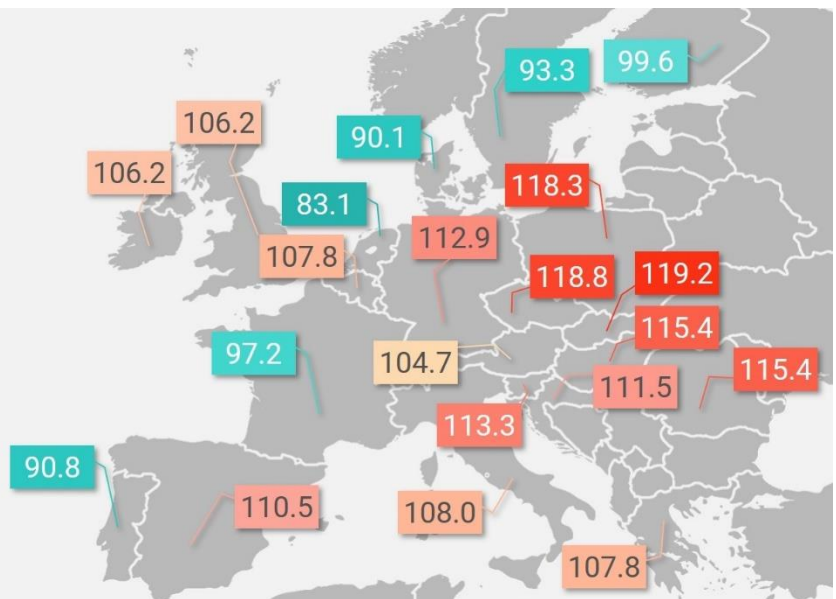


SUVs drive sales while posting highest average reduction in emissions

Despite the turbulent economic backdrop, SUVs were a key driver of growth last year, easing the fall in sales across traditional hatchbacks, sedans, MPVs and wagons. In 2020, the volume of SUV registrations accounted for 40% of all passenger cars, and also posted the best results for average reduction to emissions levels.

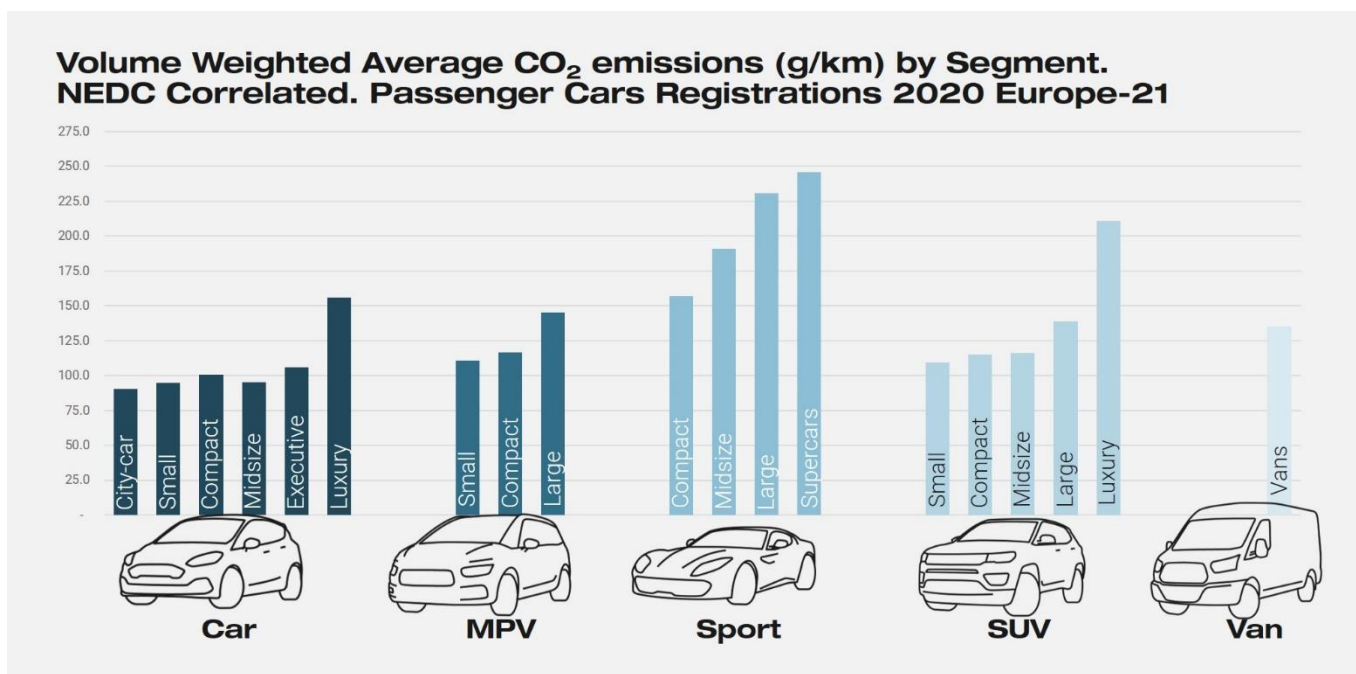
According to our data, SUV emissions fell by 16.2g/km between 2019 and 2020 – the biggest decrease among the 5 mega segments analysed (regular cars, MPVs, sport cars, SUVs and vans). This is, in part, due to the improved range of PHEV and BEV midsize, and large SUVs now available to consumers.

Volume Weighted Average CO₂ emissions (g/km) by Country. NEDC Correlated. Passenger Cars Registrations 2020 Europe-21



Despite these achievements, SUVs continued to produce greater emissions levels than city cars, subcompacts, compacts, midsize, executive and luxury cars. On average, an SUV produces 18% more CO₂ than traditional cars, and even the smallest SUVs produce larger average emissions than executive cars. Munoz stated: "More often than not, SUVs tend to be heavier than hatchbacks and sedans, meaning fuel consumption is higher. That said, they are now the next target on the list for electrification and we will undoubtedly see more progress in the coming months".

So far, the race for electrification has largely been seen across more traditional models. For instance, the Tesla Model 3, Renault Zoe and Volkswagen ID.3 are Europe's top selling BEVs. There is still great potential within the SUV market and demand is expected to accelerate at an even greater pace when more electrified models are introduced. Munoz added: "After a year of disruption, there are reasons to be positive and manufactures could rapidly offset the decline in sales by focusing on what consumers are looking for at the moment – zero and low emissions SUVs."



All emission data is taken directly from public sources or, when there was no public source, taken from comparable vehicles. The information includes the registrations weighted NEDC-Correlated emissions without supercredits and phase-in.

CO₂ data corresponding to Austria, Belgium, Croatia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom.



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About JATO

JATO Dynamics, founded in 1984, now has representation in over 51 countries around the world. We provide precision under pressure, providing the world's most timely, accurate and up-to-date automotive information on vehicle specifications, pricing, sales and registrations for over 30 years. We offer more than just data, as we've watched the world change, and consumer mindsets alter with it we have been able to offer insights that help inform the industry. We're able to react to short-term market movements, plan for long-term developments and ultimately to meet the needs of our clients. Visit JATO at www.jato.com for more information.

